

tearfund

Germany

Love goes beyond

Annual Report 2021



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Note: For the sake of easier reading, only the masculine form has been used for the individual categories of people; however, people of all gender forms are meant in all cases.

For a life without poverty and injustice

Dear supporters of Tearfund Germany,

When I spoke to a local woman during a visit to Somaliland in June 2021, she told me that without our help she would no longer be alive. She would have died of thirst. Doesn't the prophet Isaiah say:

Share your food with the hungry and give shelter to the homeless. Give clothes to those who need them and do not hide from relatives who need your help.
Isaiah 58:7

We are convinced of this mission and driven to enable people to live without poverty and injustice. In the drought region of Somaliland in 2021, we maintained water supplies in several places and provided emergency shelter for refugee families. The woman I spoke to is now able to send her children back to school and feed them through her own labour. Our agricultural programme helps her to grow and sell vegetables.

The year 2021 has shown that problems can be solved if we tackle them together and commit to a cause. This applies not only to the major challenges in our project countries but also here in Germany. The Tearfund Germany team has developed and grown over the past year. We are ready for the tasks ahead.

Thank you for supporting us in this. With your donations, with invitations to church services, and with your intercession. The annual report 2021 is intended to provide friends and supporters of Tearfund Germany with detailed insights into the work and give an account of how the funds are used.

Thank you very much for your trust. Without you, this work would not be possible!

Yours faithfully,



Dr. (UNISA) Martin Knispel
CEO





1 WHO WE ARE

Tearfund Germany is a Christian non-profit association for development cooperation and emergency aid. We are committed to a world without poverty and injustice, where all people are given the opportunity to develop their God-given potential.

Tearfund Germany is part of the global Tearfund network, which together fights poverty and injustice in over 50 countries.

