



**AGENCY FOR MINORITY RIGHTS AND DEVELOPMENT
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2023**

JULY 2023

Contents

OFFICIALS AND ADVISORS	1
BACKGROUND OF THE ORGANISATION	2
STATEMENT OF MANAGEMENT'S RESPONSIBILITIES	6
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AGENCY FOR MINORITY RIGHTS AND DEVELOPMENT	7
STATEMENT OF CASH RECEIPT AND PAYMENTS.....	10
STATEMENT OF FINANCIAL ASSETS AND LIABILITIES	11
STATEMENT OF CASHFLOWS	12
STATEMENT OF BUDGET COMPARISON WITH ACTUALS FOR 2023	13
NOTES TO THE FINANCIAL STATEMENTS	14
ANNEX 1: EQUIPMENT AND MACHINERY AS OF 31 DECEMBER 2023	19

**AGENCY FOR MINORITY RIGHTS AND DEVELOPMENT
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

OFFICIALS AND ADVISORS

THE BOARD

Saadia Ahmed Kerrow	Board Chair
Yusuf Mohamed Hassan	Secretary
Mohamed Abdi Abdulle	Member
Ahmed Abdikadir	Member

MANAGEMENT

Siyad Abdirahman Mohamud	Executive Director
Mohamed Abdullahi Hussein	Project Manager
Salat Abdullahi Ahmed	Finance & Operations Manager
Mohamed Ali Olow	M&E Manager
Deka Mohamud Hassan	Logistics/Procurement Manager

REGISTERED OFFICE

Horseed section, Baidoa Main road
Next to Zeitun Hotel,
Baidoa District, Somalia

AUDITORS

Wave Advisory LLP
Certified Public Accountants (Kenya)
The Arch Place, 5th Floor
Nyangumi Road, Hurlingham,
Nairobi, Kenya

PRINCIPAL BANKERS

Premier Bank
Mogadishu, Somalia

**AGENCY FOR MINORITY RIGHTS AND DEVELOPMENT
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

REPORT OF MANAGEMENT

MANAGEMENT COMMITTEE REPORT

The management of Agency for Minority Rights and Development (AMARD) submits their report together with the audited financial statements, which disclose the state of affairs of the Organization as of 31 December 2023, per the International Public Sector Accounting Standards (IPSAS)- Financial Reporting Under the Cash Basis of Accounting (IPSAS-Cash Basis).

BACKGROUND OF THE ORGANISATION

Agency for Minority Rights and Development (AMARD) is a young organization with head office in Baidoa, Somalia. AMARD is a non-political, non-profit making, human rights, aid & development- oriented organization founded in 2012. It was established by individuals from the Somali minority communities dedicated to improving the degraded conditions and rights of the underprivileged minority groups in Somalia. AMARD seeks to help the minority communities in creating sustainable solutions to the problems they face, and progress away from absolute poverty, exclusion, marginalization and unemployment.

AMARD will address complex issues of minority communities through: Lifesaving humanitarian assistance, research, promoting minority rights, socio-cultural economic, technological and empowerment of minority communities, enabling minority communities to have access to basic social and development needs and services. AMARD mission is to deliver preventive Information to the disadvantaged community and groups amongst the societies, to combat harmful traditions and factors affecting their lives.

VISION STATEMENT

Peaceful coexistent and promote equitable access to justice of society living in the greater horn of Africa through quality Child protection, GBV, primary healthcare and nutrition services, WASH, CCCM, provision of basic education and empowering and advocating minority for rights in matters affecting and impede their lives as well as promoting women's representation and meaningful participation in decision-making and leadership positions in peace and political processes with specific focus on minorities.

MISSION STATEMENT

AMARD is an independent organization dedicated to improve the lives and welfare of the minority groups, not exclusively living in Somalia, but the entire Horn of Africa irrespective of race, ethnicity, religion, political ideology and or age groups.

GUIDING PRINCIPLES

We are guided by the Somalia Code of Conduct and adheres to 'do no harm' principle. These two codes guide our staff in dealing with communities in all its areas of operation, ensuring neutrality.

