



Annual Report and Accounts

For the year ended 31 March 2015

Company Limited by Guarantee
Registration Number 2100867 (England and Wales)

Charity Registration Number 296311

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Legal and administrative information

Honorary President	Lady Bingham of Cornhill
Chair of the Board of Directors	Ian Barry
Members of the Board of Directors	Jake Bharier Hannah Bryce Margie Buchanan-Smith Adam Cooke Sheila McKenzie Sara Pantuliano Karen Twining Fooks
Principal office and registered office	The Old Music Hall 106–108 Cowley Road Oxford OX4 1JE
Company Secretary	Jake Bharier
UK Representative	Hannah Spens-Black
Company registration number	2100867 (England and Wales)
Charity registration number	296311
Auditors	Critchleys LLP Greyfriars Court Paradise Square Oxford OX1 1BE
Bankers	The Royal Bank of Scotland 36 St Andrew Square Edinburgh EH2 2YB

Board of Directors' report for the year ended 31 March 2015

SOS Sahel International UK is a registered charity (no. 296311) incorporated under the Companies Act 2006 (registered no. 2100867) and governed by its Memorandum and Articles of Association.

The Board of Directors, who are also the charity's trustees, present the statutory report with the audited accounts of SOS Sahel International UK for the year ended 31 March 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Board of Directors

All members of the Board of Directors are appointed in accordance with the Articles of Association.

The Board of Directors has between five and fifteen members. They are elected by the existing Board of Directors themselves. The Directors are subject to retirement by rotation and may be re-appointed if re-elected. They may exercise all the powers of the Association, subject to the Charities Act 2011 and the Memorandum and Articles of Association. The Chair is appointed for one year but may stand for re-election in the next and subsequent years.

Board appointments are based on the need for the Board of Directors as a whole to have the skills and experience to determine the policies of SOS Sahel International UK and to monitor the implementation of these policies. Procedures are documented for the induction and training of new Board members, relating to their duties and obligations as directors and trustees. Ongoing training for board members is available as required.

The number of Directors in office during the year are set out on page 3. No member of the Board of Directors had any beneficial interest in any contract with SOS Sahel International UK during the year.

In January 2015 the Annual General Meeting approved a revised governing document, its Memorandum and Articles of Association. The objects of the charity remain unchanged. However the opportunity has been taken to bring the governing document into line with current practice and terminology, to remove the requirement to hold an Annual General Meeting, and to modify the role of members, so that they no longer form a Council..

The Board of Directors holds the ultimate responsibility for all legal and financial matters transacted in the name of the charity. The Trustees delegate much of this to the employees.

The Board approves a budget for income and expenditure each year. This provides a framework for the delegation to employees of the power to act on financial matters.

The organisation has four full time employees. Three employees are based at its Head Office in Oxford, UK. One employee is on secondment to one of its partner organisations, SOS Sahel South Sudan.

Risk management

The Board of Directors has reviewed the major risks to which the charity is exposed, in particular those related to the operations, finances, reputation and business of SOS Sahel International UK, and systems have been established to manage those risks. A detailed risk register is reviewed and approved by the Board of Directors on an annual basis: this includes assessments of the likelihood and impact of major risks in all areas of the charity's operations. Risks are monitored and reported to the Board of Directors, and their management is reviewed at quarterly meetings of the Board of Directors.

OBJECTIVES AND ACTIVITIES

Objects

The objects for which the charity was established are 'the relief of poverty, the advancement of education and the promotion of health and hygiene through activities focusing on natural resource management ... within the countries forming the continent of Africa ... particularly but not exclusively dryland areas, for the benefit of the peoples of those countries.'

Aims and mission

The mission of SOS Sahel UK is to seek long-term, sustainable solutions to the poverty experienced by millions of people in the Sahel region of Africa. For nearly thirty years, we have worked across the Sahel – the belt of semi-arid land south of the Sahara – with people whose livelihoods depend on pastoralism, farming, and forestry. We support their efforts to secure access to the natural resources upon which they depend, and to manage these natural resources in ways that are equitable and sustainable.

Underlying our work is an appreciation for local knowledge and expertise. Local communities are best placed effectively to manage the forests, water points, rangelands or farmlands on which they depend for their livelihoods; our partners ensure that local people play a key role in implementing projects. Their ownership ensures that the projects we support are more sustainable in the long-term.

Organisational strategy, goals, and objectives

The external environment remains difficult. Sudan and South Sudan in particular are facing political challenges in a region which remains politically unstable, as well as being highly sensitive to climate change. Bilateral and multilateral donors have become more risk averse, with moves towards results-based funding. The cost to NGOs of servicing project funding has increased, with reductions in allowances for overheads and core costs, increasing requests for matched funding, and more demanding requirements for monitoring and evaluation. On the other hand, there are also new opportunities, such as the emergence of new donor countries, and African philanthropy networks.

In response to these challenges, the strategy of SOS Sahel UK for the period 2014 to 2016 set out how we would continue to fulfil our mission in partnership with national NGOs in Africa. Our strategic goals and activities and how we performed against them, are covered in the next section.

Since its inception, SOS Sahel International UK has worked in Mali, Niger, Sudan, Ethiopia, and Kenya, thus spanning the drylands of East and West Africa. It has been a long-term strategy to transform all former country programmes into fully independent national NGOs. This process was formally completed in 2014, transforming SOS Sahel UK from an implementing NGO to a facilitating NGO. We strive to work in equal partnership with our national NGO partners, acknowledging that relationships between international and national NGOs have historically been unequal and attempting to redress this balance. Our partners are currently in Sudan, South Sudan and Ethiopia.

