



Company No. 7405401

Charity No. 1154667

Council of Somali Organisations Ltd

(A company limited by Guarantee)

Annual Report and Financial Statements

For the year ended 31st March 2016

CHARITY COMMISSION
FIRST CONTACT

30 DEC 2016

ACCOUNTS
RECEIVED

Council of Somali Organisations (CSO)

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The Trustees are pleased to present their annual director's report together with the financial statements of the charity for the 12 months ended 31st March 2016, which are also prepared to meet the requirements for a directors' report and Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statements of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Effective 1 January 2015).

REFERENCE AND ADMINISTRATIVE DETAILS

| | |
|------------------------------------|--|
| Registered charity name | Council of Somali Organisations |
| Charity registration number | 1154667 |
| Company registration number | 7405401 |
| Registered office | 200A Pentonville Road London N1 9JP |

Board of Trustees

The trustees and directors who served during the period were as follows:

Mr Harbi Farah – Chairperson
Mrs Zahra Ibrahim – Vice-Chairperson
Mr Adam Matan – Treasurer
Mr Andy Gregg
Mr Mohammed Ibrahim
Mr Abdi Hassan
Ms Sadiya Ali Hussein (resigned 9th September 2015)

| | |
|--------------------------------|---|
| Company Secretary | Dr Sham Qayyum |
| Chief Executive | Dr Sham Qayyum (from 1 st June 2015) |
| Interim Chief Executive | Mr Paul Butler (until 31 st June 2015) |

| | |
|-----------------------------|---------------|
| Independent Examiner | Anthony Epton |
|-----------------------------|---------------|

| | |
|----------------|--|
| Bankers | Barclays Bank Barclays Retail Banking 737 Barking Road Plaistow London E13 9PL |
|----------------|--|

OUR PURPOSE AND ACTIVITIES

Established in 2010, the Council of Somali Organisations (CSO) is an independent pan-London charity. We were launched to deliver capacity-building support to increase the operational effectiveness of organisations supporting the Somali community. More broadly, today, we work to:

- Help integrate Somalis and other disadvantaged communities;
- Improve their conditions and quality of life;
- Represent their interest and voice(s) when it comes to shaping policy that affects them.

We do this by delivering capacity building support to member voluntary and community organisations, events, by undertaking research and campaign or policy work and through empowerment training.

All work is aligned with our business plan 2013-18 and our current thematic priorities are:

- Health & Wellbeing.
- Education.
- Housing.
- Employment.
- Young People and the Criminal Justice System.

Our vision

To achieve cohesive, integrated and successful Somali communities.

Our mission

To provide a strong, collective and credible voice for Somali communities in London and eventually across the UK and to articulate the aspirations and interests of Somali communities and diaspora.

Our values

- Fairness
- Inclusion
- Transparency
- Opportunity For All

Our strategic objectives

Our work is underpinned by the following strategic objectives:

- We will provide a local network group that encourages and enables members of the Somali community to participate more effectively with the wider community;
- We will increase or coordinate opportunities for members of the Somali community to engage with service providers, to enable those providers to adopt services;
- We will provide education and information to support and enable the Somali community to maximise education opportunities;
- We will raise public awareness of the issues affecting the Somali community and their children, both generally and in relation to their social exclusion;
- We will provide development support, forums, advocacy and general support to better meet the needs of that community.

OUR ACHIEVEMENTS AND PERFORMANCE

The CSO has conducted a review of activities for year ended 31st March 2016 and its findings are as follows:

- We strengthened buy-in from the Somali community making us the go-to organisation for support in London;
- We provided capacity building support (to over 65 organisations in London) primarily in the form of training workshops and business surgeries, including on income generation and sustainability enabling members to better cope with austerity and increased competition for scarce resources.
- We improved uptake and met the increased demand for capacity building support and improved our speed of dispensing advice and technical assistance when requested by member organisations;
- We helped member organisations to develop professional networks, partnerships and collaborations, share resources, and to learn from other's success stories and challenges;
- We secured a further one year of funding from City Bridge Trust and Trust for London;
- We worked with a range of stakeholders, including Greater London Authority, Police, Local Authorities, and other second-tier organisations to improve representation, and information about, Somalis;
- We responded to an increasing number of media inquiries and challenged unjustifiable slurs or negative portrayals of the Somali community, insisting that while reporting news the highest professional standards of journalism are maintained;
- We produced three research papers setting out some of the key issues affecting Somalis in the context of education, employment and housing;
- We developed membership and took forward many of the suggestions of our thematic advisory groups.

