

ERITREAN RELIEF ASSOCIATION (UK)
(A company limited by guarantee)

**Annual Report
&
Accounts for the
Year ended 31st March 2013**

Registered Company No: 2294497

Registered Charity No: 800543

Reporting Accountant: Fitsum F Michael BA FCCA MBA

Eritrean Relief Association (UK)
(A Company Limited by Guarantee)

Company Information:

Trustees/Directors Seble Ephrem, Chairman
YergalemTewolde, Treasurer
Shanet Zeru, Secretary
Habtom Tesfai
Mebrak Ghebrewoldi
Mehretab Habtu
Yohannes Fassil
Tesfaldet W. Ghilazgi
Tewelde W. Kidan (Trustee)
Alula Abraha Germazion (Trustee)

Secretary Shanet Zeru

Reg. Charity Number 800543

Reg. Company Number 2294497

Registered Office Robin House
2A Iverson Road
London, NW6 2HE

Reporting Accountant Fitsum F Michael BA FCCA MBA
14 Bushfield Close
Edgware, Middlesex
HA8 8XT

Bank HSBC Bank plc
Kilburn Branch
50-52 Kilburn High Road
London
NW6 4HJ

ERITREAN RELIEF ASSOCIATION UK (ERA-UK)
TRUSTEES' REPORT
For the year ended 31st March 2013

The Board of Trustees present herewith their report and the externally examined financial statement for the year ended 31st March 2013.

OUR ORGANISATION

The Eritrean Relief Association in United Kingdom has been registered as a UK charity and constituted as a company, limited by guarantee since 1988. Historically, ERA UK was established in 1976 by a group of Eritrean exiles in UK; it had been operating and providing services as an unincorporated association till 1988. A Memorandum of Articles of Association governs it and the Board of Trustees is responsible for setting the strategic direction of the organisation for establishing policy. Trustees and Directors do not receive remuneration from the organization and possess managerial, professional and volunteering experience. The Board on the recommendation of other Directors appoints the Trustees.

ACHIEVEMENTS

In furtherance of our continued objectives, this year ERA-UK undertook:

- In partnership with regenerist Ltd ERA UK has successfully completed a capacity building project. The Big Lottery - Awards for All provided the funding for the project. The main achievement of the project include:
 - 2-day workshop on business planning, fundraising strategy, communication strategy including use of digital marketing and social media. Forty-five people including members of the Board of Trustees and volunteers participated in the workshops.

The project made a big difference on the following areas of ERA UK work:

- ERA UK was able to bring together for the first time members, volunteers and community leaders to discuss and develop longer-term business plan, funding strategy, communication strategy.
- Members and volunteers now feel more involved in the organizations plans which will improve ownership and better networking set up
- This will help to improve the visibility of the organization in the wider community or the public at large by using the IT systems purchased by the grant.
- There are now more people empowered to interact with the organizations' fundraising activities for specific projects.
- ERA UK has now brand new working computers and other IT support such as scanner and good quality printers and fax facilities
- A consultation meeting with all ERA-UK partner organizations in Eritrea was held in Asmara (March 2013) to discuss and exchange current and future prospects of our work programmes.

- 13 people took part and completed the British10K London Run in July 2012, the year of the London Olympic Games. The group raised a total of £7,472 (including Gift Aid) towards specific ERA UK projects.
- On its 10th anniversary, the Lewes, East Sussex dinner event in July 2012 raised £910.00 towards vulnerable children.
- Charity collection boxes at grocery shops and newsagents raised £418 for general relief and development programmes.

HOW WERE FUNDS SPENT?

ERA UK raised its funds this year through a variety of fundraising activities including: 10K sponsored runners in July 2012; single and regular public donations; the annual charity dinner by friends in Lewes, East Sussex; charity collection tins; and Gift Aid claims received from HMRC paid on behalf of UK taxpaying donors. The capacity-building project supported by the Big Lottery Fund is now operational.

ERA-UK has collaborated with EriReader Group, based in Washington DC, on a new project to provide digital books with e-readers to college students in Eritrea. These are portable devices that can store reference books in accordance to the subject curriculum. ERA-UK has covered the cost of 29 of the total 75 e-readers. It is expected the shipment will be sent to the Institute of Technology at Mai-Nefhi in 2013.