ACHIEVEMENTS AND PERFORMANCE

Core themes for 2014-15

SOS Sahel International UK's strengths are in five main areas (our 'core themes'):

1. Developing the capacity of local organisations;
2. Promoting sustainable natural resource management;
3. Developing pastoralism;
4. Promoting diversified livelihoods;
5. Strengthening food security

Over 2014/2015 we have worked on ten projects (categorised into seven programmes below), which contain complementary components of each of our core, often cross-cutting, themes:

Projects	Some results/achievements	Core themes
<p>Market Monitoring and Trade Analysis (MMTA) in Darfur Programme <i>Funded by: European Commission (EC) and Tufts University</i> In partnership with SOS Sahel Sudan and the Darfur Development and Reconstruction Agency (DDRA), SOS Sahel International UK have been monitoring and analysing trade and markets in Darfur. Within this programme, we are working with 46 Community-Based Organisations, who collect trade and other data across 73 markets. This information is used to inform and influence policy making and programming in the region. The Community-Based Organisations are provided with training and capacity building, in order for them to successfully fulfil their data collection and analysis roles, and to provide them with long-term skills to utilise far beyond the project.</p>	<p>“The ability of MMTA to consistently collect the scope and scale of data that it does is clearly related both to the intimate understanding of the local context and astute diplomacy provided by senior figures within DDRA as well as the deliberate decision to work in close partnership with local CBO’s.” Market Monitoring and Trade Analysis phase 2 evaluation</p> <p>"... Giving us credible and timely market information from areas that we neither have access to or the means to reach and, as such, they are helping us to take appropriate policy and operational decisions in the sector favouring our people." Director General of the Ministry of Agriculture in El Fasher</p> <p>"MMTA data goes down to the local level, with an easy to manage breakdown of information. Most of their market information at local level is not available in other resources." UNDP, Khartoum</p>	<p>Developing the capacity of local organisations; Developing pastoralism; Strengthening food security.</p>
<p>Strengthening Sustainable Forest Management and Livelihoods Project in Ethiopia</p>	<p>My life has improved very much, and I can now buy clothes for my children ... Now our diet has improved. We have started to eat different vegetables that we buy from the market.”</p>	<p>Promoting sustainable natural resource management;</p>

<p><i>Funded by: An anonymous legacy, the Souter Charitable Trust, the Northwick Trust, Ernest Kleinwort Trust, the Vinson's Trust and an anonymous Foundation (the grants listed are managed by SOS Sahel UK only)</i></p> <p>SOS Sahel Ethiopia has been working with Farm Africa since 2010 to implement a five year Strengthening Sustainable Livelihoods and Forest Management Project. SOS Sahel International UK supported the project in its final year. The project works with 200,000 people across seven forest in Ethiopia to reduce poverty and protect biodiversity through community-led forest management. The project sets up participatory forest management groups, village savings and loans associations, and business enterprise groups, in order to diversify livelihoods (encouraging non-timber, sustainable income-generating activities), increase incomes, and encourage and train communities to protect their own forestry resources.</p>	<p>Getenesh Menebre, Beekeeper and member of a Honey Enterprise Group, 2014</p> <p>“I took a credit from Village Savings and Loans Association (VSLA) and I made and sold alcohol to my local community ... with the income gained from this, I bought two traditional hives with bees ... From the two hives, I got 20kg honey which I sold for 750birr. I then bought another hive.”</p> <p>Meseret Agazie, Chairwoman of a Taragedam forest VSLA group</p>	<p>Promoting diversified livelihoods.</p>
<p>Community Sand Dam Construction in Sudan</p> <p><i>Funded by: Guernsey Overseas Aid Commission (GOAC)</i></p> <p>As part of a long-term water security programme, SOS Sahel International UK and SOS Sahel Sudan have been constructing sand dams in Rashad Locality, South Kordofan, Sudan. We have built twelve dams since the technology was transferred from Kenya to Sudan by SOS Sahel International UK in 2009. A sand dam provides rural communities with improved access to water, even during the dry season. They are built in high-conflict areas as they reduce competition over natural resources and therefore reduce tensions between farmers and pastoralists (nomadic herders). Pastoralists are more able to find water without risk of violent conflicts with settled farming communities.</p>	<p>Community observations:</p> <ol style="list-style-type: none"> 1. Before a sand dam is constructed, the water left after the rainy season dries up very quickly, and people have to dig up to eight metres to find water. After a sand dam, water is available even during the dry season. 2. There is a significant greening of the environment after a sand dam is built, as the surrounding area become more fertile. 3. Sand dams function well, with little need for maintenance 	<p>Promoting sustainable natural resource management; Developing pastoralism; Strengthening food security</p>

