



**DIGNITY FIRST SOMALIA**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS** Type text here

**FOR THE YEAR ENDED 31ST DECEMBER 2023**

*Dignity First Somalia-(DFS)*  
*Annual report and financial statements*  
*for the year ended 31st December 2023*

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**ORGANISATION INFORMATION**

<b>Board of Directors</b>	Mohamed Ahmed Yarrow	Chairman
	Saadia Hasan Abeyle	Member/ED
	Madina Abdi Hussein	Secretary
	Riyaak Yussuf Rage	Treasurer
	Burhan Abdullahi Shiil	Member

<b>Key Management</b>	Saadia Hasan Abeyle	Executive Director
	Eric Saya	Finance & Admin Manager

**Registered office**

**Headquarter Office**

Hodhan District  
Banadir Region  
Mogadishu  
Somalia

**Auditors**

Habiba Bulle & Associates  
Certified Public Accountants  
Jamia Mall 3rd Floor  
Nairobi  
P.O. Box 28321-00100  
Nairobi, Kenya

**Principal banker**

Premier Bank  
TRP Branch  
Mogadishu

## **INTRODUCTION**

### **BACKGROUND INFORMATION**

DIGNITY FIRST SOMALIA (DFS)- is a non-profit organization registered in Somalia under the ministry of interior and internal affairs, with reference to Registration No. NGOD/Moifar00248/022. DIGNITY FIRST SOMALIA (DFS) was established on 15th May 2017 to contribute to efforts to find solutions to challenges facing marginalized, Minority, and vulnerable populations in Somalia through promoting Human Dignity and Inclusive Humanitarian Assistance to help local them rebuild their lives following decades of internal conflict, strife, and climatic shocks.

### **Vision Statement**

To envision Somalia where every person lives with dignity and is assured of the opportunity to achieve self-fulfillment and contribute to nation-building

### **Mission Statement**

To safeguard and promote the human dignity of marginalized Minority and vulnerable populations for the attainment of social economic development.

### **Areas of Intervention**

Key areas of interventions include;

1. Gender Based Violence.
2. Health & Nutrition
3. Child Protection.
4. Water and Sanitation
5. Food Security & Livelihood.
6. Camp Coordination & Camp management (CCCM)

**Report of the Directors**

The members of the Board submit their report together with the audited financial statements for the year then ended 31st December 2023, which disclose the state of affairs of the organization.

**Activities and Results**

The results of the year are set out on page 6

**The Board**

The Board is the overall decision making body of Dignity First Somalia (DFS). The Executive Director of Dignity First Somalia (DFS) is responsible for the day to day running of its operations. The Board members who served during the period and to the date of this report are provided in page 2 of the report.

**Auditor**

The auditor, Habiba Bulle & Association was appointed during the year and has expressed willingness to continue in office.

**Approval of financial statements**

The financial statements were approved at a meeting of the board members held on .....14-01-2024

**By order of the Board**



**Statement of trustees' responsibilities**

The Board of Directors are required to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for that year. It also requires the directors to ensure that the organization maintains proper accounting records that disclose, with reasonable accuracy, the financial position of the company. The directors are also responsible for safeguarding the assets of the organization.

The Directors accept responsibility for the preparation and fair presentation of these financial statements, which are free from material misstatement whether due to fraud or error, that have been prepared in accordance with International Financial Reporting Standards. They also accept responsibility for:

- i) designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements;
- ii) selecting and applying appropriate accounting policies; and
- iii) making accounting estimates and judgments that are reasonable in the circumstances.

The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the organization as at 31st December 2023 and of its Surplus and Cash flows for the period then ended.

Nothing has come to the attention of the Board to indicate that the organization will not remain a going concern for at least the next twelve months from the date of this statement.

Approved by the board of Directors on ..... **7th day of Oct, 2024** ..... and signed on its behalf by:

Executive Director      Saadia Hassan Abeyle       Date 07-10-2024 .....

Chairperson      Mohamed Ahmed Yarrow       Date 07-10-2024 .....



