



HALDOOR
ADVISORY & AUDIT GROUP

**AUDITOR'S REPORT AND FINANCIAL
STATEMENT December 2024**

**SAFA EDUCATION AND MEDICAL DEVELOPMENT
ORGANIZATION (SEMDO)**

Preparer

Accountant: Mohamed
Hassan

Stamp



Reviewer and Analysis

Audit Manager: MATHEW
NGUNGA, CE



HALDOOR
ADVISORY & AUDIT GROUP

Ref No: HAAG0793

Organization Chairman
Southwest Somalia
Name: Mohamed Adam Mukhtar
Title: Executive Director

Organization of official Logo



Date: 03 Jan 2025

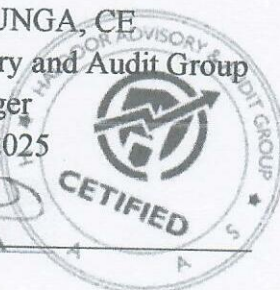
AUDITED FINANCIAL ACCOUNTS AND REPORT FROM THE YEAR December 2024

Enclosed, please find the audited accounts and report concerning your organization on 31 December 2024.

On this, please do not hesitate to contact us in case of any queries or clarification at any time.

We look forward to a cordial relationship, as we always promise to professionally offer our services.

Yours faithfully,
Mr. MATHEW NGUNGA, CE
On behalf of Haldoor Advisory and Audit Group
Audit Manager
Date: 03 Jan 2025



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DIRECTOR OFFICIALS

Organization Name	SAFA EDUCATION AND MEDICAL DEVELOPMENT ORGANIZATION
Category	NGO
Date Established	Nov 28, 2019
Head Quarter	Baidoa, Southwest, Somalia
Contact Person	Mohamed Adam Mukhtar
Email	info@semDOSOM.org
Phone Number	+252610991025
Area of Operation	Southwest Somalia
Registrations	Somali Government and Southwest state
Auditor	Haldoor Advisory and Audit Group (HAAG) Address 1: Nairobi – Yaya center / Argwings Kodhek Rd Address 2: Mogadishu – near Hayat Mall Phone number: +252617261008 Contact person: MATHEW NGUNGA, CE Title: Audit Manager Email: haldooraagroup@gmail.com / info@haldooraagroup.com Website: www.haldooraagroup.com

**To the Board of Directors of Safa education and Medical Development Organization
Report on Financial Statements**

We have audited the Organizational financial statements of SAFA Education and Medical Development Organization (SEMDO), which comprise the Statement of Financial Position as at 31 December 2024, and the Statements Income, Statement of Financial position, and Cash Flows for the 1 January to 31 December 2024, as well as a summary of significant accounting policies and other explanatory notes.

In our opinion, the financial statements present fairly, in all material respects, the financial position of SAFA Education and Medical Development Organization (SEMDO) as at 31 December 2024, and its financial performance and cash flows for the 1 January to 31 December 2024, r, in accordance with International Financial Reporting Standards (IFRS) for Small and Medium-sized Entities and applicable Public Benefit Entity guidelines

Directors Responsibility for the Financial Statements

The Directors are responsible on behalf of the entity for the preparation and fair presentation of these financial statements, in accordance with Public Benefit Entity Standards Reduced Disclosure Regime, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

Our responsibility is to express an independent opinion on the financial statements based on our audit. We conducted the audit in accordance with the International Standards on Auditing (ISAs), which require that we adhere to ethical principles and plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatement.

An audit involves the application of procedures designed to gather sufficient and appropriate audit evidence regarding the amounts and disclosures presented in the financial statements. The selection of procedures is based on the auditor's professional judgment, including the assessment of the risks of material misstatement, whether arising from fraud or error.

In assessing these risks, we consider the entity's internal control systems relevant to the preparation and fair presentation of the financial statements. This assessment is undertaken to design audit procedures that are appropriate under the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls.

Furthermore, the audit includes evaluating the appropriateness of accounting policies applied, the reasonableness of significant accounting estimates made by management, and the overall presentation of the financial statements.

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

for our audit opinion.

Except for our role as independent auditors, we have no financial interest in, nor any, any relationship with, SAFA Education and Medical Development Organization (SEMDO)

Opinion

The financial statements of the SAFA Education and Medical Development Organization (SEMDO), present fairly, in all material respects, the financial position of the entity as at 31 December 2024, and its financial performance and cash flows for the 1 January to 31 December 2024, in accordance with the Public Benefit Entity Standards – Reduced Disclosure Regime.