ERA UK donated funds to support a request received from the Cultural Department in Eritrea towards the compilation of a Geez/Tigrigna dictionary. Being the root language to Tigre and Tigrigna, Geez is in the process of being utilized with a view to assist in the development of both Tigre and Tigrigna. Utilize

Blood Glucose kits including Glucometers, lancets and test strips (for 2000 people) were delivered to the National Eritrean Diabetic Association.

Continued support in the form of consultation and provision of material was extended to a PhD. student at Roehampton University on her film project of Eritrean cuisine.

All purchases, donations, support and services provided by ERA-UK were made further to requests originating with recipient partners and upon consultation and agreement of ERA-UK Trustees to ensure operational and mission mandate.

All of the above mentioned partners have acknowledged receipt and provided letters of their appreciation with the ERA-UK partnership.

RESERVE POLICY

The Trustees have agreed to designate a total of £39,144 out of which £18,815 will be for specific projects, £20,329 for funding contingency and other development programmes for the financial year 2013/14.

RISK MANAGEMENT

The Trustees have reviewed the major risks to which the charity organisation may be exposed. They have taken the necessary steps to mitigate such eventualities.

ACKNOWLEDGEMENTS

The Board of Trustees gratefully acknowledge all public financial donations, the tireless efforts of the sponsored runners, business enterprises that raised funds by displaying ERA-UK charity boxes in their shops and general support shown by all who care for the welfare of Eritrea without whom we could not provide the services that we do.

ERA-UK thanks The Big Lottery – Awards for All Fund for supporting our capacity-building project and our partners, the regenerist Ltd., for their support in implementing the project.

Additionally, ERA (UK) is grateful for the following benefits in kind it received during this period:

- Eri-commerce International Limited continues to provide free office space including utilities such as light, heating, as well as cleaning of the office.
- Mr. Fitsum Michael, BA, FCCA, MBA independently examined the Accounts Report, for which he has made no charge.

STATEMENT OF TRUSTEE RESPONSIBILITIES

Company Law 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 profit and loss of the charity for that period. In preparing the financial statements, the Trustees are required to:

- Select suitable accounting policies and apply them consistently,
- Make judgments and estimates that are reasonable and prudent,
- State whether the policies adopted are in accordance with the Companies Act 1985 and with applicable accounting standards, subject to any material departures as explained in the financial statements;
- 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 appropriate 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 Companies Act 1985.

The Trustees are also responsible for safe-guarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

REPORTING ACCOUNTANT

Mr. Fitsum F Michael was appointed as the reporting accountant in accordance with Section 385 of the Companies Act 1985. Mr. Michael is fellow member of the Association of Chartered Certified Accountants and held senior offices at global accountancy practices and financial service organisations. Mr. Michael charged no fee for conducting the independent examination and reporting on the accounts.

This report is approved on behalf of the Trustees on 7th October 2013 in accordance to the Special Exemptions available to small companies conferred in Part II of Schedule 8 of the Companies Act 1985.

Signed by
Seble Ephrem, Chairman

To The Members of Eritrean Relief Association (UK)

We report on the accounts for the year ended March 31, 2013 set out on pages 6-9

Respective responsibilities of the directors and reporting accountant

As described on pages 1 to 4 the charitable company's directors and trustees are responsible for the preparation of the accounts. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the charitable company, and making such limited enquiries of the officers of the charitable company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in my opinion

Opinion

In our opinion:

- (a) the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985
- (b) having regard only to, and on the basis of, the information contained in those accounting records:
 - i. the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
 - ii. the charitable company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(5) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1)

Signed by

Date: 7 October 2013

Fitsum F Michael BA FCCA MBA

14 Bushfield Close

Edgware, Middlesex HA8 8XT
Reporting Accountant (2013)

Eritrean Relief Association (U. K)
Statement of Financial Activities for the year ended 31 March 2013

