

**PENHA**

**Report and Accounts**

**31 December 2009**

# **PENHA**

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## **PENHA**

### **Trustees**

Mr Z. Quereshi

Chairperson

Mr Y. Fassil

Treasurer

Dr T. Mesfin

Dr. H. Terefe

Ms T. Aanchawan

Ms D. Appels

Prof. G. Oba

Mr. G. Fida

Prof J. F. Morton

### **Secretary**

Dr. Z. Fre

### **Company Number**

2658932

(England & Wales)

### **Charity Number**

1038957

### **Registered Office**

1 Laney House

Portpool Lane

London EC1N 7UL

### **Auditors**

Accounts Center Associates Limited

492 Gale Street

Dagenham Essex RM9 4NU

020 8595 8333

### **Bankers**

National Westminster Bank plc

Chancery Lane and Holborn Branch

PO Box 159

322 High Holborn

London

WC1V 7PS

# **PENHA**

## **Trustees' Report**

The trustees present the project report and accounts for the period ended 31 December 2009. This abridged report forms part of and should be read in conjunction with the detailed project reports produced during the period.

During 2009 PENHA experienced a steady growth institutionally in terms of its human capacity and increased donor support despite the difficult economic situation in the world. We have increased our man power capacity at country offices by 30% and increased the number of our internees/volunteers in our London office by 40%.PENHA has few core paid staff in several countries but much of our work is carried out by technical advisors, research associates and post graduate volunteers under the leadership of our core staff.

The African Region where PENHA operates is one of the politically and economically volatile regions of the continent where conflicts, droughts and food insecurity are common occurrences. Despite such odds PENHA has been able to deliver its services to the most vulnerable nomadic and semi-nomadic communities in Sudan, Uganda, Eritrea and Somaliland. The PENHA Headquarters in London provides monitoring, management, administrative, financial support and guidance to all the country offices

The following is a brief update on the achievements during 2009.

### **The PENHA London Office**

- Provided ongoing management support, advice and information to PENHA's offices in Somaliland, Sudan, Uganda and Eritrea and assisting with fund-raising funds internationally for PENHA's country programmes.

- London based project officers and the Executive Director undertook several monitoring field visits to the PENHA countries and assisted in preparing progress reports to PENHA 's donors

Strengthened PENHA's own internal structures by establishing functional country chapters and consolidating the PENHA country programme support unit within the Head office

- Recruited new volunteers

- Developed and kept up-to-date PENHA's website in order to disseminate information about pastoralism in the Horn of Africa and as a fundraising tool  
Continued to Identify new funding sources for PENHA with the purpose of diversifying PENHA 's funding base

- Preparing audited accounts for donors and statutory bodies  
Widening the international network by participating in international and national forums interested on African affairs

- Continued to develop the long term plans for PENHA at the Horn of Africa level, the individual country level and in the international office in London

The Trustees are also very proud to report that Joanna Lumley has agreed to become PENHA's first Patron. We look forward to working with her.

## **PENHA**

### **Trustees' Report**

#### **Uganda**

At the beginning of 2009, a series of Animal Husbandry (Livestock Management) training workshops were held for a total of 204 Farm Field School (FFS) facilitators from the Acholi, Lango and Teso regions of northern and eastern Uganda. About one quarter of the trainees were women. This is part of the recovery programme from 20 years of suffering from the violent depredations of the Lords Resistance Army (or in the case of Teso, from the Karamajong). The result of these attacks was the loss of livestock as well the inability to undertake normal farm activities. The aim of the programme is to restore lost husbandry skills by training local ‘facilitators’ at centres across the region, who will then train local farmers and maintain breeding stock to support restocking efforts.

The training was followed up two or three months later by visits to many of the trainees to see what progress had been made. In general, there was a major improvement in the capacity of the trainees in both managing their own livestock as well as the training of others. In addition, PENHA Uganda developed and produced a “Livestock Management Training Manual”. This is available on the PENHA website. These three linked activities were done in partnership with the Food and Agricultural Organisation in Uganda.