OBJECTIVES

AMARD works towards promoting women's representation and meaningful participation in decision-making and leadership positions in peace and political processes which Consequently contributing to peace, political stability, and security in Somalia with specific focus on minorities.

- a) To respond to the local communities' emergency humanitarian concerns in order to reduce preventable mortality and morbidity, Safeguarding the rights of children and preventing, responding to GBV among the most disadvantage minority, marginalize, persons living with disabilities and vulnerable populations in Somalia.
- b) To support the minority and marginalize communities living in Somalia to access quality primary health and education.
- c) To draw the attention of the International Humanitarian Community prioritizing minority communities' concerns for them to get access information and humanitarian intervention.

**AGENCY FOR MINORITY RIGHTS AND DEVELOPMENT
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

- d) To conduct the local communities' awareness on the available local resource's utilization and equitable distribution among the minority communities to rise the voice of voiceless minority for them to get a space to solve their own problems that are within their influence.
- e) To advocate for peaceful co-existence and non-discrimination among the communities living in Horn of African through empowering of minority rights and marginalized society.
- f) To extend health and nutrition values to the minority and marginalize communities to equally access to health benefits.

CORE PROGRAMS / THEMATIC FOCUS

- a) Protection - (Gender Based Violence (GBV), Female Genital Mutilation (FGM) and Child protection);
- b) Food security and livelihoods;
- c) Health and Nutrition;
- d) Water, Hygiene and sanitation (WASH);
- e) Camp coordination and camp management (CCCM);
- f) Income generation activities through women empowerment;
- g) Environmental conservation;
- h) Education both formal and non-formal;
- i) Peace building and Conflict Resolution;
- j) Youth Programs;
- k) Peace, political stability and security;
- l) HIV /AIDs awareness;

**AGENCY FOR MINORITY RIGHTS AND DEVELOPMENT
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

SUMMARY OF PROJECTS UNDERTAKEN DURING THE PERIOD.

1) Integrated GBV and CP response to communities projected to face protection-related risk from the effects of El Nino-induced riverine flooding in Jowhar District, Middle Shebellle Region

<i>Allocation Window:</i>	<i>Reserve</i>		
<i>Project's Code:</i>	<i>CBPF-SOM-23-R-NG0-26553</i>		
<i>Project Title:</i>	<i>Integrated GBV and CP response to communities projected to face protection-related risk from the effects of El Nino-induced riverine flooding in Jowhar District, Middle Shebellle Region.</i>		
	<p><i>AMARD will provide direct CP and GBV case management for up to 440 children (up to 50% to be girls) and 540 survivors (280 women, 240 gins while men and boys anticipated to be up to 20 survivors relative to previous prevalence and reporting trends). AMARD will facilitate referrals, Psychosocial support services including Psychological First Aid within the existing community protection desks, one-stop center, women and girls' friendly spaces, and child-friendly spaces with trained CP / GBV case workers. AMARD will facilitate the transport for Survivors to access Clinical management of Rape services (as well as capacity building on CMR to health care providers) as part of essential services for the recovery of survivors of GBV within case management process for medical support. AMARD will support the Identification, tracing, and re-unification of up to 360 Unaccompanied and Separated Children (estimating 50% to be girls), while also accessing and linking to appropriate, alternative care during tracing or when family tracing is not possible and It is in line with the CM SoP as well as Child Protection Minimum standard on the best interest of the children. AMARD anticipates the reunification at 90% to 100% in line with the Child Protection Minimum Standards in humanitarian action for IDTR. The project will strengthen existing service delivery points including safe spaces for children and women (Child-Friendly Spaces (CFS), women and girls' friendly spaces, One-stop center, and available protection desks) this will be complemented by the procurement and distribution of community emergency PSS kits for up to 700 children and 100 community volunteers or caregivers under the supervision of deployed of social workers/ mobile teams to JOP camps and affected communities. These 800 kits for use at the designated safe spaces will be part of strengthening community-based mechanisms for a sustainable approach in creating an environment that foster opportunity for play as part of growth and development as well as activities for psychosocial and mental well-being.</i></p>		
<i>Planned Start Date:</i>	<i>24- Oct- 2023</i>	<i>Planned End Date:</i>	<i>23-April- 2024</i>
<i>Actual Start Date:</i>	<i>24- Oct- 2023</i>	<i>Actual End Date:</i>	<i>23-April- 2024</i>
<i>Project Duration:</i>	<i>6 Months</i>		

