

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 2023

SAHAMIYE FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	I Ahmed H Arteh S Kaushik
Charity number	1190376
Company number	12192130
Registered office	2 Leman Street London United Kingdom E1W 9US
Independent examiner	Gravita II LLP Aldgate Tower 2 Leman Street London E1 8FA

SAHAMIYE FOUNDATION

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SAHAMIYE FOUNDATION

TRUSTEE'S REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees present their annual report and financial statements for the year ended 31 December 2023.

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

In 2023, the Sahamiye Foundation made significant progress in advancing literacy and education across the Horn of Africa. Our initiatives have positively impacted thousands of children and young adults, ensuring greater access to education. We remain unwavering in our commitment to creating a world where everyone has the opportunity to learn, grow and thrive, regardless of their circumstances or challenges.

Key Initiatives in 2023

1. Expanding Daariz

This year, we made remarkable progress in expanding *Daariz*, our free literacy app. In 2023 we successfully grew our user base from 350,000 to 500,000, with women and girls making up an impressive 49% of the total users.

- **Gamification & Personalisation:** We enhanced the app with new interactive games, audio tutorials, and offline functionality, making it even more accessible to learners in rural and remote communities.
- **New Content:** We introduced advanced English modules to assist learners in achieving fluency, further expanding the scope of our curriculum.

2. Speed Reading Competition

The *Daariz* Speed Reading Competition, held across the Horn of Africa, attracted over 17,000 participants. This large-scale event was designed to foster literacy and improve reading comprehension skills, contributing to a culture of lifelong learning. Participants competed to read and comprehend texts at high speeds, with prizes awarded to the fastest and most accurate readers. The overwhelming participation reflects the region's growing enthusiasm for education, further supporting broader efforts to raise literacy rates in the Horn of Africa.

3. School Directory Database

We started developing a comprehensive school directory in Somaliland that captures critical data on school resources and infrastructure. This data will allow us to better tailor future programs to the specific needs of individual schools. By understanding the unique challenges faced by each institution, we can enhance the overall effectiveness of our educational initiatives.

4. Targeted Campaigns

- **Supporting Women in Markets:** In an effort to improve literacy and digital skills, women vegetable sellers in Hargeisa were provided with smartphones preloaded with the *Daariz* app. This not only enhanced their ability to read and write but also opened up new economic opportunities for them.
- **Empowering Domestic Workers:** Similar support was extended to domestic workers, who were given smartphones equipped with the *Daariz* app. This initiative helped boost their literacy levels and improve their prospects for better job opportunities and economic independence.
- **Reaching Camel Herders:** Our efforts to promote literacy reached even the most remote communities. Camel herders were provided with smartphones and access to the *Daariz* app, giving them the opportunity to develop literacy skills despite their mobile lifestyle.

SAHAMIYE FOUNDATION

TRUSTEE'S REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Achievements and performance

In 2023, the Sahamiye Foundation made substantial progress in its mission to empower individuals through education. From expanding access to literacy tools like *Daariz* to developing new programs that target underserved populations, we continue to push the boundaries of what's possible in the fight for educational equality in the Horn of Africa. We look forward to further growth and impact in the years to come, as we work towards our goal of reaching millions of learners.

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 23 Sep 2024

Dated:

SAHAMIYE FOUNDATION

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF SAHAMIYE FOUNDATION

I report to the trustees on my examination of the financial statements of Sahamiye Foundation (the charity) for the year ended 31 December 2023.

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.



S Munday

Gravita II LLP

Aldgate Tower
2 Leman Street
London
E1 8FA

25 Sep 2024
Dated:

SAHAMIYE FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds 2023 £	Restated Unrestricted funds 2022 £
Income from:			
Donations and legacies	3	336,307	975,215
Charitable activities	4	454,690	748,210
Net income/(expenditure) and movement in funds		(118,383)	227,005
Reconciliation of funds:			
Fund balances at 1 January 2023			
As originally reported		620,365	554,485
Prior year adjustment		-	(161,125)
As restated		620,365	393,360
Fund balances at 31 December 2023		501,982	620,365

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 2023

		2023		2022	
	Notes	£	£	£	Restated £
Fixed assets					
Intangible assets	10		508,982		601,800
Tangible assets	11		10,175		12,114
			<u>519,157</u>		<u>613,914</u>
Current assets					
Cash at bank and in hand		1,714		22,871	
Creditors: amounts falling due within one year	13	18,889		16,420	
		<u>18,889</u>		<u>16,420</u>	
Net current (liabilities)/assets			(17,175)		6,451
Total assets less current liabilities			<u>501,982</u>		<u>620,365</u>
The funds of the charity					
Unrestricted funds			501,982		620,365
			<u>501,982</u>		<u>620,365</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 2023.