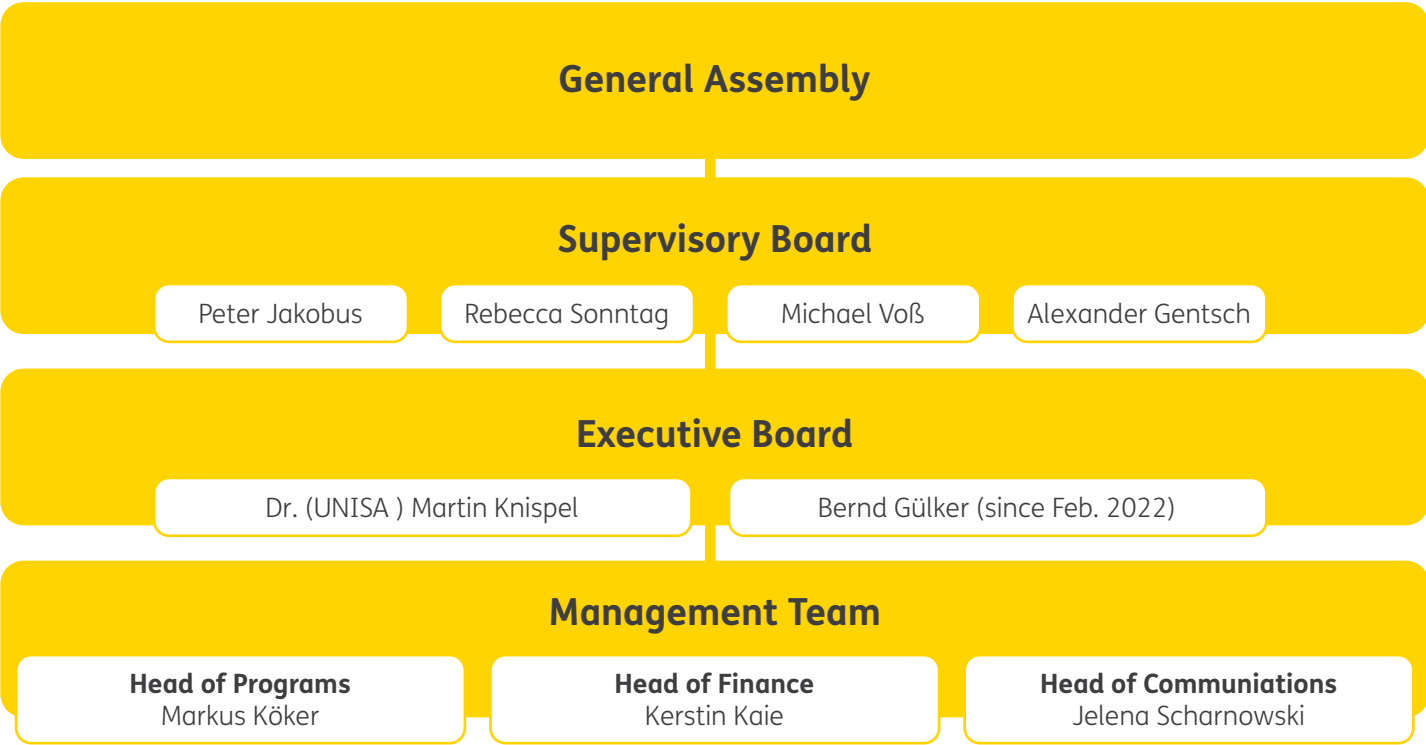
1.1 HOW WE WORK

Tearfund works with local partners and (where possible) churches to empower individuals, families and whole communities to overcome the effects of conflict, poverty and injustice.

The Christian faith motivates us to live out boundless love. We are a praying and believing community of Christians. Our commitment against poverty and for justice, peace and integrity of creation is in line with Christian values, as well as the UN Sustainable Development Goals (SDGs).

1.2 THE NON-PROFIT ASSOCIATION

Tearfund Germany is an independent non-profit association and is supported by full-time and voluntary employees in the office and the country programmes. The bodies of the non-profit association are the General Assembly, the Supervisory Board, the Executive Board, and the Management Team.



Networks and commitments

Together we achieve more. Tearfund Germany works with many partners and is involved in various networks to advance common causes.



1.3 OUR TEAM IN BERLIN



Martin Knispel
CEO



Bernd Gülker (since March 2022)
CEO



Kerstin Kaie
Head of Finance



Jelena Scharnowski
Head of Communications



Markus Köker
Head of Programmes



Beate Rieger
Program Coordinator



Steffen Wiese
Deputy Head of Programmes



Ines Baumann
Digital Communications



Marieli Mendez
Finance Coordinator



Dorothee Schaub
Administration



Rachel Lißke
Social Media



Jan Röhle
Design

1.4 WHERE WE WORK

We live out boundless love without borders in the following countries
Projects are carried out with local partner organisations, which are supported and supplemented by our own teams on the ground.

TURKEY

①

- Since 2015
- Projects provided through local Christian partner organisations
- Inclusion and education: Assisting refugee families who have children with disabilities
- Covid-19 Assistance: Supporting refugees and families in special need
- Family strengthening for refugees and families in need: Training trainers and running courses on topics such as marriage and child rearing
- Beneficiaries: 2,014 | Expenditure: € 127,361

JORDAN

②

- Since 2014
- Family strengthening for refugees and families in need: Providing children's clubs, literacy courses, marriage, marriage preparation. and parenting courses
- Income generation: Supporting micro-enterprise start-up courses and further mentoring
- Beneficiaries: 563 | Expenditure: € 99,240

YEMEN

③

- Since 1998
- Emergency aid: Providing water and sanitation supplies, distributing washing and hygiene articles, helping to contain epidemics such as cholera and covid-19 through the distribution of medicines, educational materials, and food items
- Sustainable development aid: Restoring of water reservoirs, harvesting rainwater, and connecting toilets to sewage disposal systems
- Beneficiaries: 6,514 | Expenditure € 274,004

SOMALILAND

④

- Since 2004
- Training for pastoralists and smallholder farmers (e.g., sustainable rangeland management, drought preparedness plans)
- Constructing vegetable gardens and greenhouses
- Harvesting rainwater
- Supporting self-help groups for women (e.g., solidarity community engagement, Income generation)
- Providing emergency aid in times of drought (e.g., water deliveries, relief packages, fodder)
- Beneficiaries: 2,138 | Expenditure: € 200,113

IRAQ

⑤

- Since 2014
- In Dec. 2021, a new peacebuilding project was launched using the sport of Ultimate Frisbee and soccer for young people.
- Beneficiaries: 128 | Expenditure: € 7,101