A study has been made of the Ankole Long horned cattle by a member of PENHA staff with the support of the League for Pastoral Peoples and Endogenous Livestock Development (LPP). This was a participatory study, with herders from her own pastoralist community, aimed at documenting indigenous animal genetic resources and bringing out pastoralists’ own perspectives on livestock development. It is to be published and disseminated as a joint LPP-PENHA publication, in both English and Runyankore.

PENHA-Uganda has continued its role as the national focal point organization for Oxfam Novib’s regional Resource Based Conflict (RBC) Network. A Senior PENHA Associate led a study on the conflict between Basongora pastoralists in the far west of Uganda and the authorities at the Queen Elizabeth National Park. A conflict mapping study was delegated to local partners MADEFO (the Matheniko Development Forum), based in Karamoja and therefore better able to assess the cross-border Karamoja-Turkana conflict between Ugandan and Kenyan pastoralists.

PENHA-Uganda has played an important coordinating role in the regional Women’s Economic Empowerment programme, shaping the analytical and training components of the programme, and contributing to the management of the programme in Somaliland and Sudan. The programme aims to empower pastoralist women economically by equipping them with business skills and information, as well as increasing their access to finance and their participation in business networks. This year, PENHA-Uganda conducted a Socio-Economic Baseline Study using field assessments conducted in pastoral and agro-pastoral communities across central and western Uganda. This study has been published on the PENHA website. This programme is supported by the Danish government.

PENHA-Uganda’s exotic goats breeding centre at the Nkoma Farm continues to produce high quality cross-bred goats (with imported South African Boer goats and local Mubende goats) and goats continue to be distributed to local women’s groups. However there is a need for new investment in pure Boer breeding stock, water supply and the establishment of high quality feed.

## **PENHA**

### **Trustees' Report**

#### **Somaliland**

Somaliland is the only country in the region in which pastoralists make up a majority of the population. PENHA-Somaliland, established in 2001, has worked consistently to address pastoralists' concerns at the grassroots and policy levels. It continues to collaborate with ministries, particularly the Ministry of Pastoral Development and Environment, district authorities, village committees, a number of local NGOs and CBOs, as well as international NGOs and UN agencies.

PENHA-Somaliland was selected as the lead agency to conduct a training programme on "Gender Mainstreaming & Leadership Trajectory" (GMLT) which had been designed by Oxfam Novib. The object of the training was to strengthen the capacity of Somali NGOs to address gender and HIV/AIDS issues systematically in their programming and organizational development. A training workshop was organised in March 2009 where 11 organisations undertook a GMLT exercise aimed at creating evidence-based change towards more gender sensitivity and practice, at the level of counterparts' organizations, their programmes and the communities they work with. Southern Somali organizations have participated in training workshops in Hargeisa. This programme is an important contribution to gender equality, working against traditionalism and Islamic fundamentalism that strongly opposes women's advancement.

The regional Women's Economic Empowerment Programme is being developed in Somaliland. Several field visits have been made to assess local conditions in the project areas and to gain the support of key local actors, including local authorities, elders and village committees. This programme is supported by the Danish government.

PENHA is the national focal point organization in Somaliland for the RBC Network, leading 32 organizations across Somaliland. Capacity building involves training in policy advocacy and campaign skills and is based on RBC's regional training guide and resource pack. In 2009, PENHA trained 15 local and international organizations. It also undertook two major conflict mapping exercises, one in Somaliland and the second a cross border mapping, conducted jointly with the network's focal point organization for Puntland. The information generated will be analysed to identify conflict indicators and opportunities for peace building at local and regional levels, and will be disseminated to policymakers and regional early warning mechanisms.

PENHA-Somaliland has continued its support for ex-combatants under UNDP's DDR programme. It involves supporting rural livelihoods and business enterprises in order to help demobilized fighters to re-integrate into society and establish sustainable livelihoods. In March 2009, the final allocation of 1,689 goats and sheep were distributed to those beneficiaries who had handed in their arms.

#### **Sudan**

PENHA-Sudan registered the following achievements under the current program:

PENHA-Sudan got its license renewed in July 2009, enabling it to continue implementing programs in Sudan. PENHA Sudan is hosted by the Sudan University for Science and Technology at the outskirts of Khartoum Sudan.

PENHA signed two year collaboration Technical Agreement with the Animal Resources Research Corporation of the Ministry of Science and Technology (MOST) in order to be able to implement some of its programmes in Sudan.

