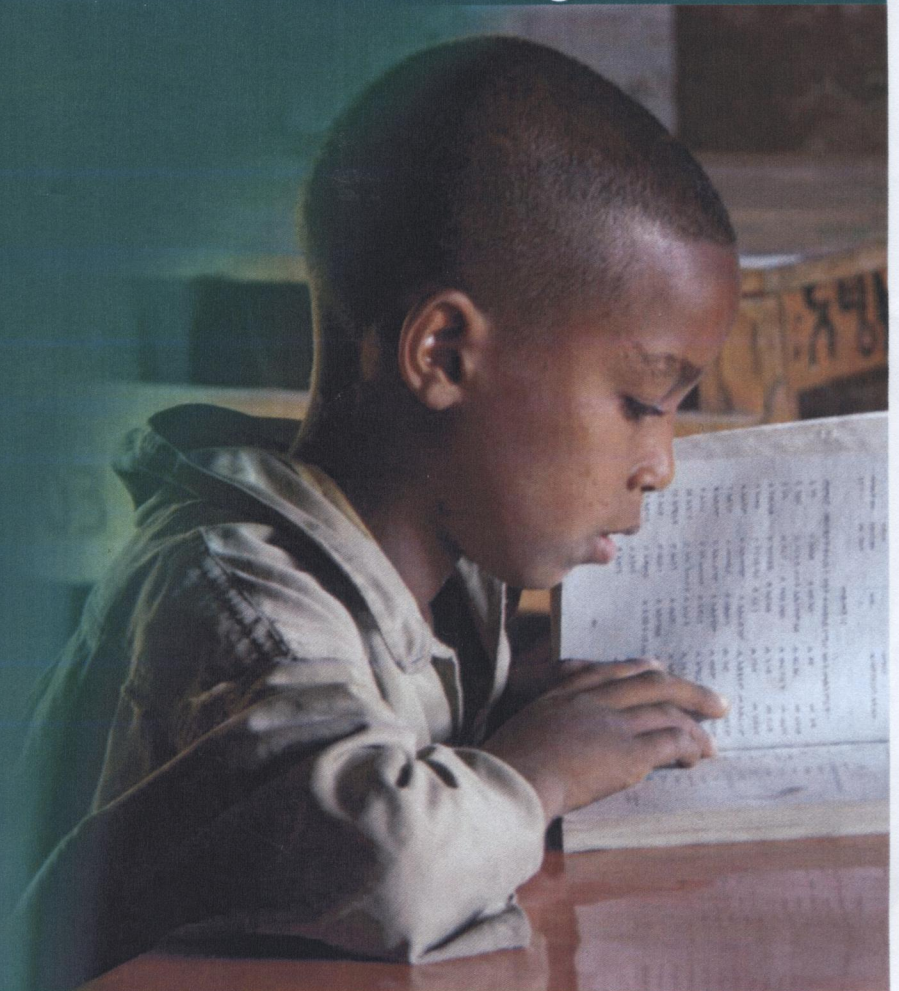


Trustees'
Annual
Report &
Accounts

2007-08

Supporting education through: School Links
Resourcing Projects
Child Sponsorship
Volunteer Teaching



**Annual Report & Accounts
of
Link Ethiopia
6th April 2007 to 5th April 2008**

**Registered Charity Number
1112390**

Registered in England and Wales

4 Orchard Mews, London, N1 5BS

Trustees who manage charity:

Chris Grant – Chair of Trustees and Director
Ashley England – Treasurer
Jean Bailey
Rev. Christopher Clare
Melaku Getachew

All Trustees apart from Chris Grant were appointed at charity formation on 18th September 2005. Matt Stockdale resigned from the Board of Trustees on 31st August 2007 before taking up employment with the charity. On this date Chris Grant joined the Board and was elected to serve as Chair on 28th November 2007.

Employees:

Matt Stockdale – Project Director, London Office, appointed 1st September 2007.
Belayneh Shewaye – Country Manager, Gondar Office, appointed 1st November 2006.
Mulugeta Derso – Project Coordinator, Gondar Office, appointed 17th April 2008.

Description of the Trust:

Governing Document:	Trust Deed made on 18 th September 2005
How Charity is constituted:	Trust
Trustee Selection:	Appointed by the existing trustees

Other governance details:

The charity is run on a day to day basis by the Director (volunteer), Project Director and a team of volunteers from our London Office and the Country Manager and Project Coordinator in our Gondar Office.

There is a Child Protection Policy in place that was adopted by the trustees on 8th March 2007.

Trustee remuneration:

No Trustees received any remuneration during the period.

Summary of the objects of the charity set out in the governing document

The advancement of education and the relief of poverty in Ethiopia and the promotion of racial harmony between the young people of the United Kingdom and Ethiopia.