PAKISTAN

⑥

- Since 2016
- Peacebuilding: "Faith Friends for Peace", supporting interfaith dialogue at all levels leading to the implementation of concrete development activities in neighbourhoods.
- Beneficiaries: about 7,000 | Expenditure: € 134,003

AFGHANISTAN

⑦

- One-time emergency aid in 2021
 - Supplying food, hygiene articles, and warm blankets
 - Providing psychological and psychosocial support
 - Taking Covid-19 precautions
 - Beneficiaries: 29,880 | Grant: € 5,553
- Remain references to the SDGs/Global Goals (see 2020)

*Note: As there are significant differences between the respective project activities, local circumstances, and donors' definitions of direct and indirect beneficiaries, these figures are not fully comparable across countries. We therefore report the total number of direct and indirect beneficiaries.



SUSTAINABLE DEVELOPMENT GOALS

Tearfund Germany strives to develop sustainable solutions. We endeavor, therefore, to reach the sustainability goals of the Agenda 2030, which were implemented by the member states of the United Nations. This especially applies to the following eight of the total 17 defined goals:





2 WHAT WE HAVE ACHIEVED

WHY DO WE MONITOR THE IMPACT OF OUR WORK?

We strive for high quality standards and transparent implementation of our project work. Quality assurance and impact monitoring are therefore an essential part of our work.

The aim of impact monitoring is to account for economic action and the effects of our work in different contexts.

2.1 STRATEGIC REPORT

HOW DO WE EVALUATE THE IMPACT OF OUR WORK?

To ensure effective use of our entrusted donations, we accompany the projects and the work of our project partners through on-site monitoring visits, evaluation reports and external expert advisors. We also receive monthly progress and financial reports from our partners, which we review. The task here is to find out whether the intended goals and impacts of the project are being achieved in implementation. Indicators are defined, documented, and reviewed for the goals to be realised. This makes it possible to measure changes and progress.

Four reports are produced annually on each of the projects carried out, documenting current progress, highlighting weaknesses, and providing suggestions for improvement.

These are assessed in the programme department and then discussed with the local partners. Each project is documented and evaluated in a final report, thereby giving account of the impact of our work. Project partners and our own staff are guided by internal guidelines and requirements for programme management, institutional

and private donors, financial implementation, and project documentation. Multi-year projects financed by institutional donors are supplemented in combination with private donations.

In addition, our organization has an internal set of international standards and process descriptions that are continuously revised and adapted. As part of the international Tearfund family, all 11 donor countries have been standardising our common rules since 2020 and have established internal regular review mechanisms.

WHAT IS THE STRATEGY AND VISION BEHIND OUR PROJECT WORK?

Since 2020, we have been developing an adapted 6-year strategy for each of our countries of operation. Projects must therefore contribute to the fulfilment of the overall strategy and its goals. The strategy is regularly reviewed together with our Tearfund partners and adapted if necessary.

PAKISTAN

Pakistan's population is growing steadily. With 222.6 million people, there are about 4 million more than in the previous year. 96.4 percent of Pakistanis belong to Islam, the majority belonging to the Sunni branch. Minorities include people of the Christian and Hindu faiths, as well as the Sikh religious community.

In the past, there have been repeated violent clashes and discrimination against religious minorities. Therefore, tolerance and acceptance of the different religions, reconciliation, and peace are very important issues in Pakistan.



AIMS OF OUR WORK

Our focus is empowering marginalised minorities in Pakistan and preventing violence, conflict, and discrimination.

Achievements: Peace Projects

- Further expanding the “Faith Friends Groups” network. These groups empower people from different religions to defuse conflicts and work together for interfaith harmony at community, provincial, and national levels in Pakistan.
- Holding peace forums and congresses, writing peace poems, holding candlelight vigils and media campaigns (including via FM radio) were held, and distributing brochures.
- Training young volunteers as ambassadors of social change.
- Finding in an evaluation study that peace work has a profound impact on the community, especially on youth and women.

