

**HORN OF AFRICA DEVELOPMENT ALLIANCE FOUNDATION  
(HADAF)**

**DIRECTOR'S AND TRUSTEES' REPORT AND ACCOUNTS**

**For the year ended 31 December 2023**

**Company No: CE017885  
Charity Number: 1183953**

# **HORN OF AFRICA DEVELOPMENT ALLIANCE FOUNDATION (HADAF) DIRECTOR'S AND TRUSTEES' REPORT AND ACCOUNTS**

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## **HORN OF AFRICA DEVELOPMENT ALLIANCE FOUNDATION (HADAF)**

**Officers and Financial Advisors For the year ended 31 December 2023**

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### **Trustees and Directors**

**Hoos Ahmed Sahar-Chairman**  
**Fatima Ismail**  
**Khadra Ismail Sarman**  
**Mustafe Mohamed Dirir**  
**Jama Hassan Mohamed**

### **Company No.**

**CE017885**

### **Charity No.**

**1183953**

### **Registered Office**

**102 Darussalam Business Centre**  
**Mile End Road**  
**London**  
**E1 4UN**

### **Independent Examiner**

**Md Iqbal Hossain ACCA**  
**KK Accountant**  
**21 Hockley court**  
**South Woodford**  
**London**  
**E18 2RA**

### **Bankers**

**Barclays**

## **HORN OF AFRICA DEVELOPMENT ALLIANCE FOUNDATION (HADAF) DIRECTORS' AND TRUSTEES REPORT For the year ended 31 December 2023**

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The trustees are pleased to present their report together with the financial statements of the charity for the period ending 31 December 2023.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's Memorandum and Articles of Association, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in March 2005. The directors of the charitable company (the charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Governing document**

The organisation is a charitable company limited by guarantee registered as a charity on 18 June 2019. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

#### **Appointment of trustees**

The directors of the company are also charity's trustees for the purposes of charity law and under the company's Articles. Under the requirements of the Memorandum and Articles of Association the members of Charity Trustees consist of at least three and not more than seven.

#### **Risk Management**

The directors and trustees have identified the major risks to which the Charity is exposed and believe that the systems in place are adequate to mitigate those risks. The charity makes little use of financial instruments other than an operational bank account and so its exposure to price risk, credit risk, liquidity risk is not material for the assessment of the assets, liabilities, financial position and profit or loss of the charity.

#### **Objectives**

HADAF is for the prevention or relief of poverty or financial hardship anywhere in the world by providing or assisting in the provision of education, training, healthcare projects and all the necessary support designed to enable individuals to generate a sustainable income and be self-sufficient.

#### **Public Benefit**

#### **Grant Making**

It is not clear that the grant making policy provided is fully suitable for the organisation's grant making activities, and it appears as though another registered charity is referenced in point 1.1; Just Helping.

It is important that a charity's grant making policy is specific to their activities and the needs they are addressing.

The information contained within the policy is also very basic. For example, the priority for support indicates the main priority is assisting families or organisations in greatest need, this isn't fully developed, and it is unclear how the trustees actually assess this.

While the response to the specific questions does address how beneficiaries are identified, and how trustees will monitor use of grants, many of the issues still remain.

We would request that the trustees, along with the professional adviser, consider this point further, review our guidance below in detail, and formulate a thorough grant making policy that includes all of the necessary provisions to ensure that the organisation has a suitable framework in place.

#### Advice to the Trustees

In the case of charities whose aims include preventing or relieving poverty, the over-provision of benefit to individuals, giving significantly more than is required to meet the basic needs of the individual (at the extreme, making someone who is poor into a millionaire, for example) would affect public benefit.

Charities for the prevention or relief of poverty need to use rational criteria when determining the level of the benefit they will give. Trustees must ensure the level of the benefit is not significantly more than is needed. Otherwise, the benefit will become a private one that does not further the charity's aim. This would not meet the public benefit requirement.

We trust that the trustees will follow this advice when providing advice to beneficiaries about setting up their own business.

#### **Financial review**

The financial position of the charity is portrayed in the accompanying Annual Accounts.

#### **Reserves policy**

The Charity trustees have examined the charity's requirements for reserves in light of the main risks to the organisation. Having considered the lower income from fundraising activities, the UK current economic situation and options available, the Management Committee has decided to create three months worth of running cost as a reserve to be available in case of delays funding. This will help the organisation to be sustained in the long term.

## **FUTURE PLANS AND DEVELOPMENTS**

The Association intends to explore and develop grants and funding applications to facilitate better delivery of services and activities.

### **Trustees' responsibilities in relation to the financial statements**

Company law requires the directors to prepare financial statements that give a true and fair view of the state of affairs of the charity at the end of the financial year and of its surplus or deficit for the financial year. In doing so the trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Make sound judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is appropriate to presume that the charity will not continue in business.

The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enables them to ensure that the financial statements comply with the Companies Act **2006**. The trustees 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.

This report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies' subject to the small company's regime.

### **APPROVAL**

This report was approved by the Board and signed on its behalf by:



**Khadra Ismail Sarman**  
Director  
22<sup>nd</sup> May 2024

# **Independent examiner's report to the trustees of HORN OF AFRICA DEVELOPMENT ALLIANCE FOUNDATION (HADAF)**

**For the year ended 31 December 2023**

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I report on the accounts of the company for the period ended 31 December 2023, which are set out on pages 8 to 12.

## **Respective responsibilities of trustees and examiner**

The trustees (who are also the directors of the company for the purpose of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this 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; and
- to state whether particular matters have come to my attention.