Source: CBPF-SOM-23-R-NG0-26553

**AGENCY FOR MINORITY RIGHTS AND DEVELOPMENT
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2) Provision of Priority Emergency Shelter NFI and Plastic Sheets to newly displaced people affected by El Nino flooding in Baidoa, Bay Region, Somalia

<i>Allocation Window:</i>	<i>Reserve</i>		
<i>Project's Code:</i>	<i>CBPF-SOM-23-R-NG0-27098</i>		
<i>Project Title:</i>	<i>Provision of Priority Emergency Shelter NFI and Plastic Sheets to newly displaced people affected by El Nino flooding in Baidoa, Bay Region, Somalia</i>		
<i>Project Summary</i>	<p>Agency for Minority Rights and Development (AMARD) proposes to provide priority emergency life-saving assistance to 2,700 households (16,200 persons) in Baidoa facing the effects of flood due to El Nino-induced. The proposed initiative included distributing standard Non-Food Items (NFIs) kits with 2 additional plastic sheets to 2,700 households who in coordination with other Cluster Members including CCCM will be selected from the most vulnerable groups such as those living in poor shelter conditions, persons with disabilities, households with a large number of children between the ages of 6 months and 5 years, female-headed households, GBV survivors as referred by protection partners, and people from marginalized groups.</p> <p>Each NFI kit will contain core items including; 1 pcs of Plastic sheet (4m x 5m), 3 pcs of Blanket (1.5m x 2.0m), 2 pcs of Sleeping mat (1.8m x 0.9m), Assorted standard Kitchen set, 1 pcs of Mosquito net (1.8m X1.6m X 1.5m), a portable Solar lamp, and 2 pcs of 10ltrs Jerry cans each. The plastic sheets will help the beneficiaries to improve their shelter conditions and protect them from harsh weather. The same households will receive both standard NFI kits and Plastic Sheets. Data collected to inform beneficiary selection will be disaggregated by gender and disability to ensure that no group is left out.</p> <p>As part of the distribution process, full beneficiary details will be captured alongside their contact telephone numbers and location information to facilitate future M&E and impact evaluation processes. Utilizing its field expertise, AMARD will ensure safe distribution of NFIs through a transparent selection of beneficiaries, promoting the active participation of beneficiaries in all project phases and equitable inclusion of the different fabrics of the target community. AMARD is committed to preventing aid diversion by strengthening its risk management measures. To this end, it will store aid supplies in secure facilities with limited access, track their movement from receipt to distribution, monitor aid activities to identify potential risks and use a transparent process to select and register beneficiaries. AMARD will also educate beneficiaries about their rights and entitlements, and the fact that no conditions are attached to the aid provided.</p>		
<i>Planned Start Date:</i>	<i>01- Dec- 2023</i>	<i>Planned Start Date:</i>	<i>31- May- 2024</i>
<i>Actual Start Date:</i>	<i>01- Dec- 2023</i>	<i>Actual Start Date:</i>	<i>31- May- 2024</i>
<i>Project Duration:</i>	<i>6 Months</i>		

Source: CBPF-SOM-23-R-NG0-27098


Ms. Saadia Ahmed Kerrow
BOARD CHAIR

Date: 15 July 2024


Mr. Yussuf Mohamed Hassan
BOARD SECRETARY

Date: 15 July 2024

**AGENCY FOR MINORITY RIGHTS AND DEVELOPMENT
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

STATEMENT OF MANAGEMENT'S RESPONSIBILITIES

It is the responsibility of Directors to prepare financial statements for each financial year that give a true and fair view of the financial position of the Organization as at the end of the financial year and of its income and expenditure for that year. The Directors are also required to ensure that the Organization maintains proper accounting records that are sufficient to show and explain the transactions of the Organization and disclose, with reasonable accuracy, the financial position of the Organization. The Management is also responsible for safeguarding the assets of the Organisation, and for taking reasonable steps for the prevention and detection of fraud and error.