<p>Sustainable Environmental Rehabilitation Programme in Ethiopia (SERP) <i>Funded by: The Department for International Development (DFID) and Band Aid Charitable Trust</i> In partnership with SOS Sahel Ethiopia, this project works in four districts surrounding Lake Boyo in the Southern Nations, Nationalities, and People's Region of Ethiopia, which are highly vulnerable to ecological degradation and flooding. The project's mission is to protect and rehabilitate the environment, whilst improving people's livelihoods and empowering the most vulnerable in the communities. SOS Sahel establishes committees of farmers who manage rehabilitation and protection of local land. These committees select farmers and other individuals to receive training in order to enhance productivity, protect the environment and improve and diversify their livelihoods. Women and landless young people are specifically targeted to diversify their income-generating activities, by rearing poultry and other animals, beekeeping, and desho grass propagating, among other activities.</p>	<p>"The Lake Boyo catchment system is undergoing massive land degradation which has several domino effects that will seriously impact both the long-term ecosystem and livelihood of the residents in the area. The level of soil erosion is staggering. Therefore, projects like this are vital in mitigating from further damage ... SERP has demonstrated clearly what needs to be done to gradually contain the problem of environmental degradation and improve livelihoods to protect and rehabilitate the watersheds in the Lake Boyo catchment." DFID quality assurance review, March 2014</p> <p>"The achievements are immense. It's achieved much more than I ever expected. The level of success is phenomenal. They are combatting bad land areas, whole hillsides and transforming them in a very short space of time. It's just phenomenal!" Professor Janet Hooke, University of Liverpool, 2014</p>	<p>Promoting sustainable natural resource management; Promoting diversified livelihoods; Strengthening food security</p>
<p>Agricultural and Fishery Production in the Red Sea State, Sudan <i>Funded by: The European Commission</i> SOS Sahel International UK are working with SOS Sahel Sudan in Red Sea State, Sudan. The project reduces food insecurity, and the resulting food aid dependency, by improving the livelihoods of horticulturalists and near-shore artisan fisher-folk. By providing technical expertise, and improving access to inputs, we improve practices and techniques of horticulturalists and fisher-folk in order to increase productivity and income. We also work with fishery and farmer associations to build their capacity and to ensure that collectively they have access to credit and related services.</p>	<p>The inception phase of this project has been successfully completed. Technical packages were designed to introduce to beneficiaries, and a trial voucher system was piloted. Arrangements with private sector suppliers were made, and inputs (e.g. lines, hooks, ropes, nets) were distributed to 823 fishermen at 75% subsidy. Arrangements were made with horticulturalist suppliers also.</p> <p>The European Commission have selected this project for a video showcase, exemplifying its impact in the Red Sea. This is an encouraging sign that the project is making a big impact and responding to the needs of the communities.</p>	<p>Promoting sustainable natural resource management; Promoting diversified livelihoods; Strengthening food security</p>
<p>Capacity Building Programme in South Sudan <i>Funded by: Oxfam Novib, Dutch Ministry of Foreign Affairs (DGIS)</i></p>	<p>In the year SOS Sahel South Sudan diversified its funding base and secured a new grant from Pact South Sudan. This project has been implemented and managed successfully. The organisation has completed its second successful audit in 2014, and has managed its grants with Oxfam Novib to meet all</p>	<p>Developing the capacity of local organisations; Promoting sustainable natural resource management; Developing pastoralism;</p>

<p>SOS Sahel International UK are supporting SOS Sahel South Sudan with their organisational capacity building. They are implementing a Peace Building Programme in South Sudan. Much of their work focuses on reducing local conflict through sustainable natural resource management, thereby reducing competition over natural resources and reducing tension between pastoralists and farmers.</p>	<p>requirements (activity implementation, timely reporting), despite the current conflict facing the country.</p>	
<p>Livelihood Programme, Muglad Locality, Sudan <i>Funded by: Oxfam Novib</i> SOS Sahel International UK are working with SOS Sahel Sudan to strengthen local organisations abilities to play a key role in peace in their communities, by building their capacity to mitigate conflict and disseminate a culture of peace and coexistence.</p>	<p>This project successfully mobilised local people from Muglad Locality to participate in the development of their communities. Increasing access to water (through activities such as rehabilitating water yards) has significantly reduced frictions between different peoples in the region. Pastoralists benefitted from rehabilitation and protection of natural rangeland, sowing pasture seeds and other activities. Conflict forums gained momentum, and stakeholders became more aware about routes of conflicts and how to manage situations peacefully.</p> <p>The capacity of community-based organisations were increased through training, for example in book keeping, budget preparation, and mobilising communities. Equipment was provided to sports clubs, providing a safe place for youth groups to spend their time away from conflict situations.</p>	<p>Developing the capacity of local organisations; Promoting sustainable natural resource management; Developing pastoralism</p>

Board of Directors' report for the year ended 31 March 2015

Performance towards objectives for 2014-15

Strategic objective 1: We will provide capacity building and technical guidance to national NGO partners as requested.

Our partners are at different stages in their organisational growth, and therefore need differing support. As newer organisations, Darfur Development and Reconstruction Agency (DDRA) and SOS Sahel South Sudan are relatively small and have limited time and resources. SOS Sahel International UK has continued to strengthen and support them, along with our other partner organisations, in order to maximise the impact on the ground in the long-term. Through our skills and knowledge, we have been providing capacity building. We have made regular visits to our partners and projects in Sudan, South Sudan and Ethiopia in order to ensure that all aspects of organisational and project management are running smoothly and provide any training required, based on requests from partners and donor requirements. Aside from on-site support, SOS Sahel International UK remotely keeps up-to-date with partners, ensuring an open flow of communication and strong relationships.

Our partners in Sudan (SOS Sahel Sudan and DDRA) and in Ethiopia (SOS Sahel Ethiopia) have received programmatic and financial training on management and reporting to the European Commission and the UK's Department for International Development (DFID), respectively. Further capacity building was provided as and when necessary, for example DDRA has received financial training on how to use QuickBooks (accounting software). SOS Sahel International UK staff are in regular contact with staff from both DDRA, SOS Sahel Sudan and SOS Sahel Ethiopia, sharing information and providing programmatic, financial, fundraising and any other assistance within our capabilities.

SOS Sahel South Sudan has continued to grow as a relatively new national NGO (established in 2011) and receives considerable ongoing support from SOS Sahel International UK. An employee from SOS Sahel International UK has been seconded to South Sudan, and has been working closely with the Executive Director of SOS Sahel South Sudan to directly support the capacity building of the organisation.

Strategic objective 2: We will link programmes designed by national NGO partners based in the Sahel to international donors.