CHALLENGES

In 2021, the Tearfund Germany office in Pakistan was merged with that of Tearfund England, with the aim of achieving greater efficiency and avoiding duplication. During the transition phase and the merging of the teams, there were logistical and organisational challenges that needed to be addressed.

Further information can be found at: www.tearfund-germany.org/laender/frieden-in-pakistan



YEMEN

Yemen is one of the poorest countries in the Arab world and is suffering from the greatest humanitarian disaster of our time. The civil war has permanently destroyed the economy, infrastructure and livelihoods. 19 million people are suffering from acute hunger.

17.8 million need assistance to meet their basic water and sanitation needs. The world community's additional grain shortages are exacerbating fears for survival in Yemen.



AIMS OF OUR WORK

Together with local partners in two regions, we contribute to resilience in the face of the consequences of war and the sustainable improvement of the water supply and income situation. A secondary goal is the creation of local committees so that challenges can be collectively addressed in a sustainable manner.

Achievements: Water, Sanitation and Hygiene (WASH)

- Offering 1,641 beneficiaries in four communities with better access to water through the construction and rehabilitation of cisterns.
- Constructing a local wastewater treatment plant is 80 % complete. Upon completion, 311 beneficiaries will benefit.
- Providing 4,218 beneficiaries hygiene training to prevent diseases such as cholera and covid-19.
- Providing 88 members of 11 water committees with training on how to manage and maintain cisterns.

Achievements: Food Security

- Training 140 women in chicken farming. Of these, 40 households have already started producing eggs. A total of 1,488 people benefit from this work.
- Training men and women from 46 households in agriculture. Of these, 16 households have already implemented these newly learned techniques.
- Initiating and training 17 agricultural cooperatives.
- Distributing 808 food packages. Each of these packages (consisting of flour, oil, beans, sugar and salt, among other items) feeds a family for two months.

CHALLENGES

Due to the ongoing conflict, there is inflation, insecurity, and little hope for the population. Projects are implemented by local partners who need to be closely monitored.

Further information can be found at: www.tearfund-germany.org/countries/help-for-yemen

SOMALILAND

Somaliland is an autonomous region in East Africa, comprising the northern part of Somalia on the border with Ethiopia. About 65 percent of Somaliland's 3.5 million inhabitants derive their income almost exclusively from nomadic livestock farming (pastoralism). When the rains fail and hardly anything grows, the animals find no food sources and the people are threatened existentially. Poverty and unemployment are widespread in Somaliland. For much of the population, simply getting enough food is a daily struggle.

To date (July 2022), the Horn of Africa is experiencing the worst drought in over 70 years.



AIMS OF OUR WORK

Our main goal in Somaliland is to strengthen village communities and increase their resilience so that people can counter their local problems and crises through knowledge, planning, preparation, and cooperation. This is to be achieved through:

Achievements: Food security

- Training 575 smallholder farmers in agriculture (cultivation and diversity, livestock management, locust repellent), 265 of them women
- Building vegetable gardens and greenhouses so that different types of vegetables are available.
- Providing sustainable safeguarding of natural resources through rainwater storage and restoration of local water infrastructure
- Conducting cooking classes (topic: healthy eating) and training on Covid-19 prevention together with mothers' groups from ten village communities.
- Training of family health counsellors who educate people about healthy nutrition through home visits.

Achievements: Economic development

- Facilitating 300 women to organise themselves in self-help groups to improve their social, economic and local political situation.
- Providing literacy courses
- Offering further education, awareness campaigns, and training on nutrition and diversification of food and income

Achievements: Inclusion

- Offering education for children with disabilities (autism, Down syndrome, developmental delays, etc.) and support for their parents
- Providing 29 young people with certified training in targeted support for children with disabilities

CHALLENGES

The current ongoing drought in East Africa is making agricultural projects more difficult and increasing the logistical burden around water supplies. In addition, staff changes on the ground have created challenges for the daily work and management of the programmes.

Further information can be found at: www.tearfund-germany.org/countries/somaliland-east-africa-drought

3 REPORTS 2021

3.1 EXECUTIVE BOARD REPORT

The past year was a decisive turning point in the history of our still young organisation. While we were busy building new structures and hiring new staff, we were already able to reap the first fruits of the transformation.