The Management accepts responsibility for the preparation and presentation of these financial statements in accordance with the International Financial Reporting Standards. They also accept responsibility for:

- (i) Designing, implementing, and maintaining such internal control as they determine necessary to enable the presentation of financial statements that are free from material misstatement, whether due to fraud or error;
- (ii) Selecting suitable accounting policies and applying them consistently; and
- (iii) Making accounting estimates and judgments that are reasonable in the circumstances.

Having assessed the Organization's ability to continue as a going concern, the Management is not aware of any material uncertainties related to events or conditions that may cast doubt upon the Organization's ability to continue as a going concern.

The Managements acknowledge that the independent audit of the financial statements does not relieve them of their responsibilities.



Ms. Saadia Ahmed Kerrow
BOARD CHAIR

Date: 15 July 2024



Mr. Yussuf Mohamed Hassan
BOARD SECRETARY

Date: 15 July 2024

**AGENCY FOR MINORITY RIGHTS AND DEVELOPMENT
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AGENCY FOR MINORITY RIGHTS AND DEVELOPMENT

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Agency for Minority Rights and Development set out on pages 10 to 18, which comprise the statement of financial position as of 31 December 2023, the statement of cash receipts and expenditure, and the statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the organization as of 31 December 2023 and of its financial performance and cash flows for the year that ended in accordance with International Public Accounting Standards-Financial Reporting under the Cash Basis of Accounting ("IPSAS- Cash Basis").

Basis for Opinion

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. We have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IPSAS, and for such internal controls as Management determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management 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 Management either intends to liquidate the organization or to cease operations, or have no realistic alternative but to do so. Those charged with governance are responsible for overseeing the organization's financial reporting process.

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 by ISAs, we exercise professional judgment and maintain professional skepticism

**AGENCY FOR MINORITY RIGHTS AND DEVELOPMENT
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

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 Management.
- Conclude on the appropriateness of Management'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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activities within the organization to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the organization's audit. We remain responsible for our audit opinion.

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.

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA Adan Birik Abdi - P/No P/2758.



**Certified Public Accountants (Kenya)
Nairobi, Kenya
21 July 2024**

**AGENCY FOR MINORITY RIGHTS AND DEVELOPMENT
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

STATEMENT OF CASH RECEIPT AND PAYMENTS

[Based on classification of expenditures by nature]

	Notes	31 December 2023
		USD
RECEIPTS		
Grants Income from Donor	2	327,778.14
TOTAL RECEIPTS		327,778.14
PAYMENTS		
Programs Expenses	3	220,678.40
Administration	4	61,705.40
TOTAL PAYMENTS		282,383.80
Surplus/(Deficit) for the year		45,394.34
Cash beginning of the year	7	105.00
Cash end of the year	7	45,499.34

**AGENCY FOR MINORITY RIGHTS AND DEVELOPMENT
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

STATEMENT OF FINANCIAL ASSETS AND LIABILITIES

	Notes	31 December 2023
		USD
FINANCIAL ASSETS		
Cash and cash equivalents	7	45,499.34
Total financial assets		45,499.34
FINANCIAL LIABILITIES		
Payables		-
Total liabilities		
Net financial assets (liabilities)		45,499.34
REPRESENTED BY:		
Accumulated Surplus from the previous years	8	105.00
Net Surplus/(deficit) for current year	8	45,499.34
Total closing balances/Net financial position (Fund Balance).	8	45,499.34

The financial statements on pages 6 to 13 were approved by the management on 15 July 2024 and signed on behalf of management by:



