

Charity registration number 1190376

Company registration number 12192130 (England and Wales)

**SAHAMIYE FOUNDATION**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

# SAHAMIYE FOUNDATION

## LEGAL AND ADMINISTRATIVE INFORMATION

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Trustees	I Ahmed H Arteh S Kaushik
Charity number	1190376
Company number	12192130
Registered office	30 City Road London EC1Y 2AB
Independent examiner	Gravita II LLP 30 City Road London EC1Y 2AB

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# SAHAMIYE FOUNDATION

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# **SAHAMIYE FOUNDATION**

## **TRUSTEE'S REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2022**

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The trustees present their annual report and financial statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "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 2019)".

### **Objectives and activities**

#### **Education**

Sahamiye Foundation is a non-profit organisation dedicated to transforming lives in the Horn of Africa through the promotion of literacy and education. At the heart of our mission is the promotion of literacy and education. We envision a world where everyone, irrespective of their circumstances or location, has the opportunity to learn.

Literacy is a cornerstone for sustainable development. It unlocks doors to broader life opportunities, enables active participation in the jobs market, advances family and child health and helps to alleviate poverty.

Yet we are facing a literacy crisis with 771 million young adults and people worldwide unable to read or write. Girls and women face the greatest barriers, making up two-thirds of this number. The Horn of Africa, in particular, has one of the lowest global literacy rates. More than 70% of late primary school students struggle to read a simple story in their mother tongue.

We created Daariz, an innovative suite of free education apps and e-learning platforms, to make quality education accessible to all. Daariz has already transformed thousands of lives in the region, reducing the time it takes to become functionally literate in one's mother tongue from 450 hours to just 50 hours.

To date, Daariz has helped 350,000 learners make fast literacy gains. Through gamification and personalisation, Daariz has revolutionised literacy education. With its offline functionality and dedicated in-house female facilitators offering personalised support, Daariz has been particularly beneficial for women and girls. They account for 48% of learners, a figure that significantly outpaces the region's female school enrolment.

#### **Emergency Response**

Our organisation is designed to act swiftly and flexibly during major disasters. We primarily focus on long-term development programmes, but we also conduct emergency responses when the situation demands. Our experience with recent disasters have shown the importance of rapid and agile responses.

This type of emergency response provides immediate relief to the communities we serve and, more importantly, fosters the trust that is crucial to building sustainable relationships with them. Achieving our objectives of literacy, health, and opportunity through innovation becomes challenging when communities are grappling with issues like school closures due to water shortages caused by severe droughts.

#### **Drought Response**

The worst drought in more than 40 years – together with skyrocketing food prices due to Russia's war with Ukraine, an important grain exporter – impacted millions of rural people in Somaliland. Sahamiye Foundation responded by distributing 2,000 water tankers donated by the founding trustee Ismail Ahmed to provide water to hundreds of the most vulnerable villages

#### **Hargeisa Market Fire**

On 1 April 2022, a major fire in Hargeisa's Waheen Market caused damages worth \$2 billion, about 60% of Somaliland's GDP. Though there were no fatalities, it ravaged up to 5,000 businesses, impacting 17,000 traders. Smoke lingered even after the fire was doused, and clean-up began on 5 April. The Sahamiye Foundation promptly assessed the damage and distributed \$313,700 to 761 female stall owners within two days. This swift support enabled them to resume trading within a week.

# SAHAMIYE FOUNDATION

## TRUSTEE'S REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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### Achievements and performance

- Grew the distribution of *Daariz Somali*, a digital learning platform that provides access to Somali language learning materials via basic smartphones, to 350,000 users.
- Acquired 12,000 new users for *Daariz English*, a digital learning platform that provides access to English language learning materials via basic smartphones.
- Sourced and supplied water tankers to villages in Somaliland worst hit by the drought.
- Provided emergency funds to small business owners who lost their livelihoods in the Waaheen market fire.

### Financial review

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Sahamiye Foundation Trustees are aware of the risks associated with working internationally, and familiar with the Charity Commission's Compliance Toolkit for guidance on how to manage risk when working abroad. Ismail Ahmed has experience working in African regions and will assist the Trustees in identifying and managing those risks, enabling them to make informed strategic and operational decisions.

### Structure, governance and management

The charity is a company limited by guarantee formed by the governing documents being the Memorandum and Articles of Incorporation dated 5 September 2019 and amended on 5 November 2020.


The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

- Ismail Ahmed – Co-founder and Director
- Hayat Arteh – Co-founder and Director
- Shibani Kaushik – Director

All trustees are responsible for the general control and management of the Foundation. Ismail Ahmed and Hayat Arteh are responsible for overall investment strategy. Shibani Kaushik is responsible for operations and other general management activities.

The management of the charitable company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

The trustee's report was approved by the Board of Trustees.



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**I Ahmed**

Trustee

Dated: 26 Sep 2023

# SAHAMIYE FOUNDATION

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF SAHAMIYE FOUNDATION

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I report to the trustees on my examination of the financial statements of Sahamiye Foundation (the charity) for the year ended 31 December 2022.

### Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

### Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

*Shona Munday*  
**S Munday**

### Gravita II LLP

30 City Road  
London  
EC1Y 2AB

Dated: 28 Sep 2023

# SAHAMIYE FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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	Notes	Unrestricted funds 2022 £	Unrestricted funds 2021 £
<b><u>Income from:</u></b>			
Donations and legacies	3	975,215	458,177
		<hr/>	<hr/>
<b><u>Expenditure on:</u></b>			
Charitable activities	4	748,210	150,355
		<hr/>	<hr/>
<b>Net income for the year/ Net movement in funds</b>		227,005	307,822
Fund balances at 1 January 2022		554,485	246,663
		<hr/>	<hr/>
<b>Fund balances at 31 December 2022</b>		781,490	554,485
		<hr/> <hr/>	<hr/> <hr/>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

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

# SAHAMIYE FOUNDATION

## STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Intangible assets	10		601,800		382,121
Tangible assets	11		12,114		-
			<u>613,914</u>		<u>382,121</u>
<b>Current assets</b>					
Debtors	12	161,125		161,125	
Cash at bank and in hand		22,871		18,739	
		<u>183,996</u>		<u>179,864</u>	
<b>Creditors: amounts falling due within one year</b>	13	(16,420)		(7,500)	
Net current assets			<u>167,576</u>		<u>172,364</u>
<b>Total assets less current liabilities</b>			<u>781,490</u>		<u>554,485</u>
<b>Income funds</b>					
Unrestricted funds			<u>781,490</u>		<u>554,485</u>
			<u>781,490</u>		<u>554,485</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2022.

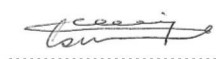
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

26 Sep 2023

The financial statements were approved by the Trustees on .....



.....  
I Ahmed  
Trustee

Company registration number 12192130



# SAHAMIYE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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### 1 Accounting policies

#### Charity information

Sahamiye Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is 30 City Road, London, EC1Y 2AB.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

#### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

#### 1.5 Expenditure

Resources expended are recognised in the period in which they are incurred and accounted for on an accruals basis.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements, including legal, accounting fees and costs of board meetings.

Where possible costs are allocated directly to the activities to which they relate. Support costs are allocated between charitable activities based on the apportionment of direct costs.

#### 1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

# SAHAMIYE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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### 1 Accounting policies

(Continued)

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	Straight line over 5 years
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#### 1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	Straight line over 5 years
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# SAHAMIYE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Donations and gifts	975,215	458,177

# SAHAMIYE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 4 Charitable activities

	Drought relief	Hargiesa Market Fire	Education via app and website	Governance costs	Total 2022	Total 2021
	2022	2022	2022	2022		
	£	£	£	£	£	£
Staff costs	5,194	-	98,692	-	103,886	-
Depreciation and impairment	72	-	1,360	-	1,432	-
PCR safety materials	-	-	-	-	-	46,234
Covid Lab Equipment	-	-	-	-	-	(52,502)
Rent	1,021	-	19,400	-	20,421	-
Marketing costs	-	-	207,808	-	207,808	46,896
Telephone and Internet	218	-	4,147	-	4,365	-
Accountancy fees	-	-	-	7,620	7,620	6,084
Legal and professional fees	-	-	-	5,070	5,070	34,268
Foreign exchange	71	-	1,347	-	1,418	2,314
Bank charges	75	-	1,430	-	1,505	3,612
Computer costs	-	-	620	-	620	-
Amortisation	-	-	130,649	-	130,649	63,449
Cleaning	-	-	488	-	488	-
General Expenses	873	-	16,567	-	17,440	-
Light, Heat and Power	25	-	496	-	521	-
Printing and Stationary	-	-	5,782	-	5,782	-
	<u>7,549</u>	<u>-</u>	<u>488,786</u>	<u>12,690</u>	<u>509,025</u>	<u>110,003</u>
Donations paid (see note 5)	-	239,185	-	-	239,185	-
	<u>7,549</u>	<u>239,185</u>	<u>488,786</u>	<u>12,690</u>	<u>748,210</u>	<u>150,355</u>

# SAHAMIYE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 5 Donations payable

	Hargiesa Market Fire 2022 £	2021 £
Donations to individuals	239,185	-
	<u>239,185</u>	<u>-</u>

In April 2022 a major fire broke out in the Hargiesa's Waheen Market causing severe damage and destroyed up to 5,000 businesses and impacted 17,000 traders. In line with the charity objective of relief of poverty, the charity assessed the situation and made donations to 761 female stall owners enabling them to resume trading.

### 6 Auditor's remuneration

During the year the charity paid fees of £7,620 (2021: £6,084) to the accountants for the independent examination review and other services.

### 7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

During the period ended 31 December 2022 donations totalling £976,883 ( 2021: £458,177 ) were received from Ismail Ahmed, a trustee of the Charity.

### 8 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
	18	3
	<u>18</u>	<u>3</u>
<b>Employment costs</b>	<b>2022 £</b>	<b>2021 £</b>
Wages and salaries	103,886	-
	<u>103,886</u>	<u>-</u>

There were no employees whose annual remuneration was more than £60,000.

# SAHAMIYE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 9 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

### 10 Intangible fixed assets

Software  
£

#### Cost

At 1 January 2022	464,415
Additions - internally developed	350,328
At 31 December 2022	814,743

#### Amortisation and impairment

At 1 January 2022	82,294
Amortisation charged for the year	130,649
At 31 December 2022	212,943

#### Carrying amount

At 31 December 2022	601,800
At 31 December 2021	382,121

### 11 Tangible fixed assets

Fixtures and fittings  
£

#### Cost

Additions	13,546
At 31 December 2022	13,546

#### Depreciation and impairment

Depreciation charged in the year	1,432
At 31 December 2022	1,432

#### Carrying amount

At 31 December 2022	12,114
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### 12 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Other debtors	161,125	161,125

# SAHAMIYE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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

	2022 £	2021 £
Accruals and deferred income	16,420	7,500

### 14 Analysis of net assets between funds

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Fund balances at 31 December 2022 are represented by:		
Intangible fixed assets	601,800	382,121
Tangible assets	12,114	-
Current assets/(liabilities)	167,576	172,364
	781,490	554,485

### 15 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	17,913	-
Between two and five years	17,913	-
	35,826	-