Summary of the main activities in relation to these objects

- Establishing and supporting School Links between UK and Ethiopian schools at all levels. This programme works to improve cultural awareness and racial harmony alongside supporting curriculum development to help advance education in both countries.
- Resourcing and Community Projects in Ethiopia, particularly in rural schools, include the building of new classrooms, providing water facilities and sanitation together with the resourcing of school libraries. This helps the advancement of education and the relief of poverty in these areas.

- Our Volunteer Teaching programme places volunteers in Ethiopian schools for periods of time to teach English, provide computer training and sports coaching. This scheme directly supports the education of many young people in Ethiopia whilst giving the volunteers invaluable experience working in a different culture.
- Our Child Sponsorship scheme enables individuals to support the education of a child and their school in Ethiopia. School resources and equipment are provided to the sponsored children and school projects such as the building of new classrooms, provision of water and toilets are enabled in the Ethiopian schools.

Additional Details

A great contribution is made by volunteers. We are grateful for the many hours volunteers have given us and without this valuable contribution of time, energy and expertise we would not have been able to achieve so much.

Summary of the main achievements of the charity during the period

School Linking

- We currently have 29 school links (21 primary, 8 secondary), an increase of 10 during the period.
- In April 2008, five teachers from three UK schools visited their link schools in Ethiopia (Backwell Secondary, Dr Challoner's Grammar and Gayhurst Preparatory).
- Also in April, a teacher and pupil from Chechela Elementary School in Gondar visited their UK link school, Lambton Primary in County Durham.
- UK schools which are starting a link are now asked for an annual subscription to help cover administration costs.
- School link fundraising, usually towards specific projects in their Ethiopian link school, is increasing. We raised £12,789 during the year, compared with £4,594 the previous period.

Gap Ethiopia

- Four volunteers taught at Fasiledes Secondary School (Gondar) and two at Azezo Secondary School (Azezo).

Child Sponsorship

- The Child Sponsorship scheme started in early 2008 and 7 sponsors had registered by the end of the financial year.

Resourcing Projects

- Building six new classrooms in rural schools to allow hundreds more children to attend school and providing classroom furniture

- Construction of a new clean water facility to improve the health and hygiene of students
- Building of two toilet blocks in urban schools to improve the health and hygiene of students
- Provision of improved technology in various schools and installing internet in an urban secondary school. Provision of a new staff facility in an urban elementary school.
- Funding of the 'Clean Gondar' project which pays street children to help clean part of their community

Score Ethiopia

- We have begun a partnership with Procter & Gamble's 'Wash & Go' brand to promote football in Ethiopia. A football kit design competition within UK and Ethiopian schools was the highlight of this year's activities. The company has pledged £15,000 to provide a community / football facility in the town of Lalibela in northern Ethiopia.

Other

- Gift Ethiopia was another success, particularly through the launch of our Gift Ethiopia website alongside raising awareness amongst parents in our linked schools.
- We now have a signed Memorandum of Understanding between Link Ethiopia and the Ministry of Education in Addis.
- We employed our first UK employee in September 2007 to manage the day to day running of the charity and its planned expansion.
- We moved into our first UK office in January 2008. The office address is St Georges Church, Tufnell Park, London, N7 0ND.
- We employed our second Ethiopian employee in April 2008 to coordinate our project activities.

Financial Review

The charity's income during the 2007/08 financial year was £59,152 which was over three times our underlining income during the 2005/07 financial period. This was made up of £26,740 unrestricted and £32,412 restricted funds. Our expenditure during the current financial year has remained approximately the same, at £36,940. This was made up of £29,792 from unrestricted and £7,148 from restricted funds. Our unrestricted spending was largely on target during the year. Our restricted spending was significantly less than restricted income due to the spending patterns of the charity up until now being determined largely by the timing of visits to Ethiopia by our UK team. This year our Easter visit fell just after the end of the financial year which means next year's restricted spending is likely to be significantly higher. With our new Project Coordinator recruited we now expect to be funding projects much more continuously throughout the year.

Policy on Reserves:

- As at 05/04/08 the charity held funds of £44,698. Of this amount £22,147 was in restricted funds.
- The charity aims to have between £10,000 and £15,000 on deposit in unrestricted funds at all times to meet any unforeseen expenses that may occur in meeting its aims and to bridge any temporary gap in income. We have increased our reserve level this financial year to reflect our responsibility as an employer. The year end represents a peak of funds being held which are subsequently spent in the next financial year.

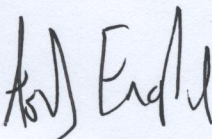
Funds materially in deficit:

None

Declaration

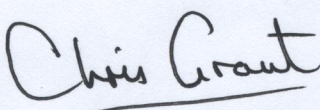
The trustees declare that they have approved the trustee's report above.