Finances

We have succeeded in presenting a positive annual financial statement again for two years. Our reserves were almost depleted by high deficits in the past. The reduction of our staff and the restructuring of project work had the effect of reducing costs. Now we can start to build up reserves again. These are urgently needed to be able to react quickly to disasters. They also give the organisation security to compensate for fluctuations in projects or donations. In 2022, there will be further changes in the finance department. With new software and a new structure, we hope to better meet the increasing demands of a growing organisation.

Programme work

In 2021, the programme department in Germany was reorganised. Now we work in Berlin with three full-time positions. Further positions are to be added in the coming years. In our project countries, they are supported by a total of 10 additional staff members. The first steps of this realignment of this core area have been successful, and further steps will follow. During these processes, it was not always easy to shape ongoing projects and initiate new ones. We were therefore active in 2021 with fewer projects at a lower level, otherwise it would not have been feasible. This is expressed in a smaller annual budget. Now this area is to grow again, and I am confident that this will succeed.

Donations and public relations

We have been rebuilding fundraising since 2020. The growth in private donation income of more than 100 percent shows that we are on the right track - albeit still at a low level. The communications department bundles all these activities and will have further staff reinforcements starting in 2022 to achieve greater reach in the area of foundations and community contacts.

I am also grateful for a new position in administration, where many threads come together and are bundled.

All in all, 2021 was an enormous challenge for our team. I am grateful that we were well accompanied by our committees. We are all grateful that the rebuilding has succeeded so far. As a Tearfund Community we experience this as a blessing from God and we gladly take up our mission also in the future to work for justice, charity, and God's kingdom.

Dr. (UNISA) Martin Knispel,
CEO



3.2 SUPERVISORY BOARD

In accordance with its advisory and control function, the supervisory board intensively accompanied the management of the business by the executive board in 2021. In addition to the ongoing monitoring of the business, the focus was on the specification of the strategic realignment of the organisation and the operational implementation of the new strategy by the Executive Board and the management team.

The Supervisory Board was regularly and comprehensively informed about the economic and financial situation of the organisation, about the public relations work, and about the projects in the various programme countries. It was encouraging to see how the work of Tearfund Germany in the programme countries helps people out of poverty and enables them to live in dignity.

The Supervisory Board would like to thank the Board of Directors, the Management Team and all employees for their commitment and good cooperation in the year under review. Thanks also go to the members of the association for their close exchange with the Supervisory Board and especially to the numerous donors and supporters, without whom the work of Tearfund Germany would not be possible.

Peter Jakobus,
Chairman of the Supervisory Board

3.3 FINANCIAL REPORT 2021

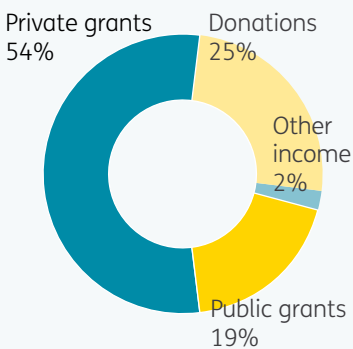
Tearfund Germany (TFDE) relies on institutional funding and donations from private individuals. We manage the entrusted funds carefully and guarantee appropriate administration. Those who donate to TFDE can be sure that the money effectively benefits people and communities in need. Our accounting and valuation were carried out within the framework of the principles of proper accounting and in accordance with the provisions of commercial law on the basis of the German Commercial Code (HGB).

EARNINGS 2021

TFDE recorded income of €1,290,000 in 2021 (previous year: €2,281,000), which corresponds to a decline of 40%. This is due to the end of two major funding projects in 2020. In 2021, the acquisition of new institutional donors was expanded, and a number of project applications were submitted. However, the effects will only be reflected in

the income from 2022 onwards. The expansion of cooperation within the Tearfund family continues to develop very positively. The development of direct donations from private individuals, forwarded donations and community collections is also very pleasing. After an increase of 58% in the previous year, donations doubled again in 2021!