SOS Sahel International UK has continued to manage grants with international donors. With two EC funded projects and one DFID funded project (along with grants from other donors), we have worked closely with our national NGO partners to ensure open communication and high quality reporting. We have ensured that there is a positive relationship between ourselves, our partners, and our donors, in order to maximise our programmes' impact and encourage future funding.

SOS Sahel International UK continually seeks relevant calls for proposals, based on our partner's priorities, along with our own. Projects are designed by our national NGO partners based in-country; we offer support and partnership in the design process. During the year, we have secured funding for the construction of a sand dam in Sudan; for phase three of the market monitoring and trade analysis project in Darfur, Sudan; and, for the Strengthening Sustainable Forest Management and Livelihoods project in Ethiopia.

Strategic objective 3: In collaboration with national NGO partners, we will promote our experiences and interests at an international level.

SOS Sahel International UK has significantly strengthened its online presence. During the year, we have grown a significant Twitter following, and have promoted our projects, partners and priorities across Twitter. We have put in place a plan to redevelop our website by the end of the strategic period, and have begun searching for a website designer. By increasing our web presence, we are in a better place to promote our experiences and interests at an international level.

Board of Directors' report for the year ended 31 March 2015

Across the range of our projects, we work with our partners to ensure that all best practices and lessons learned are communicated to us and to our donors (in annual reports). We have been liaising with our partners to coordinate the publication of a best practice development approach, in order to promote our work on an international stage and encourage knowledge sharing. In May 2014, our Programme Support Manager was invited to speak at the University of Oxford's Africa conference, on the environmental panel.

Strategic objective 4: We will strengthen the capability of SOS Sahel UK to deliver the first three strategic objectives.

SOS Sahel International UK currently has three employees in the UK office (with another on secondment in South Sudan). With few resources, it is imperative that employees have the right skills and knowledge to fulfil the organisations objectives. Employees have attended various training workshops (fundraising through trusts and foundations, institutional fundraising, proposal writing, and financial management) to develop their skills; they have also been to workshops on donor grant management. In line with strategic objective 1, many of these skills have been passed on to our partners, who can make use of them within their own organisational structure.

Since September 2014, SOS Sahel International UK and its SOS Sahel partners (namely SOS Sahel Ethiopia, SOS Sahel Sudan, and SOS Sahel South Sudan) have been holding quarterly meetings, in person and remotely, to share experiences and knowledge, and to discuss future opportunities and potential partnerships. We have also introduced an online cloud system, so that outputs from these meetings and other documents can easily be shared between the organisations.

During the year we have moved into a single office in our shared building, so that all employees are now working in one space. We endeavour to keep our costs low and, with careful financial management, we have been able to build healthy reserves.

GRANT MAKING

From the 1st January 2014, all our work in Africa is implemented through independent partner organisations, mainly those which were former country programmes of SOS Sahel International UK (currently, SOS Sahel Sudan, SOS Sahel Ethiopia), the newly created SOS Sahel South Sudan and existing partner, the Darfur Development and Reconstruction Agency (DDRA). SOS Sahel International UK manages grants to these partner organisations, and on occasion, to other selected organisations. Grants are not made to individuals. The Board of Directors does not invite grant applications.

PUBLIC BENEFIT

The Charities Act 2011 requires all charities to meet the legal requirement of having aims that are for the public benefit. The Charity Commission, in its 'Charities and Public Benefit' guidance, states that there are two key criteria to be met in order to demonstrate that an organisation's aims are for the public benefit: first, there must be an identifiable benefit, and second, that benefit must be to the public or to a section of the public. The Board of Directors is satisfied that the mission, goals, and activities of SOS Sahel International UK meet these criteria.

Board of Directors' report for the year ended 31 March 2015

FINANCIAL REVIEW

Review of results

SOS Sahel International UK had income of £2,376,014 for the year ended 31 March, 2015 (2014: £1,185,449). The organisation's principal funding sources (as detailed in note 1 on page 22) included governmental organisations, other grant-making bodies, charitable organisations, and individuals. The increase in income compared to the prior year is a result of two new projects starting in the year.

Total expenditure was £1,751,580 for the year ended 31 March 2015 (2014: £1,450,469). The increase is a result of two projects starting in Sudan. UK staff and office costs have decreased slightly compared to the prior year. The relative proportion of spending on "overheads" has increased, though remains at a very modest level.

The costs of generating funds were equivalent to 0.79% of total income for the year. Governance costs were equivalent to 0.74 % of total income for the year. Thus, 98.47% of income was available for spending on charitable activities.

There were net incoming resources of £624,434 for the year (2014: net outgoing resources of £265,020). For unrestricted funds, there were net incoming resources of £36,983 for the year (2014: net outgoing funds of £22,895). Unrestricted reserves increased during the year ended 31 March 2015 to £197,000 (2014: £160,017).

The results for the year are shown in the statement of financial activities on page 17, cash flow statement for the year at page 18 and the financial position at the end of the year is shown in the balance sheet on page 19.

Reserves levels and reserves policy

The Board of Directors of SOS Sahel International UK maintains unrestricted reserves sufficient to meet the organisation's working capital requirements and to meet any temporary shortfalls in funds arising from unforeseen exposure to foreign exchange losses and other unforeseen costs, so as to enable SOS Sahel International UK to continue to meet its charitable objectives. The organisation's working capital requirements are considered to be the equivalent of three months of unrestricted expenditure plus the equivalent of an additional month to cover any temporary shortfalls.

The Board of Directors reviews this reserves policy and the level of unrestricted reserves required annually as part of the budget-setting process.

Restricted reserve funds of £813,270 (2014:£225,819) represent unspent funds received from donors who have specified certain conditions for their use. These funds are fully covered by matched assets (see note 17). The Board of Directors anticipates that these funds will be expended on their related projects.