## **PENHA**

### **Trustees' Report**

PENHA also provided moral, technical and financial support towards the establishment of the Pastoralist Environment Association Kassala State (PEAKS) in Kassala State during 2009. The PEAKS is now legally registered and operating in Kassala State working among the most vulnerable pastoral peoples in the State. PEAKS have more than 1000 members and it is growing in strength.

A training visit was made by 8 members of PEAKS committee to Khartoum. This took place in the college of Veterinary Medicine and Animal Production of the Sudan University of Science and Technology and the Animal Production Research Centre of the ARRC.

A capacity building training exercise taken with PEAKS members to empower them in negotiating strategies against fodder factories (Halfa factory Kassala) and in storage methods. The aim being to allow the PEAKS cooperative to purchase fodder when it is at low out of season price and so reduce costs for feeding their animals.

One Sudanese full time staff recruited as the Senior Finance and Admin officer has been recruited. Two Sudanese volunteers and two part-time technical advisors were also involved in helping run PENHA's daily activities.

A Project Management Team/advisory group has been established consisting of five prominent Sudanese individuals whose job is to advise PENHA Sudan.

This year, PENHA-Sudan conducted a Socio-Economic Baseline Study using field assessments conducted in pastoral and agro-pastoral communities in Kassala State Eastern Sudan. This study has been published on the PENHA website. This programme is supported by the Danida.

Identification of project implementation sites – women's groups were selected from three villages in Kassala State.

During January 2009 a Sudanese animal feed specialist Dr. Talal Mirghani from the Animal Resources Research Corporation (ARRC) visited Eritrea to give fodder training to 300 pastoralists and small farmers in Gash Barka Region of Eritrea.

PENHA and ARRC are also in the process of publishing the joint research paper by PENHA and ARRC based on the findings of the research on alternative animal feeds carried out during 2008.

### **Eritrea**

An evaluation has been carried out by PENHA in Eritrea in October 2009 to assess the livelihood impact of the fodder production programme under Oxfam Novib. Twenty-seven (27) of the former trainees as well as key informants from the local administration and the Ministry of Agriculture branch were interviewed in Sahmbuko, Forto-Sawa, Goluj and Tesseny. 81.4% of the respondents found that the training was very informative, 70.3% felt that the training increased fodder availability/choices, 66.6% said that the training – if properly applied - would increase the productivity of milk and 81.4% felt that the training has generally increased their capacities. 48.1% of the respondents were applying the new skills and producing fodder for their animals after the training, the remaining pastoralists felt that they needed additional guidance from PENHA or NUEYS to start the production of fodder.

## **PENHA**

### **Trustees' Report**

PENHA in collaboration with its local partner NUEYS conducted also HIV/AIDS awareness raising and leadership training among pastoralist forum members under the ICCO programme for a Pastoralist Centre Development. The delayed construction of the centre compound (around 450sqm) has now been finalised and the official handover from the contactors took place in October 2009.

A market assessment for the centre was finalised in Goluj in January 2010 and several pastoralists and key informants were interviewed in this regard. A clear finding from this assessment is that the pastoralists and local policy makers would like to see the centre being developed into a dynamic production and market place rather than an information and resource centre. PENHA and NUEYS are currently working on a strategy to implement the recommendations of the market assessment study.

### **Trustees responsibilities**

Charity account guidelines and generally accepted accounting principles which may be applied to charitable organisations requires trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the organisation and of the profit or loss for that period. In preparing those accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the organisation will continue in business.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the organisation and to enable them to ensure that the accounts comply with the charities Statement of Recommended Practice (Charities SORP).

They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Auditors**

A resolution to appoint Accounts Center Associates Limited as auditors was passed by the board of trustees at a meeting held in London on 12 June 2009.

This report was approved by the board on 28 May 2010.

Dr. Z. Fre  
Secretary

## **PENHA**

### **Independent auditors' report to the Trustees of PENHA**

We have audited the accounts of the PENHA for the period ended 31 December 2009 which comprise pages 4 to 8. These accounts have been prepared in accordance with the UK Charities SORP, under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the accounts, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

### **Opinion**

Subject to the above, in our opinion the accounts give a true and fair view of the state of the project's affairs as at 31 December 2009 and of its surplus for the period then ended and have been properly prepared in accordance with the Companies Act 1985 and the UK Charities SORP.