Services to the public

The Council of Somali Organisations provides benefit by improving the lives of the public through our support of community organisations across the London region, through training, mentoring, advice and guidance for staff, volunteers and trustees and through promoting equality, social justice and inclusion of the communities that we serve.

Nearly all of our member organisations provide front line services to the public, and in particular to members of the Somali community, so as to address disadvantage and poverty. Our events, advocacy and seminars have dealt with the following issues: employment, health, crime, drugs and substance misuse, welfare benefits, housing, immigration, refugee support, radicalisation and prevent agenda (government anti-terrorism programme). CSO provides communication forums on policy issues related to our strategic priorities, and key themes for community organisations, second tier partners, funders and statutory agencies. We deliver roundtable discussions and forums on social and economic issues as they impact on Somali communities. The evidence from our research activities and members is used to highlight issues impacting on the development of the Somali community in England. These events are delivered by CSO and also in partnership with other second tier organisations for example Islington Refugee Forum, Black Training Enterprise Group, and Evelyn Oldfield Unit.

Public benefit statement

In shaping our objectives for the year and planning our activities, the Trustees have considered S.17 of the Charities Act 2011 and the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PD2)'. The achievements and activities above demonstrate the public benefit arising from the charity's activities.

FINANCIAL REVIEW

The Trustees of the Council of Somali Organisations aim to manage the financial resources of the organisation in a professional, effective and efficient manner, demonstrating consistency and transparency in all reporting.

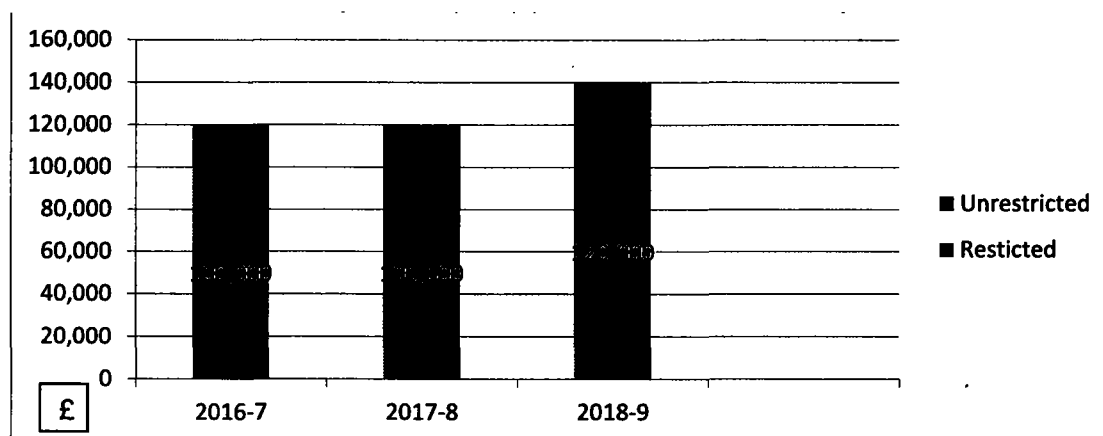
The income and expenditure for the year ended 31st March 2016 is set out on page 7. It shows income of £100,508 and expenditure of £98,679. This has resulted in a surplus of £1,829. When added to the funds brought forward of £28,532 this results to funds carried forward to the new year of £30,361. Of that amount £1,909 was free reserves. Restricted reserves carried forward were approved by both funders.

The organisation is committed to:

- Complying with all relevant financial and Charity Commission regulations in all our financial transactions;
- Having our accounts assessed by an independent examiner who will ensure compliance with both the Companies Act and Accounting and Reporting by Charities: Statements of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Effective 1 January 2015);
- Applying the principle of Full Cost Recovery across all activities;
- Reviewing, planning and managing business risks, VAT status and ways of improving our financial viability;
- Regular financial monitoring by an independent review board.

The chart below shows the anticipated income for the period 2016-2018, assuming the organisation continues with its current funding pattern and form. The Board, in setting its forward budget is mindful of the need to deliver a service within the confines of its restricted income apportioned below.