***Report of the Independent Auditor  
To the members of:  
Dignity First Somalia-(DFS)***

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**Opinion**

We have audited the financial statements of Dignity First Somalia (DFS) set out on pages 8 to 16 which comprise the statement of financial position as at 31st December 2023, and the statement of surplus or deficit and other comprehensive income, statements of fund balance and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements give a true and fair view of the state of financial affairs of Dignity First Somalia (DFS) as at 31st December, 2023 and of its surplus and cash flows for the period then ended in accordance with International Financial Reporting Standards.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the organization in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Kenya, and we have fulfilled our ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Other information**

The management is responsible for the other information. Other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated of this other information: we are required to report that fact. We have nothing to report in this regard.

***Report of the Independent Auditor  
To the members of:  
Dignity First Somalia-(DFS)***

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**Advisory Board's responsibility for the financial statements**

The organization's management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and the respective regulatory requirements. The responsibility includes: designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In preparing the financial statements, the board is responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board either intends to liquidate the organization or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board.



## **Dignity First Somalia-(DFS)**

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### **Report of the independent auditor (cont')**

- Conclude on the appropriateness of the board's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Report on Other Legal Requirements**

As required we report to you, based on our audit, that:

- i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit
- ii) in our opinion proper books of account have been kept by the organization, so far as appears from our examination of those books; and  
the organization's balance sheet and the income statement are in agreement with the books of
- iii) account.

The engagement partner responsible for the audit resulting in this independent auditor's report is **CPA Habiba Bulle P/N 2771**

**Habiba Bulle & Associate**  
**Certified Public Accountants**  
**P. O. Box 28321-00100**  
**Nairobi**



6<sup>th</sup> October, 2024



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**STATEMENT OF COMPREHENSIVE INCOME**

	<u>Note</u>	<b>2023 USD</b>
<b>INCOME</b>		
Grants	2	200,000
<b>Total Income</b>		<u>200,000</u>
<b>EXPENDITURE</b>		
Program Expenses	3	157,480
Administrative Expenses	4	2,000
<b>Total Expenditure</b>		<u>159,480</u>
Surplus		<u><u>40,520</u></u>

**STATEMENT OF FINANCIAL POSITION**

	Note	2023 USD
<b>Fund Balances</b>		
Restricted Fund Balance		40,565
Capital Reserve		
		<u>40,565</u>
 <b>REPRESENTED BY;</b>		
<b>Non-current assets</b>		
Property, Plant and Equipment	5	0
		<u>0</u>
<b>Current assets</b>		
Account Receivable	6	
Cash and Cash Equivalents	7	42,565
		<u>0</u>
<b>Total assets</b>		<u><u>0</u></u>
 <b>Current liabilities</b>		
Deferred income		
Accounts payables	8	2,000
		<u>2,000</u>
<b>Net Current Assets</b>		<u><u>42,565</u></u>

The financial statements on pages 8 to 16 were approved for issue by the board of directors on .....7th day of Oct,2024 and were signed on its behalf by:

  
 .....  
 Director



  
 .....  
 Director



*Dignity First Somalia-(DFS)*  
*Financial Statements*  
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**STATEMENT OF CHANGES IN FUND BALANCE**

	<b>Capital Fund USD</b>	<b>General Fund USD</b>	<b>Total USD</b>
<b>Year ended 31st December 2022</b>			
Balance as at 1 January 2022	0	0	-
Prior Year Adjustment	0	0	-
Depreciation	-	-	-
Surplus for the Year Adjustments		-	-
		-	-
<b>At 31st December 2022</b>		-	-
<b>Year ended 31st December 2023</b>			
Balance as at 1 January 2023		0	0
Adjustments			0
Depreciation		-	-
Adjustments		45	45
Surplus for the Year		40,520	40,520
		-	-
<b>At 31st December 2023</b>		40,565	40,565

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**STATEMENT OF CASH FLOWS**

	Note	2023 USD
<b>Cash flows from operating activities</b>		40,520
Adjustments for;		
Prior year Adjustment-Cash deposit		45
Depreciation		0
amortization		0
<b>Operating (loss) / profit before working capital changes</b>		
Decrease / (increase) in:		
Trade and other receivables		-
Trade and other payables		<u>2,000</u>
<b>Cash (used in) / generated from operations</b>		<u>0</u>
<b>Net cash (used in) / generated from operating activities</b>		<u>0</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment		<u>                    </u>
<b>Net cash (used in) investing activities</b>		<u>-</u>
<b>Cash flows from financing activities</b>		
Deferred Income		
Members Contribution		<u>                    </u>
<b>Net cash generated from / (used in ) financing activities</b>		<u>42,565</u>
<b>Net (decrease) / increase in cash and cash equivalents</b>		42,565
<b>Cash and cash equivalents at 1st January</b>		<u>0</u>
<b>Cash and cash equivalents at 31st December</b>	11	<u><u>42,565</u></u>

## NOTES

### 1. Accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below:

#### a) Basis of preparation

The financial statements are prepared in compliance with International Financial Reporting Standards under the historical cost basis of accounting. The presentation currency used in the preparation of the financial statements is USD.