## **Basis of independent examiner's report**

My examination was carried out in accordance with the 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 other matter except that referred to in the above paragraphs, 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
- have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



MD IQBAL HOSSAIN ACCA  
KK Accountant  
21 Hockley court  
South Woodford  
London  
E18 2RA

Date: 22<sup>nd</sup> May 2024

**HORN OF AFRICA DEVELOPMENT ALLIANCE FOUNDATION (HADAF)**  
**STATEMENT OF FINANCIAL ACTIVITIES** For the year ended 31  
December 2023

	Notes	Unrestricted Funds £	Restricted Funds £	2023 £	2022 £
<b>Incoming Resources</b>					
Grants & Donations	2	33,729	-	33,729	970
<b>Total Incoming Resources</b>		<u>33,729</u>	<u>-</u>	<u>33,729</u>	<u>970</u>
<b>Resources Expended</b>					
Charitable activities	3	21,880	-	21,880	99
Governance cost	4	-	-	-	-
Fundraising Costs of grants and donations	5	-	-	-	-
<b>Total Resources Expended</b>		<u>21,880</u>	<u>-</u>	<u>21,880</u>	<u>99</u>
Net incoming/(outgoing resources)		11,849	-	11,849	871
<b>Reconciliation of Funds:</b>					
Total funds, brought forward		2,733	-	2,733	1,862
Total funds, carried forward		<u>14,582</u>	<u>-</u>	<u>14,582</u>	<u>2,733</u>

**CONTINUING OPERATIONS**

None of the Charity's activities were acquired or discontinued during the above two financial periods.

**TOTAL RECOGNISED GAINS AND LOSSES**

The Charity has no recognised gains or losses other than the net movement in funds for the above period.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 10 to 12 form part of these accounts.

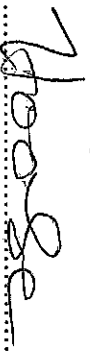


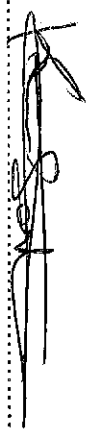
**HORN OF AFRICA DEVELOPMENT ALLIANCE FOUNDATION (HADAF)**  
**Balance Sheet as at 31 December 2023**

	Notes	2023	2022
		£	£
<b>Fixed Assets</b>			
Tangible Assets	6	-	-
<b>Current Assets</b>			
Debtors & prepayment	7	-	2,733
Cash in hand and at Bank		<u>14,582</u>	<u>2,733</u>
		14,582	
<b>Creditors</b>			
Amounts falling within one year	8	-	-
<b>Net Current Assets</b>		14,582	2,733
		<u>14,582</u>	<u>2,733</u>
<b>The Funds of the Charity</b>			
Unrestricted funds		14,582	2,733
Restricted funds		<u>14,582</u>	<u>2,733</u>

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006 and that members have not required the company to obtain an audit in accordance with section 476 of the Act. The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts. The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies' subject to the small companies' regime.

These accounts were approved by the Board of Directors and Trustees on 22<sup>nd</sup> May 2024 and were signed on its behalf by:

  
 .....Chair  
 Hoos Ahmed Sahar

  
 .....Director  
 Khadra Ismail Sarman

The notes on pages 10 to 11 form part of these accounts.

**HORN OF AFRICA DEVELOPMENT ALLIANCE FOUNDATION**  
**(HADAF) Notes to the Accounts**  
**For the year ended 31 December 2023**

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**1. Accounting Policies**

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year.

**1.1 Basis of Accounting**

The financial statements have been prepared under the historical cost convention and in accordance with the applicable Accounting Standards and the Statement of Recommended Practice "Accounting and Reporting by Charities" published in March 2005 and the Companies Act 1985.

The company has taken advantage of the exemption in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds that it is small company.

**1.2 Incoming Resources**

Income from activities, voluntary income and donations are included in incoming resources when they are receivable, except when the donors specify that they must be used in future accounting periods or donors' conditions have not been fulfilled, then the income is deferred. The income from fundraising ventures is shown gross, with the associated costs included in fundraising costs.

**1.3 Resources Expended**

Resources expended are included in the Statement of Financial Activities on accruals basis, inclusive of any VAT that cannot be recovered.

Expenditure that is directly attributable to specific activities has been included in these cost categories. Where costs are attributable to more than one activity, they have been apportioned across the cost categories on a basis consistent with the use of those resources.

**1.4 Going Concern Basis**

The financial statements have been prepared on the going concern basis, as in the opinion of the director and trustees, there are no issues arising which would suggest any other basis as being more appropriate.

**1.5 Depreciation**

Depreciation is provided using the following rates and bases to reduce by annual instalments the cost, less estimated residual value, of tangible assets over the estimated useful lives:

Furniture, Fixtures, Fittings and Equipment - 20% on straight line basis.

**HORN OF AFRICA DEVELOPMENT ALLIANCE FOUNDATION (HADAF)**  
**Notes to the Accounts for the year ended 31 December 2023**

**2. Grants and Donations**

	Unrestricted	Restricted	2023	2022
	£	£	£	£
Donation/Membership fees	33,729	-	33,729	970
	33,729	-	33,729	970

**3. Cost of Charitable activities**

	Basis of allocation	Education & Development	2023	2022
		£	£	£
Cost directly allocated to activities:				
Direct cost/Support	Direct	-	-	99
Project Cost	Direct	21,880	21,880	
Promotional Cost	Direct	-	-	-
		21,880	21,880	99