Period	2021	2020
Income from public grants	240,213	1,464,192
Income from private grants	694,518	634,807
Donations from other organizations*	73,530	23,467
Donations from individuals & forwarded donations/ offerings*	251,498	130,591
Other operating income	29,190	27,167
Interest revenue	904	1,181
Total revenue	1,289,854	2,281,405



EXPENDITURES 2021

Total expenses in 2021 fell to € 1,277k (2020: € 2,367k), due to the discontinuation of the two funding projects and the correspondingly reduced project costs. Administrative expenses have decreased accordingly. However, the further expansion of the marketing department, as well as the educational work, meant an increase in expenditure in these areas. The breakdown into project expenses and into advertising and administrative expenses follows the guidelines of the German Central Institute for Social Issues (DZI).

According to the DZI's definition, a share of advertising and administrative costs in total expenditure of 10 to 20 percent is appropriate, and up to 30 % is considered reasonable. In 2020, as in previous years, our share of advertising and administrative costs was in the low range of 17 %. Due to the phasing out of several large projects in Jordan and Pakistan and the simultaneous expansion of the acquisition for new funding projects and the marketing department, it is 34.1 % in 2021, although the pure administrative costs have decreased by 10 %.

Period	2021	2020
Project Expenditure	841,822	1,954,960
• Project implementation	628,479	1,665,884
• Project support	191,071	280,673
• Education and Public Awareness Campaigns	22,273	8,402
Advertising and Administrative Expenditure	435,594	411,954
• Advertising and Public Relations	142,959	87,587
• Administration	292,635	324,367
Total Expenditure	1,277,417	2,366,914

*Contrary to the recommendations of the IDW (RS HFA 21), the donation income was recognized as income in the year of receipt.

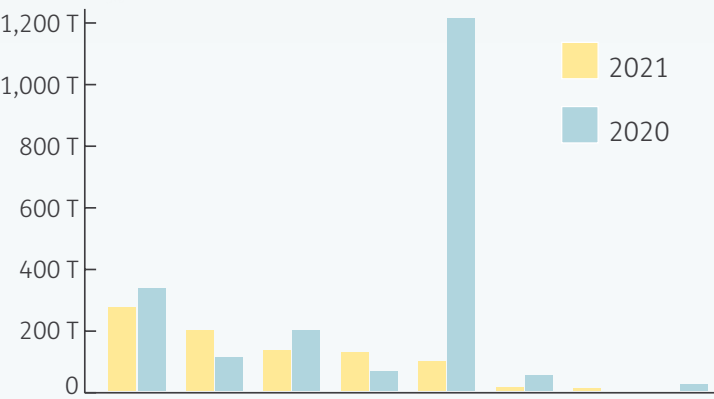
PROJECT EXPENSES

TFDE's consistent commitment to Somaliland is showing sustainable results – a trend that will continue in 2021. Extreme increases and decreases in project funding, such as in Jordan, Turkey or Pakistan, are due to expired (or re-committed for 2021) project funding. In Jordan, we were able to provide short-term assistance in 2020 in addition to

Yemen	274,004	334,553
Somaliland	200,113	111,281
Pakistan	134,003	198,619
Turkey	127,361	66,876
Jordan*	99,240	1,212,324
Iraq	7,101	21,207
Afghanistan**	5,553	-
Syria	-	10,099
Total Project Expenditures	847,375	1,944,860

two publicly funded projects for Syrian refugees who were existentially affected by the Corona Lockdown. In 2021, our work in Jordan continued as normal.

The goal is still to cushion these fluctuations by expanding continuous, flexible basic support from private funds.



PERSONNEL AND SALARIES

The non-profit association employed an annual average of 12.5 people in Germany (previous year: 10). As of December 31, 2021, there were 9 full-time and 3 part-time employees in Germany. There were 6 voluntary employees (mainly Supervisory Board and General Assembly). No expense allowances were paid to them. At the end of the year, a total of 14 employees were working abroad, 10 of them full-time, 2 as volunteers and 2 as honorary staff.

The annual remuneration for full-time staff at the office and senior staff in the project countries as at December 31, 2021 was between €32.6k and €64.8k for full-time positions. The annual salaries of the local project staff depend on the conditions in the respective countries and were between € 2.4 and € 19.3 thousand. TFDE is managed by an executive board and a management team consisting of three additional members.

The remuneration of the Executive Board and management team together amounted to a total of €190,000 in 2021. For data protection reasons, the individual salaries are not published.