	2012/13	2011/2012
	Total	Total
Incoming Resources		
Donations	13,066.00	17,815
Donations in kind (office rent)	4,000.00	4,000
Bank Interest	16.00	24
Other income (Insurance claimed)	324.00	
Total incoming resources	17,406.00	21,839
Resources expended		
Medical equipment & supplies	1,540	1,841
Health & Nutrition supplies/HIV		7,203
Project (Arts and Education and Autism training)	2,359	
Autism project materials		143
E-Reader joint project	3,030	
Capacity Building Project		8,752
Eritrean Diabetic Ass (Cam recorder)		525
Telephone	370	358
Fundraising & Publicity - seminar/website development		116
Freight	2,424	
Administrative expenses	255	35
Liability Insurance	238	182
Domain & Hosting	108	58
Bank charges		17
10K Run Expenses including fees	504	623
Premises costs including rent/rates	4,000	4,000
Total resources expended	14,828	23,853
Net movement in resources	2,578.00	-2,014
Total funds brought forward	36,566.00	38,580
Total funds carried forward	39,144.00	36,566

Summary Income and Expenditure Account
for the year ended 31 March 2013

	2012/13	2011/12
Gross income of continuing activities	17,406	21,839
Total expenditure of continuing operations	-14,828	23,853
Net income/(expenditure) for the year	2,578	-2,014

Eritrean Relief Association (U. K)
Balance Sheet
31st March 2013

	<i>Notes</i>	2012/13	2011/12
Current Asset			
Debtors and Prepayments		424	424
Bank accounts		39,097	36,512
Petty Cash		8	15
Total		<u>39,529</u>	<u>36,951</u>
Liabilities			
Creditors: amounts falling due within one year			
Accruals		385	385
Net current assets		<u>39,144</u>	<u>36,566</u>
Total Assets less current liabilities		<u>39,144</u>	<u>36,566</u>
Funds			
Designated/Restricted funds	2	18,815	15,854
Unrestricted funds		20,329	20,712
Total		<u>39,144</u>	<u>36,566</u>

The notes on the following pages form part of this account

Eritrean Relief Association (U.K.)
Notes to the accounts for the year ended 31 March 2013

1. Accounting policies

a) Basis of accounting

These accounts have been prepared under the historical cost convention and in accordance with applicable UK Charities statement of recommended practice (SORP) "Charities SORP 2005.

b) Grants

Grants are recognised in the Statement of Financial Activities (SOFA) on an accruals basis.

c) Donations, fundraising and gifts

Donations, gifts and fund raising are recognised in the accounts on a received basis. Gifts in kind are valued at their value to the charitable company

d) Other income

Sundry income is recognised in the financial statements when it falls due.

e) Expenditure

Expenditure on Overseas projects is recognised at the time of payment. All other expenditure is recognised on an accruals basis

f) Taxation

No provision for taxation is included in the accounts as the charitable company is entitled to exemption from tax afforded by Section 505 of the Income and Corporation Taxes Act 1988. Fixtures and fittings valued in excess of £100 is capitalized

g) Cash flow

The charitable company qualifies as a small company and therefore in accordance with FRS1, no cash flow statement is prepared.

2 Restricted & designated funds

The restricted fund of the charitable company has been derived from sponsorship runs and other specific fund raising events. The funds are being used to support various charitable programmes including health awareness, training and support for parents of children with learning difficulties including autism and down's syndrome and other education and development programmes.

The income fund of the charitable company includes the following that have been set aside by the Board of Trustees out of unrestricted and restricted funds:

	Designated funds b/f on 01/04/2012	Incoming Resources	Expensed	Re-designated	Balance c/fw on 31/03/13
Projects funds	15854	9,736	-9,353	2,578	18,815
Funding Contingency	20712	3,669	-1,475	-2,577	20,329
Total	36566	13,405	-10,828	1	39,144

The projects' fund is to support and fund health, education programmes in Eritrea including for training and supporting parents of children with learning difficulties, teaching materials for disabled children, development education and purchase of e-readers for students in colleges.

The funding contingency is to cover the ongoing expenses that are essential to the continued operation of the charity including fundraising activities and other capacity building programmes for volunteers and fundraisers.

4. Members of the Board of Trustees Remuneration and Expenses

None of the members of the Board of Trustees was remunerated directly or indirectly, some members of the Board of Trustees have claimed expenses.

5. Contingencies and Contractual commitments

In the opinion of the members of the Board of Trustees at 31.3.2013, there were no contingent liabilities and no contractual commitments (2012 nil)