Accounts Center Associates Limited  
Registered auditors  
492 Gale Street  
Dagenham Essex RM9 4NU  
020 8595 8333

28 May 2010

## PENHA

### Statement of Financial Activities for the year ended 31 December 2009

		Unrestricted Funds £	Restricted Funds £	2009 £	2008 £
<b>Incoming resources</b>	Notes				
<b>Donations and other income</b>					
Grants	2	2,972	292,020	<b>294,992</b>	191,343
Activities for generating funds		2,550	-	<b>2,550</b>	25
Investment income		77	-	<b>77</b>	3,371
<b>Total incoming resources</b>		<u>5,599</u>	<u>292,020</u>	<u><b>297,619</b></u>	<u>194,739</u>
<b>Resources expended</b>					
Charitable activities	4	-	217,605	<b>217,605</b>	126,274
Project support and administration	5	8,800	-	<b>8,800</b>	15,109
Fundraising and publicity	6	118	-	<b>118</b>	534
		<u>8,918</u>	<u>217,605</u>	<u>226,523</u>	<u>141,917</u>
<b>Net incoming funds / (outgoing resources)</b>		<b>-3,319</b>	74,415	71,096	52,822
Total funds brought forward		<u>3,422</u>	<u>59,521</u>	<u><b>62,943</b></u>	<u>10,121</u>
<b>Total funds carried forward</b>		<u>103</u>	<u>133,936</u>	<u><b>134,039</b></u>	<u>62,943</u>

**There were no recognised gains or losses other than the results shown in the financial statements.**

The notes on pages 6-8 form part of the financial statements.

## PENHA

### Balance Sheet as at 31 December 2009

	Notes	2009 £	2008 £
<b>Fixed assets</b>			
Tangible assets	7	<u>363</u>	<u>546</u>
		363	546
<b>Current assets</b>			
Cash at bank	8	219,989	139,977
		<u>219,989</u>	<u>139,977</u>
<b>Creditors: amounts falling due within one year</b>			
	9	<u>86,313</u>	<u>77,580</u>
<b>Net current assets</b>			
		133,676	62,397
<b>Total assets less current liabilities</b>			
		<u>134,039</u>	<u>62,943</u>
<b>Creditors: amounts falling due after more than one year</b>			
		-	-
<b>Net assets</b>			
		<u>134,039</u>	<u>62,943</u>
<b>Funds</b>			
Restricted funds	10	133,936	59,521
Unrestricted funds		103	3,422
		<u>134,039</u>	<u>62,943</u>

The trustees acknowledge their responsibilities for:

- (i) ensuring that the organisation keeps proper accounting records which comply with the Charities SORP and generally accepted accounting principles; and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the project as at the end of the financial year and of its surplus or deficit for the financial year.

The accounts have been prepared on an accruals basis and incorporates all income, costs, assets and liabilities for which invoices have been received and/or settled.

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Mr Z. Quereshi  
(Chairperson)

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Mr Y. Fasil  
(Treasurer)

Approved by the Trustees on 28 May 2010

## PENHA

### Notes to the Accounts for the year ended 31 December 2009

#### 1 Charity status

The charity is a company limited by guarantee, the liability of the members being limited to £1 each. The company is registered as a charity and is exempt from direct taxation.

#### 2 Accounting policies

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Statement of Recommended Practice on Accounting by Charities (the Charities "SORP"), as revised in April 2005 and the Companies Act.

#### Grants

All grants are from donors for specific environmental research projects or for the purpose of defraying staff costs (and for the provision of office facilities and functions).

#### Restricted project funds

Funds received in respect of restricted projects are credited direct to the individual restricted profit accounts which are then debited with payments made in respect of the project and with the costs of administering that project.

#### Overseas projects

Expenditure in respect of overseas projects is charged to the relevant project at the time of payment.

#### Foreign currencies

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the dates of transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rate ruling at the balance sheet date.