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.

23 Sep 2024

The financial statements were approved by the trustees on



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I Ahmed
Trustee

Company registration number 12192130 (England and Wales)

SAHAMIYE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

Sahamiye Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is 2 Leman Street, London, E1W 9US, United Kingdom.

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 2023

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.

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.

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.

SAHAMIYE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies (Continued)

1.10 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.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

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 Income from donations and legacies

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Donations and gifts	336,307	975,215

SAHAMIYE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

4 Charitable activities

	Education via app and website 2023 £	Governance costs 2023 £	Total 2023 £	Total 2022 £
Staff costs	148,543	-	148,543	103,886
Staff training	1,146	-	1,146	-
Depreciation and impairment	2,798	-	2,798	1,432
Rent	16,961	-	16,961	20,421
Marketing costs	39,751	-	39,751	207,808
Telephone and Internet	5,635	-	5,635	4,365
Accountancy fees	-	8,790	8,790	7,620
Legal and professional fees	-	13,109	13,109	5,070
Subscriptionns	1,764	-	1,764	-
Foreign exchange	204	-	204	1,418
Bank charges	1,240	-	1,240	1,505
Computer costs	3,727	-	3,727	620
Amortisation	175,592	-	175,592	130,649
Travel costs	7,143	-	7,143	-
Cleaning	137	-	137	488
General Expenses	26,984	-	26,984	17,440
Light, Heat and Power	-	-	-	521
Printing and Stationary	370	-	370	5,783
	<u>431,995</u>	<u>21,899</u>	<u>453,894</u>	<u>509,025</u>
Donations paid (see note 5)	-	-	796	239,185
	<u>431,995</u>	<u>21,899</u>	<u>454,690</u>	<u>748,210</u>

SAHAMIYE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

5 Donations payable

	Hargiesa Market Fire 2023 £	Hargiesa Market Fire 2022 £
Donations to individuals	796	239,185
	<u>796</u>	<u>239,185</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 £8,790 (2022: £7,620) 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 2023 donations totalling £336,307 (2022: £976,883) were received from Ismail Ahmed, a trustee of the Charity.

8 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
	19	18
	<u>19</u>	<u>18</u>
Employment costs	2023 £	2022 £
Wages and salaries	147,993	103,886
Other pension costs	550	-
	<u>148,543</u>	<u>103,886</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 2023

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 2023

814,743

Additions - internally developed

82,774

At 31 December 2023

897,517

Amortisation and impairment

At 1 January 2023

212,943

Amortisation charged for the year

175,592

At 31 December 2023

388,535

Carrying amount

At 31 December 2023

508,982

At 31 December 2022

601,800

11 Tangible fixed assets

Fixtures and
fittings
£

Cost

At 1 January 2023

13,546

Additions

859

At 31 December 2023

14,405

Depreciation and impairment

At 1 January 2023

1,432

Depreciation charged in the year

2,798

At 31 December 2023

4,230

Carrying amount

At 31 December 2023

10,175

At 31 December 2022

12,114

SAHAMIYE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

12 Loans and overdrafts

	2023 £	2022 £
Bank overdrafts	808	-
Payable within one year	808	-

13 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Bank overdrafts	12	808	-
Other taxation and social security		11,267	-
Accruals and deferred income		6,814	16,420
		18,889	16,420

14 Analysis of net assets between funds

	Unrestricted funds 2023 £
Fund balances at 31 December 2023 are represented by:	
Intangible fixed assets	508,982
Tangible assets	10,175
Current assets/(liabilities)	(17,175)
	501,982

	Unrestricted funds 2022 £
Fund balances at 31 December 2022 are represented by:	
Intangible fixed assets	601,800
Tangible assets	12,114
Current assets/(liabilities)	6,451
	620,365

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:

2023 £	2022 £
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SAHAMIYE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

15 Operating lease commitments (Continued)

Within one year	16,964	17,913
Between two and five years	-	17,913
	<hr/>	<hr/>
	16,964	35,826
	<hr/>	<hr/>

16 Prior year adjustment

In the 31 December 2022 accounts, a debtor of £161,250 relating to Gift Aid claims from earlier periods had still not been received. It became clear that the Gift Aid registration had still not been made and there is doubt as to the recoverability of the claims. They have therefore been derecognised in the period.