Figure 2: Anticipated income 2016-2018



PLANS FOR FUTURE PERIODS

In accordance with the business plan CSO will continue to deliver priorities identified by members and the Board including on the key themes of:

- Encouraging employment (through skills, educational achievement and stimulating entrepreneurship);

- Promoting access to health and wellbeing services and housing (so as to address issues related in particular to mental health and issues related to overcrowding and short tenancies);
- Preventing the entry of, as well as the improving the outcomes for, Somalis in the criminal justice system.

A work programme, reflecting key deliverables, will continue to be provided to build staff and volunteer capacity (through knowledge and skills analysis and development) so as to better understand and support CSO member's needs and priorities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Council of Somali Organisations is a company limited by guarantee and not having a capital divided by shares. It was incorporated on 13th October 2010 (company number 740540) and registered as a charity on 20th November 2013 under registration number 1154667. The CSO Board of Trustees is responsible for the effective and efficient use of resources, the solvency of the organisation and safeguarding its assets. The Board is also responsible for approving the annual budget and CSO's financial strategic direction.

Recruitment and appointment of Trustees

CSO is governed by a memorandum and articles of association and in accordance with these the Chair of Trustees is nominated by the other Trustees. The Board of Trustees have power to appoint additional Trustees as it considers fit to do so. They are selected on the basis of contribution that they make to the governance of the organisation and the skills that they possess.

The Trustees have no beneficial interest in the company other than as members. The Trustees are also the Directors of the company. The Board has the power to appoint additional Trustees. The Board conducts an annual skills audit to enable it to identify and fill any gaps in skills and experience.

Trustee Induction and training

The Trustees maintain a good working knowledge of charity and company law and best practice including by reading of charity press articles and scrutiny of Companies House, Charity Commission, other Government and voluntary organisations advisory websites. New Trustees are given copies of the Memorandum and Articles of Association and copies of previous year's minutes and are given an introduction to the activities of the charity by the existing Board. Training is given as and when required.

Organisation

CSO is governed by the Board of Trustees, which is also the Board of Directors, which sets the overall framework. They meet regularly and as frequently as they wish and at least four times a year. The Chief Executive Officer and his staff team have delegated full authority for implementation within this framework and deal with the day-to-day operational management of the company.

The CSO Board of Trustees is responsible for the effective and efficient use of resources, the solvency of the organisation and safeguarding its assets. The Board is also responsible for approving the annual budget and CSO's financial strategic direction. This is based on regular analysis of financial information relating to both current and future funding, income generation and other opportunities.

The CSO Chief Executive is responsible to the Board of Trustees for preparing the annual budget for consideration by the Board and for the management of resources within estimates approved by the Board. The Chief Executive may delegate functions, but not responsibility, to other staff or volunteers

who may advise on the financial aspects of CSO's policy and its financial administration, ensuring the organisation has satisfactory systems of financial control and management.

Reserves policy

The CSO is in its second operational year as an independent organisation and as such the Board has agreed that it should work towards a minimum of three months unrestricted reserves over the lifetime of its current business plan 2015 -2018. The policy will be reviewed as part of sustainability and fundraising strategy and Financial Regulations. The fundraising and sustainability strategy is reviewed by the Board on a quarterly basis alongside management accounts. Unrestricted reserves are to be generated from commissioned work. The target figure for the end of the current business planning period March 2018 is £20,000.

Risk management

The Trustees have a risk management strategy which comprises:

- An annual review of the risks that the charity may face;
- The establishment of systems and procedures to mitigate those risks identified in the plan;
- Implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Trustees (who are also Directors' of CSO for the purposes of Company Law) are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulation.

Company law requires the Trustees to prepare the financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure financial statements comply with the Companies Act 2006. The Trustees 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.

STATEMENT OF DISCLOSURE TO INDEPENDENT EXAMINER

In accordance with Company Law, the Companies Directors' certify:

- so far as they are aware, there is no relevant audit information of which the company's auditors are unaware; and,
- as the Directors of the company they have taken all the steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

INDEPENDENT EXAMINER

Anthony Epton was appointed as the charity's independent examiners during the year 2015 - 2016.

SMALL COMPANY PROVISION

This report has been prepared in accordance with the statement of special provisions for small companies under part 15 of the Companies Act 2006.