Ms. Saadia Ahmed Kerrow
BOARD CHAIR

Date: 15 July 2024



Mr. Yussuf Mohamed Hassan
BOARD SECRETARY

Date: 15 July 2024

**AGENCY FOR MINORITY RIGHTS AND DEVELOPMENT
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

STATEMENT OF CASHFLOWS

	Notes	31 December 2023
		USD
Cash flow from operating activities		
Receipts		
Grants Income from Donors	2	327,778.14
Total Receipts		327,778.14
Expenses		
Programs Expenditure	3	220,678.40
Administration	4	61,705.40
Total operating expenses		282,383.80
Net cash flows from operating activities	A	45,394.34
Cash flows from Investing Activities		
Acquisition of fixed assets	6	0.00
Proceeds from sale of assets		-
Net cash flows from Investing Activities	B	0.00
Cash flow from Financing Activities		
Repayment of borrowings		-
Proceeds from borrowings		
Net cash flow from financing activities	C	-
Net increase/(decrease) in cash and cash equivalents	A+B+C	0.00
Cash and cash equivalents at beginning of year	7	105.00
Cash and cash equivalents at end of year	7	45,499.34

**AGENCY FOR MINORITY RIGHTS AND DEVELOPMENT
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

STATEMENT OF BUDGET COMPARISON WITH ACTUALS FOR 2023

	Original Budget	Actual Outturn	Budget Variance	Percentage Variance
RECEIPTS	USD	USD	USD	%
Grants Income from Donors [note 2]	819,445.33	327,778.14	491,667.19	40%
Total Grants Receipt	819,445.33	327,778.14	491,667.19	40%
Recurrent Expenses				
Programs Expenses [note 3]	550,950.00	220,678.40	330,372.60	40%
Administration [note 4]	268,495.33	61,705.00	206,790.33	23%
Total Expenditure	819,445.33	282,383.80	537,061.53	34%
Surplus/ (Deficit)	-	45,394.34		

**AGENCY FOR MINORITY RIGHTS AND DEVELOPMENT
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

These are the specific principles, bases, conventions, rules, and practices adopted by the Organization in preparing and presenting the financial statements. The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all transactions unless otherwise stated. The following specific policies have been used:

(a) Statement of Compliance and Basis of Preparation of the Financial Statements

The financial statements have been prepared in accordance with the International Public Sector Accounting Standards Financial Reporting under the Cash Basis of Accounting.

The accounting policies have been applied consistently throughout the period. The presentation and classification of items in the financial statements are consistent from one period to the next.

(b) Reporting Entity

These financial statements are for Agency for Minority Rights and Development.

(c) Reporting Currency

The functional currency of the Agency for Minority Rights and Development is the United States dollar because the Organization's revenues and expenditures are made in that currency; (b) most of the financing is provided in that currency; and (c) bank transactions and balances are principally in the US \$.

(d) Reporting Period

The Organisation Financial Year runs from 1st January to 31st December, the calendar year. These financial statements are for the period 1 January 2023 to 31 December 2023.

(e) Revenue (Recognition of receipts)

The Organization recognizes all receipts from various sources when the event occurs and the related cash has been received by the Organization.

- Transfers from the donors and other partners/Entities: - Where transfers are received from the donors and/or other partners/Entities, these are recognized in the Organization's books of account when cash is received. Cash is considered as received when payment instruction is issued to the bank and notified to the Organization;
- Other receipts: - These include receipts such as proceeds from disposal of assets and refunds. These are recognized in the financial statements at the time associated cash is received; and
- External Assistance: - External assistance is received through grants and loans from multilateral and bilateral development partners.

(f) Donations and grants

Grants and donations shall be recognized in the books of accounts when cash is received. Cash is considered as received when payment advice is received by the Organization or by the beneficiary. Distributions to beneficiaries of donations in kind such as foodstuffs and medical supplies are recognised as expenditure in the year of distribution. Valuations of donations in kind are based on the unit cost to the donor. If such valuation is not available, reasonable prevailing market rates are used.