Report on Other Legal and Regulatory Requirements

In accordance with applicable auditing standards and legal obligations, we confirm the following based on our examination of the financial statements of SAFA Education and Medical Development Organization (SEMDO) for the 1 January to 31 December 2024,

1. We obtained all necessary information and explanations that, to the best of our knowledge and belief, were required for the purpose of our audit.
2. In our opinion, the Organization has maintained proper books of account, as evidenced by our review and evaluation of the accounting records.
3. The financial statements, including the Statement of Financial Position and the Statement of Comprehensive Income, are in agreement with the underlying books of account and accurately reflect the financial activities of the Organization.

Signed:

Auditor: Haldoor Advisory & Audit Group

Represented

By: MATHEW NGUNGA, CE

Title: Audit Manager

Signature

Date: 03 Jan 2025

Location: Nairobi - Kenya

Auditors Official Seal:



Director's Message

During, 1 January to 31 December 2024, marked a period of strategic growth and operational resilience for SAFA Education and Medical Development Organization (SEMDO). Through the generous support of our donors and the dedication of our team, we expanded access to Humanitarian Responses across underserved communities.

This audit report reflects our commitment to transparency, accountability, and continuous improvement. We remain focused on building sustainable systems that empower Somali youth and strengthen community resilience.

Signed:

Safa Education and Medical Development Organization (SEMDO)

By: Mohamed Adam Mukhtar

Title: Executive Director



Signature:

Date: 03 Jan 2025

Location: Baidoa, Bay Somalia

Official Seal:

Balance Sheet
as of 31 December 2024

1

Balance sheet

	Cash in Bank	\$0.00
	Total Balance	\$0.00

Income Statement

Revenue

1

Income**CORE SERVICE STREAMS****Baidoa Communities & Somali
Businesses (Nairobi & America)
(Ramadan Iftar Program
donations)****\$9,497.60****Total Income****\$9,497.60****Net Income****\$9,497.60**

For the year ended 31 December 2024, SAFA Education and Medical Development Organization (SEMDO) received total donations amounting to USD 9,497.60. These funds were contributed by Baidoa communities and Somali-owned businesses in Nairobi and the United States, specifically designated to support the Ramadan Iftar Program.

The initiative provided culturally sensitive humanitarian assistance through the procurement and distribution of food to vulnerable families and internally displaced persons (IDPs) in Baidoa during the holy month of Ramadan.

All income was recognized in accordance with International Financial Reporting Standards (IFRS) for Small and Medium-sized Entities and the Public Benefit Entity Standards – Reduced Disclosure Regime. The funds were fully allocated to programmatic activities, resulting in no surplus or deficit.

2

Direct Expenses**Staff Expenses****\$550.00****Office Utilities and Rent****\$650.00****Project Implementation****\$8,297.60****Other Expenses****\$0.00****Total Expenses****\$9,497.60****Surplus/Deficit****Surplus / Deficit****\$0.00**

Total direct expenses for the year amounted to USD 9,497.60. Of this, USD 550.00 was allocated to staff expenses for coordination and logistics, USD 650.00 was used for office utilities and rent to sustain operational continuity, and USD 8,297.60 was dedicated to direct project implementation, including food procurement and distribution. No other expenses were recorded.

The full utilization of funds reflects SEMDO's commitment to transparency, efficiency, and accountability in financial management. By ensuring that all donor contributions were directed toward programmatic activities, SEMDO maintained a balanced budget with no surplus or deficit.

The full utilization of the USD 8,740.43 reflects SEMDO's commitment to transparency, efficiency, and accountability in financial management. By ensuring that all donor contributions were directed toward programmatic activities, SEMDO maintained a balanced budget with no surplus or deficit, underscoring its dedication to community-driven impact and donor confidence.

Statement of Financial Position
As at 31 December 2024

NON-CURRENT ASSETS

Property and Equipment

\$15,876.8

Total Non-Current Assets

\$15,876.8

CURRENT ASSETS

Cash and Bank balances

\$0.00

Total Current Assets

\$0.00

NET ASSETS

\$15,876.8

**ACCUMULATED FUNDS AND
LIABILITIES**

Equity (Capital and Retained Earnings)

\$15,876.80

Liabilities

\$0.00

Total Equity & Liabilities

\$15,876.80

Surplus / Deficit for the Year

\$0.00

As at 31 December 2024, SEMDO reported total net assets of USD 15,876.80, represented entirely by non-current assets in property and equipment. No cash or bank balances were held at year-end, and no liabilities were recorded. This financial position reflects SEMDO's investment in long-term operational infrastructure and its commitment to asset-based development. The absence of surplus or deficit for the year indicates that all program funds were fully utilized, in line with SEMDO's mission to deliver direct impact through community-driven initiatives.