Approved by the Board of Trustees on 8 December 2016 and signed on its behalf by

Signed:  Mrs Zahra Ibrahim

Registered Office:
200A Pentonville Road
London N1 9JP

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF COUNCIL OF SOMALI ORGANISATIONS LIMITED

I report on the accounts of the charity for the period 01 April 2015 to 31 March 2016 which are set out on pages 9 to 18.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors of Council of Somali Organisations Limited for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for the year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act
- to state whether particular matters have come to my attention

Basis of Independent examiner's report

My examination was carried out in accordance with general Directions given by the Charity Commission. 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 you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in, any material respect, the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006 and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached

Signed: *Anthony Epton* Date: *23 November 2016*

Anthony Epton, Senior Statutory Auditor
for and on behalf of
Goldwins Limited, 75 Maygrove Road, West Hampstead, London NW6 2EG

Council of Small Organisations Ltd

Statement of financial activities (Incorporating an income and expenditure account)

For the year ended 31 March 2016

| | | Restricted | Unrestricted | 2016 Total | Restricted | Unrestricted | 17 months to 31 March 2015 |
|---|------|----------------|--------------|----------------|----------------|--------------|----------------------------------|
| | Note | £ | £ | £ | £ | £ | £ |
| Income from: | | | | | | | |
| Donations and legacies | 2 | 100,000 | 508 | 100,508 | 100,000 | 1,199 | 101,199 |
| Other trading activities | 3 | - | - | - | - | 250 | 250 |
| Other | 6 | - | - | - | - | - | - |
| Total income | | 100,000 | 508 | 100,508 | 100,000 | 1,449 | 101,449 |
| Expenditure on: | | | | | | | |
| Raising funds | | 14,807 | - | 14,807 | 14,650 | - | 14,650 |
| Charitable activities | | | | | | | |
| Training, events, capacity building and business mentoring | | 83,872 | - | 83,872 | 58,219 | 48 | 58,267 |
| Total expenditure | 4 | 98,679 | - | 98,679 | 72,869 | 48 | 72,917 |
| Net income / (expenditure) for the year | 5 | 1,321 | 508 | 1,829 | 27,131 | 1,401 | 28,532 |
| Transfers between funds | | - | - | - | - | - | - |
| Net movement in funds | | 1,321 | 508 | 1,829 | 27,131 | 1,401 | 28,532 |
| Reconciliation of funds: | | | | | | | |
| Total funds brought forward | | 27,131 | 1,401 | 28,532 | - | - | - |
| Total funds carried forward | 12 | 28,452 | 1,909 | 30,361 | 27,131 | 1,401 | 28,532 |

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 12 to the financial statements.

The notes on pages 12 to 18 form part of these financial statements.

Council of Somali Organisations Ltd (Limited by guarantee)

Balance sheet

As at 31 March 2016

| | Note | 2016 £ | 2015 £ |
|--|------|----------------------|----------------------|
| Current assets | | | |
| Debtors | 8 | 12,500 | 1,404 |
| Cash at bank and in hand | | <u>20,566</u> | <u>30,952</u> |
| | | 33,066 | 32,356 |
| Creditors: Amounts falling due within one year | 9 | <u>(2,705)</u> | <u>(3,824)</u> |
| Net current assets | | <u>30,361</u> | <u>28,532</u> |
| Net assets | 11 | <u>30,361</u> | <u>28,532</u> |
| Funds | 12 | | |
| Restricted funds | | 28,452 | 27,131 |
| Unrestricted funds: | | | |
| Designated funds | | | |
| General funds | | <u>1,909</u> | <u>1,401</u> |
| Total funds | | <u>30,361</u> | <u>28,532</u> |

For the period ending 31 March 2016, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- the members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the Board of Trustees on 8 December 2016 and signed on its behalf by:

Mrs Zahra Ibrahim



The notes on pages 12 to 18 form part of these financial statements.

Company registration number

7405401

Council of Somali Organisations Ltd**Statement of cash flows****For the year ended 31 March 2016**

| | Note | 2016 £ | 2015 £ |
|--|------|-----------------|-----------|
| Net cash provided by / (used in) operating activities | 13 | (10,386) | 30,952 |
| Cash provided by / (used in) investing activities | | - | - |
| Cash provided by / (used in) financing activities | | - | - |
| Change in cash and cash equivalents in the year | | (10,386) | 30,952 |
| Cash and cash equivalents at the beginning of the year | | 30,952 | - |
| Cash and cash equivalents at the end of the year | 14 | 20,566 | 30,952 |

Council of Somali Organisations Ltd

Notes to the financial statements

For the year ended 31 March 2016

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (August 2014) and the Companies Act 2006.