Signed on behalf of the charity's trustees

Signature: 

Full Name: Ashley England
Position: Treasurer

Date: 5/12/08

Signature: 

Full Name: Chris Grant
Position: Chair of Trustees

Date: 5/12/08

Link Ethiopia
Statement of Financial Activities
For the year ended 5th April 2008

	Total 2005-2007 £	Unrestricted Funds £	Restricted Funds £	Total 2007-2008 £
Incoming Resources				
DCGS Fund Donation	41,993	-	-	-
Individual Donations	10,629	8,315	18,534	26,849
School Donations	4,594	2,173	10,616	12,789
Organisation Donations	3,003	2,878	3,208	6,086
School Linking Fees	-	450	-	450
Volunteer Teacher Fees	-	5,250	-	5,250
Score Ethiopia	-	-	54	54
Tax refunds	-	6,430	-	6,430
Interest	379	1,243	-	1,243
Total Incoming Resources	60,598	26,740	32,412	59,152
Resources Expended				
Charitable Activities				
School Projects	19,127	3,607	3,635	7,241
Community Projects	3,073	1,002	2,081	3,082
School Linking	-	4,394	678	5,072
Volunteer Teaching	4,672	5,236	-	5,236
Score Ethiopia	726	1,333	-	1,333
Cost of Generating Funds				
Cost of Generating Funds	2,565	5,207	-	5,207
Governance Costs				
Visits to Ethiopia	5,914	2,662	755	3,417
UK Admin Expenditure	864	5,180	-	5,180
Ethiopia Admin Expenditure	1,171	1,170	-	1,170
Total Resources Expended	38,111	29,792	7,148	36,940
Net Incoming Resources	22,486	(3,052)	25,264	22,212
Balance Brought Forward	-	20,036	2,450	22,486
Transfers	-	5,567	(5,567)	-
Balance Carried Forward	22,486	22,551	22,147	44,698

Link Ethiopia
Statement of Assets and Liabilities
As at 5th April

	2007 £	2008 £
Current Assets		
Lloyds TSB Current Account	2,107	8,745
CAF Fixed Rate Selector Account	20,379	21,576
Lloyds TSB Cornwall Account		-
Lloyds TSB Score Account		5
Paypal Account		890
Dashen Gondar Account		13,482
Total Current Assets	22,486	44,698
Funds		
Unrestricted Funds	20,036	22,551
Restricted Funds	2,450	22,147
Total	22,486	44,698
Other Monetary Assets		
Gift Aid Claim	2,167	1,672

Notes to accounts

Accounting Policy

This financial statement have been prepared on a receipts and payments basis as permitted by charities legislation and in accordance with applicable accounting standards.

Stock and Other assets

The charity holds minor items of furniture, stationary and consumable stock. The Trustees do not consider their valuation to be material and aim to keep such items to a minimum.

Trustee Expenses

The Trustees are reimbursed for any expenses incurred for the charity.

Cost of Employees

The Salaries of UK and Ethiopian employees are accounted for under relevant project spending. The Uk employee served as a trustee before the start of his employment with the charity.

Transfers

Transfers reflect restricted donations received in the current year for spending funded and accounted for as unrestricted spending in the previous financial year.

Signed on behalf of the Trustees

Signature:

Ashley England

Full Name:

Ashley England

Position:

Treasurer

Date:

5/12/08

Signature:

Christopher Grant

Full Name:

Christopher Grant

Position:

Chair of Trustees

Date:

5/12/08

Independent Examiner's Report on the Accounts

Report to the Trustees of Link Ethiopia
On accounts for year ended 5th March 2008
Set out on pages 7-8 of this report

Respective responsibilities of trustees and examiner:

The charity's trustees consider that an audit is not required for this year (under section 43(2) of the Charities Act 1993 (the Act)) and that an independent examination is needed. It is my responsibility to:

- examine the accounts (under section 43 of the Act),
- to follow the procedures laid down in the General Directions given by the Charity Commission (under section 43(7)(b) of the Act),
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement:

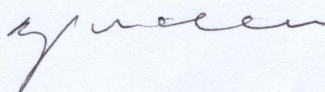
My examination was carried out in accordance with General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the accounts.

Independent examiner's statement:

In the course of my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in, any material respect, the trustees have not met the requirements to ensure that:
 - proper accounting records are kept (in accordance with section 41 of the Act); and
 - accounts are prepared which agree with the accounting records and comply with the accounting requirements of the Act; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed:



Date:

11-1-2009

Name: R J Marshall

Relevant Professional Qualifications or Body: ACA FCIE

Address: 26 Kingsway, Chalfont St Peter, Bucks, SL9 8NT