General funds have no restrictions on their use, unlike restricted funds, which must be used for specified purposes. Designated funds are those funds which have been set aside by the Board of Directors for specific areas of charitable work. This year the Board of Directors re-designated and reclassified the unrestricted reserves: the contingency reserve has been named cash flow contingency and the EU contingency has been named contingency for foreign exchange difference. The designated funds are cash flow contingency (£50,000), and the contingency for foreign exchange difference (£100,000). The amounts designated have been increased from the previous year.

The undesignated general fund was £47,000 at 31 March 2015 (2014: £60,017). Total unrestricted funds (general and designated) were £197,000 at 31 March 2015 (2014: £160,017). This is equivalent to 12 months cover of unrestricted expenditure.

FINANCIAL REVIEW (continued)

The Board of Directors is satisfied that there are sufficient reserves held at the year-end to avoid an unacceptable level of disruption to the organisation in the event of a downturn in future income. For this reason, the Board of Directors continues to adopt the going concern basis in preparing the accounts.

PLANS FOR FUTURE PERIODS

In 2014, a new strategic plan was approved by the board of directors. The objectives and activities planned from 2014 to 2016 are as set out below. These objectives reflect the new role of the organisation as a facilitating NGO. We will continue to collaborate with our national NGO partners to implement projects across the drylands of the Sahel in five programmatic areas: developing the capacity of local organisations; promoting sustainable natural resource management; developing pastoralism; promoting diversified livelihoods; and, strengthening food security.

Strategic objective 1: We will provide capacity building and technical guidance to national NGO partners as requested.

We will continue to provide ongoing capacity building in the various areas of: governance; organisational management; financial management; project cycle management; fundraising; monitoring and evaluation; information and knowledge management; and, communications and marketing. This will often take the form of long-term, on-the-job capacity building. Where a request falls outside our current resources, we will recommend external facilitators. We will promote consultation and discussions on organisational/management issues. We will facilitate sharing of management experiences between SOS Sahel national NGO partners.

Strategic objective 2: We will link programmes designed by national NGO partners based in the Sahel to international donors.

We will undertake grant management for projects held directly through SOS Sahel International UK and will strive to continually improve reporting standards. In some situations, we may manage funds on behalf of SOS Sahel national NGO partners, where required. We will assist our national NGO partners to identify potential funding opportunities and will build and maintain good relationships with international donors. We will coordinate and write proposals based on programmes designed by the national NGO partners and will review and edit proposals written by the national NGO partners. We will coordinate grant applications for multi-country programmes.

Strategic objective 3: In collaboration with national NGO partners, we will promote our experiences and interests at an international level.

We will improve the online presence of SOS Sahel International UK and SOS Sahel national NGO partners. We will document and publish the experiences, achievements, approaches and programmes of SOS Sahel UK and national NGO partners. We will disseminate the results of research, best practices and lessons learned compiled by SOS Sahel International UK and national NGO partners. We will link the national NGO partners to existing international knowledge-sharing platforms, networks and/or advocacy forums.

Strategic objective 4: We will strengthen the capability of SOS Sahel International UK to deliver the first three strategic objectives.

We will regularly review our own capacity and resources, ensuring that the people who work for, and with us have the appropriate skills and development. We will build strategic partnerships with organisations that have similar goals and values. We will implement a knowledge-sharing intranet for all SOS Sahel partner organisations. We will build and maintain sufficient reserves to ensure sustainability to meet strategic objectives.

Board of Directors' report for the year ended 31 March 2015

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the annual report and accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial year. Under that law, the directors have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these accounts, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

At the time the financial statements are approved, the directors confirm:

- a) that there is no relevant audit information of which the auditors are unaware, and
- b) that they have taken all the steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report has been prepared in accordance with the Small Companies Regime under Section 419(2) of the Companies Act 2006

Signed on behalf of the Board of Directors:

Ian Barry

Approved by the board on: **20th October, 2015**

Independent auditors' report to the members of SOS Sahel International UK

INDEPENDENT AUDITORS' REPORT

To the members of SOS Sahel International UK

We have audited the financial statements of SOS Sahel International UK for the year ended 31 March 2015 which comprise the Statement of Financial Activities, the Cash flow Statement, the Balance Sheet, the Principal Accounting Policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 15 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditors' 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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the statement of directors' responsibilities set out on page 14, the directors (who are also the trustees of the charity for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Board of Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with the knowledge acquired by us during the course of the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Board of Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditors' report to the members of SOS Sahel International UK

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the trustees were not entitled to take advantage of the small companies' exemption in preparing the trustees' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Colin Mills

**Senior Statutory Auditor
for and on behalf of Critchleys LLP
Statutory Auditor
Oxford**

Statement of Financial Activities for the year ended 31 March 2015

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2015 £	Total funds 2014 £
Incoming resources					
Incoming resources from generated funds					
Voluntary income	1	68,548	2,281,986	2,350,534	1,167,874
Investment income		1,709	—	1,709	1,933
		<u>70,257</u>	<u>2,281,986</u>	<u>2,352,243</u>	<u>1,169,808</u>
Incoming resources from charitable activities	2	23,465	—	23,465	15,360
Other incoming resources	3	306	—	306	281
Total incoming resources		<u>94,028</u>	<u>2,281,986</u>	<u>2,376,014</u>	<u>1,185,449</u>
Resources expended					
Costs of generating funds					
Costs of generating voluntary income	4	18,862	—	18,862	17,187
Charitable activities					
Sudan		11,352	1,420,767	1,432,119	990,856
Ethiopia		6,811	265,095	271,906	375,571
South Sudan		2,378	8,673	11,051	51,747
Multinational / UK-led		—	—	—	2,361
	5	<u>20,541</u>	<u>1,694,535</u>	<u>1,715,076</u>	<u>1,420,535</u>
Governance costs	8	17,642	—	17,642	12,747
Total resources expended		<u>57,045</u>	<u>1,694,535</u>	<u>1,751,580</u>	<u>1,450,649</u>
Net incoming / (outgoing) resources before transfers		<u>36,983</u>	<u>587,525</u>	<u>624,434</u>	<u>(265,020)</u>
Transfers between funds		<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net incoming / (outgoing) resources after transfers	9	<u>36,983</u>	<u>587,525</u>	<u>624,434</u>	<u>(265,020)</u>
Balances brought forward at 1 April 2013		<u>160,017</u>	<u>225,819</u>	<u>385,836</u>	<u>650,856</u>
Balances carried forward at 31 March 2014		<u>197,000</u>	<u>813,270</u>	<u>1,010,270</u>	<u>385,826</u>