Council of Somali Organisations meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

b) Reconciliation with previously Generally Accepted Accounting Practice (GAAP)

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was required. In their opinion no restatement is required. The transition date was 1 April 2014.

c) Going Concern

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

No key judgements have been made by the charitable company 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 a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

d) Income

Income, including income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Grants are credited to incoming resources when they are receivable as the charity's own money, unless they are for activities that relate to a specific future period, in which case they are deferred to that period.

e) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

Council of Somall Organisations Ltd

Notes to the financial statements

For the year ended 31 March 2016

f) Expenditure and Irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, 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:

- Costs of raising funds comprise of trading costs and the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities includes the costs of training, events, capacity building and business mentoring undertaken to further the purposes of the charity and their associated support costs.

g) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 4.

h) Operating leases

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities on a straight line basis over the length of the lease.

i) 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.

j) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

j) 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.

2. Income from donations and legacies

| | Restricted | Unrestricted | 2016 Total | 2015 Total |
|---|----------------|--------------|----------------|----------------|
| | £ | £ | £ | £ |
| City Bridge Trust | 50,000 | - | 50,000 | 50,000 |
| Trust for London | 50,000 | - | 50,000 | 50,000 |
| Other grants and similar income, under £1,000 each | - | 508 | 508 | 1,199 |
| | <u>100,000</u> | <u>508</u> | <u>100,508</u> | <u>101,199</u> |

Council of Somall Organisations Ltd

Notes to the financial statements

For the year ended 31 March 2016

3. Income from other trading activities

| | Restricted | Unrestricted | 2016 Total | 2015 Total |
|----------------------------|------------|--------------|---------------|---------------|
| | £ | £ | £ | £ |
| Sales of advertising space | - | - | - | 250 |
| | - | - | - | 250 |

4. Analysis of expenditure

| | Costs of raising funds | Direct charitable expenditure | Governance costs | Support costs | 2016 Total |
|-------------------------------|------------------------------|-------------------------------------|---------------------|------------------|---------------|
| | £ | £ | £ | £ | £ |
| Staff remuneration (note 6) | 3,360 | 29,898 | 1,680 | 1,120 | 36,058 |
| Sessional and agency staff | 7,200 | 26,800 | 3,600 | 5,330 | 42,930 |
| Other staff costs | - | 149 | - | 484 | 633 |
| Volunteer costs | - | 247 | - | - | 247 |
| Premises and administration | 1,721 | 8,311 | 861 | 574 | 11,467 |
| Seminars and research | - | 6,221 | - | - | 6,221 |
| Compliance | - | - | 1,123 | - | 1,123 |
| | 12,281 | 71,626 | 7,264 | 7,508 | 98,679 |
| Governance costs | 1,242 | 6,022 | (7,264) | - | - |
| Support Costs | 1,284 | 6,224 | - | (7,508) | - |
| Total expenditure 2016 | 14,807 | 83,872 | - | - | 98,679 |
| Total expenditure 2015 | 14,650 | 58,267 | | | |

| | 2016 Total | 2015 Total |
|-----------------------------|---------------|---------------|
| | £ | £ |
| Staff remuneration (note 6) | 36,058 | 12,176 |
| Sessional and agency staff | 42,930 | 39,725 |
| Other staff costs | 633 | 1,781 |
| Volunteer costs | 247 | 571 |
| Premises and administration | 11,467 | 12,144 |
| Seminars and research | 6,221 | 5,529 |
| Compliance | 1,123 | 991 |
| Total expenditure | 98,679 | 72,917 |

Support costs have been allocated on the basis of staff hours engaged in each activity.

Of the total expenditure, £nil was unrestricted (2015: £48) and £98,679 was restricted (2015: £72,869).

Council of Somali Organisations Ltd

Notes to the financial statements

For the year ended 31 March 2016

5. Net income / (expenditure) for the year

This is stated after charging:

| | 2016 | 2015 |
|---|--------------|-------------|
| | £ | £ |
| Depreciation | - | - |
| Board of Trustees - remuneration | - | - |
| Board of Trustees - indemnity insurance | 95 | 25 |
| Board of Trustees - expenses | - | - |
| Operating lease charges | 9,240 | 7,710 |
| Independent examiner's remuneration | | |
| Current year examination | 1,000 | 850 |
| (Over)/under-provision in previous year | 100 | - |