CASH FLOW STATEMENT

Statement of Cash flow

1 January to 31 December 2024

Category	Description	Amount (USD)
Cash Flows from Operating Activities		
Receipts from Donor Projects	Ramadan Iftar Program – Community & Diaspora Support	\$ 9,497.60
Total Receipts		\$ 9,497.60
Payments to Staff and Suppliers	Staff Salaries and Coordination	\$550.00
	Office Utilities and Rent	\$650.00
	Project Implementation (Food Procurement & Distribution)	\$ 8,297.60
Total Payments		\$9,497.60
Net Cash from Operating Activities		\$0.00
Cash Flows from Investing Activities	No asset purchases or disposals	\$0.00
Cash Flows from Financing Activities	No capital contributions or loans	\$0.00
Net Increase in Cash		\$0.00
Opening Cash and Bank Balances		\$0.00
Closing Cash and Bank Balances		\$0.00

For the year ended 31 December 2024, SEMDO reported total cash inflows of USD 9,497.60, generated entirely from community and diaspora contributions to the Ramadan Iftar Program. Cash outflows during the year matched the total receipts, amounting to USD 9,497.60, with payments allocated to staff salaries, office utilities, and direct project implementation.

As a result, net cash from operating activities was USD 0.00, with no increase or decrease in cash balances during the year. Opening and closing cash and bank balances remained at USD 0.00, reflecting SEMDO's practice of fully utilizing donor contributions within the reporting period.

Notes to the Financial Statements

For the 31 December 2024

1. Reporting Entity

SAFA Education and Medical Development Organization (SEMDO) is a non-profit NGO established in Baidoa on November 28, 2019, with a mission to empower vulnerable communities across Southwest Somalia through sustainable programs in education, healthcare, protection, youth development, WASH, and food security. Guided by values of respect, accountability, impartiality, and innovation, SEMDO works closely with local communities, government bodies, and international partners to deliver culturally sensitive and impactful services.

Recognized by key institutions including the Ministry of Youth and Sports and the Ministry of Planning, SEMDO has demonstrated its commitment to transparency and grassroots engagement through initiatives such as IDP education support, health worker training, water trucking during droughts, and Ramadan Iftar distributions funded by diaspora and local donors.

2. Basis of Preparation

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) for Small and Medium-sized Entities and the Public Benefit Entity Standards – Reduced Disclosure Regime. All figures are presented in U.S. Dollars (USD), the functional currency of the entity.

3. Accounting Policies

- ✓ Revenue Recognition: Income is recognized when services are rendered and payment is reasonably assured.
- ✓ Expense Recognition: Expenses are recorded on an accrual basis and categorized by function.
- ✓ Property and Equipment: Non-current assets are stated at historical cost less accumulated depreciation.
- ✓ Cash and Bank Balances: Represent actual cash held and bank deposits available at year-end.
- ✓ Equity: Includes initial capital and retained earnings adjusted for annual surplus or deficit.

4. Property and Office Equipment

As at 31 December 2024, SEMDO held non-current assets totaling USD 15,876.80, representing property and equipment used to support program delivery. No additions or disposals were recorded during the year.

5. Cash and Bank Balances

Cash and bank balances amounted to USD 0.00 at year-end, reflecting the net result of operating activities and available liquidity.

6. Income

During 2024, SEMDO received USD 9,497.60 in donations from Baidoa communities and Somali-owned businesses in Nairobi and the United States. These funds were specifically designated for the Ramadan Iftar Program, which provided food assistance to vulnerable families and internally displaced persons (IDPs) in Baidoa. All income was recognized in accordance with IFRS and Public Benefit Entity Standards, and the entire amount was allocated to programmatic activities.

7. Expenses

Total direct expenses for the year amounted to USD 9,497.60. Of this, USD 550.00 was used for staff coordination and logistics, USD 650.00 for office utilities and rent, and USD 8,297.60 for direct project implementation, including food procurement and distribution. No other expenses were recorded. The full utilization of funds resulted in a balanced budget with no surplus or deficit

8. Equity and Liabilities

The organization's financial structure included equity of USD 15,876.80 and no recorded liabilities, reflecting SEMDO's asset-based development approach and debt-free operations.

9. Audit Confirmation

The audit was conducted by HALDOOR ADVISORY AND AUDIT GROUP in accordance with International Standards on Auditing (ISAs). The auditors confirmed that SAFA Education and Medical Development Organization (SEMDO) maintained proper books of accounts and that the financial statements fairly represent the Organization's financial position.