All operations are ongoing. All recognised gains and losses in each of the two years are included above.

The notes on pages 22 to 28 form part of these accounts

Cash flow statement for the year ended 31 March 2015

	Notes	Total funds 2015 £	Total funds 2014 £
Cash Generated from operating activities			
Net cash flow provided by (used in) operating activities	22	193,930	(195,369)
Net Increase/(decrease) in cash		193,930	(195,369)
Cash at Bank at the beginning of the year		651,957	847,326
Cash at Bank at the end of the year	23	845,887	651,957

The notes on pages 22 to 28 form part of these accounts

Balance Sheet as at 31 March 2015

	Notes	2015 £	2015 £	2014 £	2014 £
Fixed assets					
Tangible fixed assets	12		—		—
Current assets					
Debtors	13	502,205		218,918	
Investment account		130,534		229,550	
Cash at bank and in hand		715,353		422,408	
Total current assets			1,348,092		870,875
Creditors: amounts falling due within one year	14		(337,822)		(485,040)
Net current assets			1,010,270		385,836
Net assets			1,010,270		385,836
Represented by:					
Funds and reserves					
Restricted funds	15		813,270		225,819
General fund			47,000		60,017
Designated funds					
Cash flow contingency		50,000		40,000	
Contingency for forex difference		100,000		60,000	
			150,000		100,000
Total unrestricted funds	16		197,000		160,017
Total charity funds			1,010,270		385,836

Approved by the Board of Directors and signed on its behalf by:

Ian Barry

Approved on:

20th October, 2015

The notes on pages 22 to 28 form part of these accounts.

Accounting Conventions as at 31 March 2015

Accounting convention

The accounts have been prepared under the historical cost convention, and in accordance with applicable Accounting Standards, the Statement of Recommended Practice “Accounting by Charities” (March 2005) and the going concern convention which the directors consider appropriate.

The format of the Income and Expenditure account has been adapted from that prescribed by the Companies Act 2006 to better reflect the special nature of the charity’s operations.

Incoming resources

Income is recognised in the period in which SOS Sahel International UK is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when SOS Sahel International UK has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Gift aid income is included gross of attributable tax recoverable.

Grants receivable are credited to the statement of financial activities in the period in which they fall due.

Legacies, notified before the year-end, are accounted for when the amounts to be received can be measured with reasonable certainty.

Resources expended

Where members of staff carry out duties which fall into more than one category, costs, including related overhead costs, have been allocated on the basis of estimates of time spent on their various duties. This will vary for each activity according to the size and complexity of the programmes.

The costs of generating funds represent the costs of inducing others to make gifts of voluntary income to the charity.

Charitable activities comprise direct expenditure incurred on charitable activities together with those support costs incurred that enable these activities to be undertaken. This is through a combination of direct service provision and grant funding of African partner organisations.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce the output of the charitable activity, such as accounting, and monitoring and evaluation.

Governance costs represent costs attributable to the governance arrangements of SOS Sahel International UK and include compliance with constitutional and statutory requirements and costs relating to strategic activities.

Foreign currency transactions

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Assets and liabilities denominated in foreign currencies are translated at the rate of exchange prevailing at the year end. Any differences are included within the statement of financial activities in the period.

Accounting Conventions as at 31 March 2015

Taxation

The company is a registered charity and benefits from the exemptions from UK taxation on its income and capital gains granted by section 505 of the Income and Corporation Taxes Act 1988.

Tangible fixed assets

Tangible fixed assets in the UK are stated at cost less depreciation. Depreciation is calculated to write down the cost in equal instalments over their expected useful lives. The cost of office and computer equipment is written off over 3 years. Items of equipment purchased for Africa and items under £1,500 are not capitalised and are written off in the year of purchase.

Fund accounting

Unrestricted general funds are those funds which can be used in accordance with the charitable objectives of SOS Sahel International UK at the discretion of the Board of Directors.

Designated funds are funds set aside by the Board of Directors out of unrestricted general funds for specific future purposes or projects.

Restricted funds can only be used for particular restricted purposes within the objects of SOS Sahel International UK. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Operating leases

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged to the statement of financial activities as incurred.