#### Companies Act

The company has permission under Section 30(5) of the Company's Act 1985 to omit the word 'Limited'

#### Depreciation

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives.

Equipment 25% straight line

<b>3 Incoming resources</b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Depreciation of owned fixed assets	<b>183</b>	183
Auditors' remuneration	-	750
Exceptional costs associated with introducing the Euro	-	-
	<hr/>	<hr/>
<b>4 Charitable activities</b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Direct project costs	<b>147,998</b>	92,419
Professional fees and consultancy	<b>26,464</b>	2,520
Travel	<b>8,936</b>	8,480
Vet-Aid costs	<b>5,815</b>	4,000
Wages and salaries	<b>28,392</b>	18,855
	<hr/>	<hr/>
	<b>217,605</b>	126,274

## PENHA

### Notes to the Accounts for the year ended 31 December 2009

	<b>2009</b>	2008
	<b>£</b>	<b>£</b>
<b>5 Project support and administration</b>		
Volunteer costs	<b>150</b>	2,200
Rent, rates and insurance	<b>350</b>	5,942
Insurance	-	334
Printing, postage and stationery	<b>1,225</b>	785
Telephone, fax and internet	<b>1,703</b>	2,118
Books and publications	-	550
Bank charges	<b>643</b>	539
Accounting	-	750
Bookkeeping	-	250
Repairs and maintenance	-	80
Depreciation	<b>183</b>	183
Interest expenses	<b>1,605</b>	-
General expenses	<b>2,941</b>	1,378
	<b>8,800</b>	15,109
	<hr/>	<hr/>
<b>6 Fundraising and publicity</b>	<b>2009</b>	2008
	<b>£</b>	<b>£</b>
Newsletter	-	-
Publicity	-	435
Subscriptions	<b>118</b>	99
	<b>118</b>	534
	<hr/>	<hr/>
<b>7 Tangible fixed assets</b>	<b>Equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
<b>Cost</b>		
At 1 January 2009	<b>729</b>	729
Additions	-	-
At 31 December 2009	<b>729</b>	729
	<hr/>	<hr/>
<b>Depreciation</b>		
At 1 January 2009	<b>183</b>	183
Charge for the year	<b>183</b>	183
At 31 December 2009	<b>366</b>	366
	<hr/>	<hr/>
<b>Net book value</b>		
At 31 December 2009	<b>363</b>	363
	<hr/>	<hr/>
At 31 December 2008	<b>546</b>	546
	<hr/>	<hr/>
<b>8 Bank and cash</b>	<b>2009</b>	2008
	<b>£</b>	<b>£</b>
Cash	<b>52</b>	91
Current account	<b>2,933</b>	12,314
Reserve account	<b>153,270</b>	98,012
Capital reserve account	<b>63,734</b>	29,560
	<b>219,989</b>	139,977
	<hr/>	<hr/>

## PENHA

### Notes to the Accounts for the year ended 31 December 2009

#### 9 Creditors: amounts falling due within one year

	2009	2008
	£	£
Creditors and accruals	6,133	1,945
Deferred income	80,180	75,635
	<u>86,313</u>	<u>77,580</u>

#### 10 Restricted Funds

	01/11/08	Incoming resources	Project Expenses	Deferred income	31/12/09
<b>Deferred income</b>					
Oxfam-Novib	13,909	111,841	76,513	24,425	24,812
Danida	45,097	193,770	83,854	51,070	103,943
ICCO	-	24,824	24,283	-	541
Brentwood United Reform Church	-	3,686	3,686	-	-
Kassala Education (BBC 4 Appeal)	-	6,883	2,198	4,685	-
KM Harbinson Charity Trust	515	800	1,315	-	-
Hilden Charitable Trust	-	-	-	-	-
Opengate	-	4,650	4,650	-	-
The Noel Buxton Trust	-	2,790	2,790	-	-
EPRD	-	13,499	9,061	-	4,438
IIED	-	9,457	9,255	-	202
	<u>59,521</u>	<u>372,200</u>	<u>217,605</u>	<u>80,180</u>	<u>133,936</u>

#### 11 Change of accounting period

The accounting reference date for PENHA has been changed from 31 October to 31 December. These accounts have been prepared for the period 1 November 2008 to 31 December 2009.