The preparation of financial statements in conformity with International Financial Reporting Standards requires the use of estimates and assumptions. It also requires management to exercise its judgment in the process of applying the accounting policies adopted by the organisation. Although such estimates and assumptions are based on the directors' best knowledge of the information available, actual results may differ from those estimates. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements are disclosed in note 3.

#### b) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefit will flow to the organization and revenue can be reliably measured. The following specific recognition criteria must be met before revenue is recognized.

Grants are recognized as revenue when the donors accept the expenditure incurred by the organizations.

Interest is recognized when received.

#### c) Property, plant and equipment

All categories of property, plant and equipment are initially recognized at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure directly attributable to the acquisition of the assets.

Subsequent costs are included in the asset's carrying value only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. Repairs and maintenance is charged to the profit and loss account in the year to which it relates.

Depreciation is calculated using the reducing balance method to write down the cost or the revalued amount of each asset to its residual value over its estimated useful life using the following annual rates:

	<b><u>Rate - %</u></b>
Computers, copiers & faxes	30
Furniture & Fittings	12.5
Equipment	12.5



**NOTES**

**1. Accounting policies (continued)**

**c) Property, plant and equipment (continued)**

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining operating profit. On disposal of revalued assets, amounts in the revaluation surplus relating to that asset are transferred to retained earnings.

**d) Cash and cash equivalents**

For the purposes of cash flow statement, cash and cash equivalents comprise cash in hand and bank balances.

**e) Payables**

Payables are recorded at the undiscounted amount of cash and cash equivalent expected to be paid or the fair value of the consideration received in exchange of the obligation. Trade and other payables are stated at their nominal value.

**f) Currency**

The Financial Statements are presented in United State Dollars (USD)

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**STATEMENT OF COMPREHENSIVE INCOME**

**2 INCOME**

**2023**

**INCOME**

**USD**

SHF

200,000

DIASPORA CONTRIBUTION

-

200,000

**3 EXPENSES**

Staff & Other Personnel

14,630

Supplies Commodities Materials

140,000

Contractual Services

-

Travel cost

600

General Operating & Other Direct cost

2,250

PSC-7%

**4 Administrative Cost**

Depreciation

-

Accrued Audit fees

2,000

Total Administrative cost

-

Total expenditure

159,480

**NOTES**

	<b>2023</b>
<b>6 Accounts Receivable</b>	<b>USD</b>
Rent Deposit	<u>0</u>
	<u><u>-</u></u>
<b>7 Cash and bank balances</b>	
Premier- 020606084001	42,565
	<u><u>42,565</u></u>
<b>8 Accounts Payable</b>	
Accrued Audit Expenses	2,000
	-
	<u><u>2,000</u></u>
<b>6 Deferred Income</b>	<u><u>-</u></u>

**NOTES**

**5 Property, plant and equipment**

	<b>Equipment</b>	<b>Computer</b>	<b>Furniture's</b>	<b>Total</b>
	<b>USD</b>	<b>Accessories</b>	<b>&amp; Software</b>	<b>USD</b>
	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
<b>Year ended 31st December 2022</b>				
As at 1st January 2022	-	-	-	-
Addition	-	-	-	-
Closing carrying value	-	-	-	-
<b>At 31st December 2022</b>				
Opening Balance				
Depreciation	-	-	-	-
Accumulated Depreciation	-	-	-	-
Carrying Value	-	-	-	-
<b>Year ended 31st December 2023</b>				
As at 1st January 2023	-	-	-	-
Addition	-	-	-	-
Closing carrying value	-	-	-	-
<b>At 31st December 2023</b>				
Opening Balance				
Depreciation	-	-	-	-
Accumulated Depreciation	-	-	-	-
Carrying Value	-	-	-	-