Notes to the accounts as at 31 March 2015

1 Voluntary income

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Governmental organisational grants				
European Union (EU)	—	2,078,797	2,078,797	498,308
States of Guernsey Overseas Aid Commission	—	—	—	36,000
Norwegian Ministry of Foreign Affairs	—	—	—	106,694
UK Department for International Development (DFID)	—	119,268	119,268	176,755
	—	2,198,065	2,198,065	817,757
Other organisational grants				
International Institute for Environment and Development	—	—	—	—
Oxfam Novib (see note 21)	—	43,689	43,689	78,917
Tufts University	—	—	—	61,021
	—	43,689	43,689	139,938
Donations from trusts, corporates, and other groups				
Anonymous Charitable Trust	20,000	—	20,000	20,000
Anonymous Trust	750	—	750	—
Beatrice Laing Trust	—	5,000	5,000	—
Bisgood Trust	100	—	100	—
Bower Trust	500	—	500	—
CB & H.H Taylor 1984 Trust	—	1,500	1,500	—
Ernest Kleinwort Trust	—	10,000	10,000	—
Northwick Trust	—	5,000	5,000	—
St Mary's Charity	500	—	500	—
The Band Aid Charitable Trust	—	2,841	2,841	96,660
The Dingwall Trust	2,000	—	2,000	2,000
K M Harbinson's Charitable Trust	300	—	300	—
The Bryan Guinness Charitable Trust	—	8,500	8,500	1,000
Oakdale Trust	—	—	—	1,000
The Seven Pillars of Wisdom Trust [for South Sudan]	—	500	500	1,500
The Rhododendron Trust [for South Sudan]	—	—	—	1,000
Miss WHS Wallace's Settlement Trust	—	—	—	900
Souter Foundation	—	—	5,000	5,000
The 1969 Vinson Charity Trust	—	—	—	5,000
Other trusts	—	—	—	1,452
Tufts University	—	4,438	4,438	—
Other corporate organisations	—	—	—	150
	24,150	37,779	61,929	135,662
London Marathon				
E. Richard	2,495	—	2,495	—
Donations from individuals				
E Bingham	—	—	—	1,400
M Canty	2,500	—	2,500	2,000
S Harrison	—	—	—	1,200
W Sinclair	2,200	—	2,200	1,500
K Thirlwall	1,320	—	1,320	1,320
R Usher	1,750	—	1,750	—
Share Gift	1,000	—	1,000	—
Other	33,133	2,453	35,586	36,051
	41,903	2,453	44,356	43,471

Notes to the accounts as at 31 March 2015

Voluntary income (continued)

Legacies

M Case	—	—	—	1,047
Anonymous	—	—	—	30,000
	—	—	—	31,047
Total	68,548	2,281,986	2,350,534	1,167,874

2 Incoming resources from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Consultancy	23,465	—	23,465	15,360
Sundry sales	—	—	—	—
Total	23,465	—	23,465	15,360

3 Other incoming resources

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Foreign currency exchange gains	—	—	—	—
Other income	306	—	306	281
Total	306	—	306	281

4 Costs of generating funds

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Staff costs	9,815	—	9,815	12,070
Office running costs	4,529	—	4,529	2,309
Other costs	4,518	—	4,518	2,809
Total	18,862	—	18,862	17,187

5 Charitable activities including grant funding of activities and activities directly undertaken by the charity

	Grant funding of activities £	Staff costs £	Support costs £	Other costs £	Total 2015 £	Total 2014 £
Sudan	1,219,518	33,779	33,136	145,686	1,432,119	990,856
Ethiopia	242,421	5,208	19,882	4,395	271,906	375,571
South Sudan	—	—	6,943	4,108	11,051	51,747
Multinational / UK-led	—	—	—	—	—	2,361
Total	1,461,939	38,987	59,961	154,189	1,715,076	1,420,535

Notes to the accounts as at 31 March 2015

6 Grant funding of activities

	Grantee Location	Number of grants made	Total 2014 £	Total 2013 £
Darfur Development and Reconstruction Agency	Sudan	2	382,421	148,106
SOS Sahel Sudan	Sudan	2	837,097	228,229
SOS Sahel Ethiopia	Ethiopia	2	242,421	343,956
Total		6	1,461,939	720,291

7 Support costs

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Staff costs	14,454	27,729	42,183	75,005
Office running costs	3,937	7,552	11,489	33,048
Other costs	2,155	4,134	6,289	31,204
Total	20,546	39,415	59,961	139,257

Support costs comprise specific direct support costs and an allocation of staff and office costs apportioned on the basis of time spent on support activities.

8 Governance costs

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Staff costs	8,180	—	8,180	6,238
Office running costs	2,167	—	2,167	1,066
Other costs	7,295	—	7,295	5,442
Total	17,642	—	17,642	12,747

9 Net incoming resources

This is stated after charging:

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Auditor's remuneration	5,700	300	6,000	5,400
Operating lease rentals – land and buildings	6,802	1,263	8,065	6,463

10 Staff costs and Board of Directors members' remuneration

	2015 UK-based £	2015 Overseas £	2014 UK-based £	2014 Overseas £
Wages and salaries	73,404	—	52,865	138,635
Social security costs	6,831	—	5,180	23,368
Pension contributions	5,352	—	3,356	—
	85,587	—	61,401	162,003
Total staff costs		85,587		223,404

Notes to the accounts as at 31 March 2015

Staff costs and Board of Directors members' remuneration (continued)

The average number of employees (full-time equivalent) for the year was:

	2015	2014
UK-based	3	2
Overseas	—	18
	<u>3</u>	<u>20</u>

No employees received a salary of over £60,000 excluding retirement benefits (2014 – none).

No member of the Board of Directors received any remuneration in respect of their services during the year (2014 – none). £369.65 was reimbursed to two members of the Board of Directors in respect of travel expenses during the year (2014 – £324 reimbursed to one member of the Board of Directors in respect of travel expenses during the year).

SOS Sahel International UK made contributions to an occupational money-purchase pension scheme (the Flexible Retirement Plan) administered by The Pensions Trust during the year. The cost represents amounts payable in the year. The scheme assets are separate from the charity. The employer contribution was 8% of pensionable earnings. The amount paid by SOS Sahel International UK by way of contributions in the year was £5,352 (2014 – £3,356). The outstanding contributions at the end of the year were £984 (2014 – £605).