**AGENCY FOR MINORITY RIGHTS AND DEVELOPMENT
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 ACCOUNTING POLICY (CONTINUED)

In the case of grant/donation in kind, such grants are recorded upon receipt of the grant item and determination of the value. The date of the transaction is the value date indicated on the payment advice.

Proceeds from borrowing Include external loans acquired by the organization and are treated on a cash basis and recognized as a receipt during the year they were received.

(d) Undrawn Grant Balance

These are grants at the reporting date as specified in a binding agreement and relate to funding to implement programs where conditions have been satisfied or their ongoing satisfaction is highly likely and the project is anticipated to continue to completion. An analysis of the undrawn fund balance is prepared regularly and submitted during the withdrawal application.

(e) Other Contribution

Relates to resources received from individuals, other private citizens, and other assistance that is voluntarily provided by, for example, individuals, private entities charitable and other organizations per IPSAS Cash Basis.

During the year, grants received have been reported in the statement of cash receipts and expenditures.

(f) Expenses (Recognition of Payments)

Payments represent outlays of cash made by the entity or other agencies for and on behalf of the Project. All payments are recognized and included in the financial statements when cash is paid out.

- **Compensation of employees:** - Salaries and Wages, Allowances, and Statutory Contributions for employees are recognized in the period when the compensation is paid.
- **Use of Goods and Services:** - Goods and services are recognized as payments in the period when the goods/services are consumed and paid for. If not paid for during the period where goods/services are consumed, they shall be included in the statement of financial assets and liabilities (Balance sheet) as financial liabilities with supporting schedules (detailed notes) based on the IPSAS Modified Cash.

(g) Property, Plant, and Equipment & other non-current assets (Capital items)

Non-current assets principally comprise land, buildings, plants, vehicles, equipment, and any other capital assets controlled by the Organization. Under the cash basis of accounting, purchases of property, plant, equipment and other non-current assets from grants and donations have been expensed fully in the year of purchase per donor terms and conditions.

However, assets such as Motor vehicles, equipment, and hardware owned directly by the Organization are stated at cost less accumulated depreciation and any impairment in value. Depreciation is calculated on a straight-line basis at annual rates estimated to write off the carrying values of the assets over their expected useful lives.

**AGENCY FOR MINORITY RIGHTS AND DEVELOPMENT
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023
1 ACCOUNTING POLICY (CONTINUED)**

The annual rates in use are: -

- Freehold Buildings 15%
- Motor vehicles 15%
- Furniture and Fittings 15%
- Equipment 15%

Assets with a value of less than USD 500, (except for aggregated assets) are expensed in the year of acquisition. The assets' residual values, useful lives, and methods are reviewed and adjusted if applicable, at each balance sheet date.

Motor Vehicles 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 recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

(h) Intangible assets

Computer software and other intangible assets are stated at cost less amortization and impairment losses. The costs are amortized over the expected useful lives of the software of three (3) years on a straight-line basis.

(i) Taxation

No taxation is provided for in these financial statements as Agency for Minority Rights and Development's principal activity is humanitarian assistance which is exempt from taxation.

(j) Comparative figures for the previous period

Where necessary comparative figures for the previous financial year/period have been amended or reconfigured to conform to the required changes in the presentation of the financial statement to ensure full compliance with the Cash Basis IPSAS.

(k) Foreign currency transactions and foreign operations

Foreign currency transactions denominated in foreign currencies would be recorded into United States Dollars and incorporated in the statement of cash receipts and payments at the exchange rate ruling on the date of the transaction; Cash balances denominated in foreign currency at the year-end would be translated at the closing rate of exchange with the resulting exchange gains/(losses) dealt with as a reconciling item between the opening and closing cash balances for the financial year.

(l) Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held at call with banks, other short-term highly liquid investments, and bank overdrafts.

(m) Refunds of previous year receipts and expenditures

Receipts refunded from the previous years are recorded as expenditures in the current year. Expenditures refunded from previous years are recorded as receipts in the current year.