6. Analysis of staff costs, trustee remuneration and expenses and key management personnel

Staff costs were as follows:

| | 2016 | 2015 |
|----------------------------------|---------------|-------------|
| | £ | £ |
| Salaries and wages | 36,058 | 12,176 |
| Redundancy and termination costs | - | - |
| Employer's National Insurance | - | - |
| Employer's pension contributions | - | - |
| | 36,058 | 12,176 |
| Agency costs | 42,930 | 39,725 |
| | 78,988 | 51,901 |

No employee received employee benefits (excluding employer pension) exceeding £60,000 during

The total employee benefits including pension contributions of the key management personnel were £11,200 (2015: £nil).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2015: £nil), neither were they reimbursed expenses during the year (2015: £nil). No charity trustee received payment for professional or other services supplied to the charity (2015: £nil).

Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 2.5 (2015: 1.1). They were directly engaged in providing charitable activities, namely training, events, capacity building and business mentoring.

In addition the services of freelance specialists were used for organisational and project development, as agreed with the relevant funders, and for financial management.

Council of Somali Organisations Ltd

Notes to the financial statements

For the year ended 31 March 2016

7. Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

8. Debtors

| | 2016 | 2015 |
|---------------|---------------|--------------|
| | £ | £ |
| Grant debtors | 12,500 | - |
| Prepayments | - | 1,404 |
| | 12,500 | 1,404 |

9. Creditors : Amounts falling due within one year

| | 2016 | 2015 |
|-------------------------------|--------------|--------------|
| | £ | £ |
| Tax and social security costs | 1,340 | 1,449 |
| Trade creditors | 365 | 1,525 |
| Accruals | 1,000 | 850 |
| | 2,705 | 3,824 |

10. Related party transactions

There are no related party transactions to disclose for 2016 (2015: none).

11. Analysis of net assets between funds

| | Restricted funds £ | Unrestricted funds £ | Total funds £ |
|--|--------------------------|----------------------------|------------------|
| Current assets | 31,157 | 1,909 | 33,066 |
| Creditors: Amounts falling due within one year | (2,705) | - | (2,705) |
| Net assets at 31 March 2016 | 28,452 | 1,909 | 30,361 |

Council of Somali Organisations Ltd

Notes to the financial statements

For the year ended 31 March 2016

12. Movements in funds

| | At 1 April 2015 £ | Incoming resources £ | Outgoing resources £ | At 31 March 2016 £ |
|---------------------------------|-------------------------|----------------------------|----------------------------|--------------------------|
| Restricted funds: | | | | |
| City Bridge Trust | 23,496 | 50,000 | (48,494) | 25,002 |
| Trust for London | 3,635 | 50,000 | (50,185) | 3,450 |
| Total restricted funds | 27,131 | 100,000 | (98,679) | 28,452 |
| Unrestricted funds: | | | | |
| General funds | 1,401 | 508 | - | 1,909 |
| Total unrestricted funds | 1,401 | 508 | - | 1,909 |
| Total funds | 28,532 | 100,508 | (98,679) | 30,361 |

12. Movements in funds (continued)

Purpose of restricted funds

| | |
|-------------------|--|
| City Bridge Trust | To provide leadership and a collective voice for Somali communities in London. Funded by the City Bridge Trust . |
| Trust for London | Strengthening the Somali Third Sector by providing capacity building |

13. Reconciliation of net income / (expenditure) to net cash flow from operating activities

| | 2016 £ | 2015 £ |
|--|-----------------|----------------|
| Net movement in funds for the reporting period (as per the statement of financial activities) | 1,829 | 28,532 |
| (Increase)/ decrease in debtors | (11,096) | (1,404) |
| Increase/ (decrease) in creditors | (1,119) | 3,824 |
| Net cash provided by / (used in) operating activities | (10,386) | 30,952 |

14. Analysis of cash and cash equivalents

| | At 1 April 2015 | Cash flows | At 31 March 2016 £ |
|--|--------------------|-----------------|--------------------------|
| Cash at bank and in hand | 30,952 | (10,386) | 20,566 |
| Total cash and cash equivalents | 30,952 | (10,386) | 20,566 |

Council of Somali Organisations Ltd

Notes to the financial statements

For the year ended 31 March 2016

15. Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

| | Premises | |
|---------------------|--------------|--------------|
| | 2016 | 2015 |
| | £ | £ |
| Due within one year | <u>1,710</u> | <u>2,520</u> |
| | <u>1,710</u> | <u>2,520</u> |

16. Company limited by guarantee

Council for Somali Organisations is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.