11 Taxation

SOS Sahel International UK is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

12 Tangible fixed assets

	UK information technology £	Total £
Cost		
At 1 April 2014	3,102	3,102
Additions	—	—
Disposals	—	—
At 31 March 2015	<u>3,102</u>	<u>3,102</u>
Depreciation		
At 1 April 2014	3,102	3,102
Charge for the year	—	—
Disposals	—	—
At 31 March 2015	<u>3,102</u>	<u>3,102</u>
Net book value		
At 31 March 2015	<u>—</u>	<u>—</u>
At 31 March 2014	<u>—</u>	<u>—</u>

The information technology in the UK was used for generating funds, support, and governance.

Notes to the accounts as at 31 March 2015

13 Debtors

	2015 £	2014 £
Grants and donations	458,413	181,357
Prepayments	2,834	3,845
Other debtors	40,958	33,716
	502,205	218,918

14 Creditors: amounts falling due in less than one year

	2015 £	2014 £
Social security costs and other taxes	1,070	2,003
Accruals and deferred income	73,211	54,838
Other creditors	263,541	428,199
	337,822	485,040

15 Restricted funds

The income funds of SOS Sahel International UK include restricted funds comprising the following grants and donations held on trust to be applied for specific purposes:

	Balance at 1 April 2014 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 March 2015 £
Sudan					
Sand Dams in South Kordofan	22,146	—	—	—	22,146
Conflict reduction in South Kordofan	54,827	38,922	(100,016)	—	(6,267)
Civil Society in South Kordofan			(1,987)		(1,987)
Red Sea pastoralism	4,156	—	—	—	4,156
Red Sea livelihoods	4,057	1,361,376	(860,032)	—	505,401
Conflict reduction in Abyei	1,221	—	—	—	1,221
Pastoralist livelihoods, trade, and markets	719	—	—	—	719
Market monitoring in Darfur	16,645	687,374	(436,940)	—	267,079
Sudan fund	—	18,671	—	—	18,671
	103,771	2,106,343	(1,398,975)	—	811,139
Ethiopia					
Environmental rehabilitation in Southern Ethiopia	114,915	137,109	(252,024)	—	—
	114,915	137,109	(252,024)	—	—
South Sudan					
SOS Sahel South Sudan start-up	4,027	2,221	(4,117)	—	2,131
	4,027	2,221	(4,117)	—	2,131
Project support					
	3,106	36,313	(39,419)	—	—
Total restricted funds	225,819	2,281,986	(1,694,535)	—	813,270

16 Unrestricted funds

Notes to the accounts as at 31 March 2015

	Balance at 1 April 2014 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 March 2015 £
General funds	60,017	94,028	(57,045)	(50,000)	47,000
Designated funds					
Cash flow contingency	40,000	—	—	10,000	50,000
Contingency for forex difference	60,000	—	—	40,000	100,000
	100,000	—	—	—	150,000
Total unrestricted funds	160,017	94,028	(57,045)		197,000

Designated funds represent funds set aside by the Board of Directors out of unrestricted general funds as follows:

- The contingency for cash flow fund represents reserves intended to cover SOS Sahel International UK's working capital requirements and to meet any temporary shortfall in funds.
- The contingency for foreign exchange differences fund represents reserves intended to cover foreign exchange losses and other potential unanticipated costs arising from funding under the contractual requirements of the European Commission and other foreign currency denominated grants.

17 Analysis of net assets between funds

	General funds £	Designated funds £	Restricted funds £	Total £
Investment account	—	—	130,534	130,534
Cash	64,518	150,000	500,835	715,353
Current assets	44,448	—	457,757	502,205
Current liabilities	(61,966)	—	(275,856)	(337,822)
	47,000	150,000	813,270	1,010,270

18 Leasing commitments

Operating leases

SOS Sahel International UK leases its office premises at The Old Music Hall, 106-108 Cowley Road, Oxford. Under the terms of the lease, SOS Sahel International UK has an annual rental commitment of £6,802 (2014 – £4,763) inclusive of service charges and rates, with a break clause of three months' notice. The lease expires 31st March, 2017.

19 Capital commitments

At 31 March 2015 there were no outstanding commitments for capital expenditure (2014 – none).

Notes to the accounts as at 31 March 2015

20 Grants from the Department for International Development

	Balance at 1 April 2014 £	Income £	Expenditure £	Balance at 31 March 2015 £
Environmental rehabilitation in Southern Ethiopia (GPAF-IMP-040)	—	119,268	(119,268)	—
	—	119,268	(119,268)	—

21 Grants from Oxfam Novib

	Balance at 1 April 2014 £	Income £	Expenditure £	Balance at 31 March 2015 £
South Kordofan Phase II (SUD-506126-0009167)	21,832	—	(21,832)	—
Livelihoods S & N Kordofan (A-02624-02-506126)	2,519	—	(2,519)	—
South Kordofan Phase III	30,476	38,921	(75,665)	(6,267)
	54,827	38,921	(100,016)	(6,267)

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

	31 March 2015 £	31 March 2014 £
Net Income/(expenditure) as per the SOFA	624,508	(265,020)
Adjustments for		
(Increase)/decrease in debtors	(283,360)	(8,535)
Increase/(decrease) in creditors	(147,218)	78,187
Net Cash provided by (used in) operating activities	193,930	(195,369)

23 Cash in hand and at bank

	31 March 2015 £	31 March 2014 £
Cash in investment accounts	130,534	229,550
Cash at bank (GBP)	68,317	267,541
Cash at bank (EUR)	639,039	80,341
Cash at bank (USD)	7,997	34,424
Cash at bank (in Sudan bank accounts)		40,103
Net Cash provided by (used in) operating activities	845,887	651,959