**AGENCY FOR MINORITY RIGHTS AND DEVELOPMENT
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

1 ACCOUNTING POLICY (CONTINUED)

(n) Employee benefits

Employee benefits include salaries, allowances, and other related employment costs and these have been recognized in the financial statements only when actual payments are made.

(o) Contingencies

Contingent liabilities are recorded and disclosed when the contingency becomes evident. Contingent assets are neither recognized nor disclosed.

(p) Original and final approved budget and comparison of actual and budget amounts

The approved budget is developed on the same accounting basis (cash basis) for the same period (1 January to 31 December every year) as for the financial statements.

The original budget objectives and policies, the subsequent revisions, and the material differences between the budget and actual amounts are explained more fully in the executive commentary (and/or notes to the statement of comparison of the budget with the actual) provided as part of these financial statements.

A commitment control system is in place and is implemented through the ERP system with adequate system controls to ensure that no expenditure can be incurred over the approved budget as may be revised.

2. Grants Income from donors

Grant income received by Agency for Minority Rights and Development during the period is analysed as follows

	31 December 2023
	USD
UNOCHA	
Protection-CBPF-SOM-23-R-NG0-26553	127,778.14
Shelter- CBPF-SOM-23-R-NG0-27098	200,000.00
	327,778.14
	=====

3. PROGRAMME EXPENDITURE

Programme expenditure represents amounts disbursed and expended for the project in US Dollars. Project expenditure is recognised when incurred.

	31 December 2023
	USD
HT · Plastic sheet	40,000.00
Orientations deployment GBV	2,350.00
Cash Voucher Assistance for GBV	18,750.00
Provision of Dignity kits GBV	28,632.00
Procurement of PSS kits	8,730.40
Community Awareness and Mobilizer	5,976.00
	=====
	220,678.00
	=====

**AGENCY FOR MINORITY RIGHTS AND DEVELOPMENT
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

4. ADMINISTRATIVE COSTS

Administration costs incurred by Agency for Minority Rights and Development during the period are analysed as follows:

	31 December 2023
	USD
Salaries and benefits	39,495.00
Equipment	1,000.00
Travel	5,400.00
General Operating	7,560.00
Overhead Cost	8,250.40
	61,705.40
	=====

6. CAPITAL COMMITMENTS

There are no capital commitments as at 31 December 2023

7. CASH & CASH EQUIVALENT

	31 December 2023
	USD
Premier Bank	45,394.34
	45,394.34
	=====

8. ACCUMULATED FUNDS

	31 December 2023
	USD
At 1 Beginning of the period	105.00
Surplus for the year	45,394.34
	45,499.34
	=====

10. CURRENCY

The financial statements are presented in US Dollars (USD).

11. REGISTRATION

Agency for Minority Rights and Development is registered in Somalia as a Non-Government organisation.

12. EVALUATION OF SUBSEQUENT EVENTS

The organisation has evaluated subsequent events from the balance sheet date through to 31 December 2023, the date which the financial statements were available to be issued.

**AGENCY FOR MINORITY RIGHTS AND DEVELOPMENT
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

ANNEX 1: EQUIPMENT AND MACHINERY AS OF 31 DECEMBER 2023

The Organization is a not-for-profit organization and has moved to adopt IPSAS_Financial Reporting Under the Cash Basis of Accounting.

As per note (g) of the accounting policy framework, non-current assets principally comprise land, buildings, plants, vehicles, equipment, and any other capital assets controlled by the Organization. Under the cash basis of accounting, purchases of property, plant, equipment and other non-current assets from grants and donations have been expensed fully in the year of purchase per donor terms and conditions.

Therefore, capital expenditures incurred by the Organization are reported and tracked for information purposes only. The list of these possessions as of 31 December 2023 is provided below: -

Type	Description & Model	NBV	Office
Furniture and fittings	sofa set Office	\$825.00	Baidoa
Motor vehicles and Machinery	TOYOTA, Noah, 2000, Petrol	\$2,400.00	Baidoa
Motor vehicles and Machinery	TOYOTA, lan cruiser one H.D1994,Diesel	\$7,500.00	Baidoa
Total		10,725.00	