ADMINISTRATIVE EXPENDITURES

Administrative costs in 2021 were € 293 thousand (previous year: € 324 thousand).

EDUCATION AND PUBLIC AWARENESS CAMPAIGNS

The costs for campaigning, education and awareness-raising work increased to € 22k (previous year € 8k), in addition to advocacy work in the framework of the EU-Cord network and at digital conferences, there were several public events and community visits.

ADVERTISING AND PUBLIC RELATIONS

In 2021, social media such as Facebook and Mailchimp newsletters, as well as our website, the annual report and personal letters to our supporters were used for fundraising. No companies or service providers were contracted for fundraising and no performance-based payments were made. The costs for advertising and public relations in 2021 totalled € 142.9k (previous year: € 87.6k), of which €49.3k (previous year: € 22k) were for the development of project applications and the acquisition of funding.

*Including projects among Syrian refugees in Jordan. **Support for Tearfund UK's Afghanistan emergency projects.



DZI DONATION SEAL

The German Central Institute for Social Issues (DZI) certifies that funds entrusted to our organization are handled responsibly. TFDE has been certified with the DZI Donation Seal since 2012.

This means that we are committed to complying with the donation seal standards:

- Purposeful, economical and efficient use of funds
- Reliable and audited financial reporting
- Clear, truthful, open, and factual advertising and public relations work that respects the dignity of those concerned
- Effective control and supervisory structures
- Transparency to the general public

Compliance with the standard is regularly checked by the DZI.

BALANCE SHEET AS AT 31.12.2021

Notes to the Balance Sheet: The accounts receivable from grants apply to public and private funds for project work that have been approved but not yet received. The accounts payable for grants received refers to € 741,000 (previous year € 197,000) in grant funds that have not yet been received, and € 130,000 (previous year € 113,000) in collected but not yet utilized grant funds. The other reserves take into account all discernible risks and uncertain obligations. The organization's capital was slightly increased. In total, the equity capital amounts to € 18k.

Assets (in EUR)	31.12.21		31.12.20	Liabilities (in EUR)	31.12.21		31.12.2020
A. Fixed Assets		945	4,916	A. Equity		18,109	5,672
I. Intangible Assets	9		9	I. Revenue Reserves	5,672		5,672
II. Tangible Assets	936		4,907	II. Association Capital	0		0
B. Current Assets		952,797	365,310	III. Net earnings/deficit for FY	12,437		- 230,972
I. Accounts receivable from grants and other assets	784,636		221,248	B. Reserves		26,254	22,310
II. Cash assets, credit with financial institutions	168,161		144,062	C. Accounts payable		909,380	350,252
C. Accruals		0	8,007	1. Deliveries & service	14,330		2,143
Total Assets		953,744	378,234	2. Financial institutions	0		2,655
				3. Grants received	871,181		310,005
				4. Other liabilities	23,870		35,449
				Total Liabilities		953,744	378,234



ANNUAL RESULT 2021

After the losses of the previous years (2020: € -86k / 2019: € -231k), the profit and loss account again show a positive annual result of + € 12k.

With total income of € 1,290k, 86,334 beneficiaries could be reached.



INDEPENDENT AUDITOR'S REPORT

Our annual financial statements of Tearfund Germany consisting of the balance sheet as of December 31, 2021, and the profit and loss account for the financial year from January 1 to December 31, 2021 as well as the notes, including the presentation of the accounting and valuation methods, were audited by the auditing company Hamburger Treuhand Gesellschaft Schomerus & Partner mbB, Berlin branch, and received an unqualified audit certificate. The financial report presented here is an abridged version - the full annual financial statements with the official auditor's opinion dated May 17, 2021 is available on our website at www.tearfund-germany.org/about-us/transparency

tearfund

Germany

Love goes beyond

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Bank account for donations

Bank für Sozialwirtschaft, Mainz

IBAN DE04 5502 0500 0008 6366 00

BIC BFSWDE33MNZ

Tested and recommended



Initiative
Transparente
Zivilgesellschaft



Tearfund Germany has been awarded the DZI seal of approval and is a signatory to the voluntary commitment of the Transparent Civil Society Initiative.