HALDOOR
ADVISORY & AUDIT GROUP

AUDITOR'S REPORT AND FINANCIAL STATEMENT December 2022

**SAFA EDUCATION AND MEDICAL DEVELOPMENT
ORGANIZATION (SEMDO)**

Preparer

Accountant: Mohamed
Hassan

Stamp



Reviewer and Analysis

Audit Manager: MATHEW
NGUNGA, CE



HALDOOR
ADVISORY & AUDIT GROUP

Ref No: HAAG0720

Organization Chairman
Southwest Somalia
Name: Mohamed Adam Mukhtar
Title: Executive Director

Organization of official Logo



Date: 04 Jan 2023

AUDITED FINANCIAL ACCOUNTS AND REPORT FROM THE YEAR December 2022

Enclosed, please find the audited accounts and report concerning your organization on 31 December 2022.

On this, please do not hesitate to contact us in case of any queries or clarification at any time.

We look forward to a cordial relationship, as we always promise to professionally offer our services.

Yours faithfully,
Mr. MATHEW NGUNGA, CE
On behalf of Haldoor Advisory and Audit Group
Audit Manager
Date: 04 Jan 2023



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DIRECTOR OFFICIALS

Organization Name	SAFA EDUCATION AND MEDICAL DEVELOPMENT ORGANIZATION
Category	NGO
Date Established	Nov 28, 2019
Head Quarter	Baidoa, Southwest, Somalia
Contact Person	Mohamed Adam Mukhtar
Email	info@semdosom.org
Phone Number	+252610991025
Area of Operation	Southwest Somalia
Registrations	Somali Government and Southwest state
Auditor	Haldoor Advisory and Audit Group (HAAG) Address 1: Nairobi – Yaya center / Argwings Kodhek Rd Address 2: Mogadishu – near Hayat Mall Phone number: +252617261008 Contact person: MATHEW NGUNGA, CE Title: Audit Manager Email: haldooraagroup@gmail.com / info@haldooraagroup.com Website: www.haldooraagroup.com

To the Board of Directors of Safa education and Medical Development Organization
Report on Financial Statements

We have audited the Organizational financial statements of SAFA Education and Medical Development Organization (SEMDO), which comprise the Statement of Financial Position as at 31 December 2022, and the Statements Income, Statement of Financial position, and Cash Flows for the 1 January to 31 December 2022, as well as a summary of significant accounting policies and other explanatory notes.

In our opinion, the financial statements present fairly, in all material respects, the financial position of SAFA Education and Medical Development Organization (SEMDO) as at 31 December 2022, and its financial performance and cash flows for the 1 January to 31 December 2022, r, in accordance with International Financial Reporting Standards (IFRS) for Small and Medium-sized Entities and applicable Public Benefit Entity guidelines

Directors Responsibility for the Financial Statements

The Directors are responsible on behalf of the entity for the preparation and fair presentation of these financial statements, in accordance with Public Benefit Entity Standards Reduced Disclosure Regime, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

Our responsibility is to express an independent opinion on the financial statements based on our audit. We conducted the audit in accordance with the International Standards on Auditing (ISAs), which require that we adhere to ethical principles and plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatement.

An audit involves the application of procedures designed to gather sufficient and appropriate audit evidence regarding the amounts and disclosures presented in the financial statements. The selection of procedures is based on the auditor's professional judgment, including the assessment of the risks of material misstatement, whether arising from fraud or error.

In assessing these risks, we consider the entity's internal control systems relevant to the preparation and fair presentation of the financial statements. This assessment is undertaken to design audit procedures that are appropriate under the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls.

Furthermore, the audit includes evaluating the appropriateness of accounting policies applied, the reasonableness of significant accounting estimates made by management, and the overall presentation of the financial statements.

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

for our audit opinion.

Except for our role as independent auditors, we have no financial interest in, nor any, any relationship with, SAFA Education and Medical Development Organization (SEMDO)

Opinion

The financial statements of the SAFA Education and Medical Development Organization (SEMDO), present fairly, in all material respects, the financial position of the entity as at 31 December 2022, and its financial performance and cash flows for the 1 January to 31 December 2022, in accordance with the Public Benefit Entity Standards – Reduced Disclosure Regime.

Report on Other Legal and Regulatory Requirements

In accordance with applicable auditing standards and legal obligations, we confirm the following based on our examination of the financial statements of SAFA Education and Medical Development Organization (SEMDO) for the 1 January to 31 December 2022,

1. We obtained all necessary information and explanations that, to the best of our knowledge and belief, were required for the purpose of our audit.
2. In our opinion, the Organization has maintained proper books of account, as evidenced by our review and evaluation of the accounting records.
3. The financial statements, including the Statement of Financial Position and the Statement of Comprehensive Income, are in agreement with the underlying books of account and accurately reflect the financial activities of the Organization.

Signed:

Auditor: Haldoor Advisory & Audit Group

Represented

By: MATHEW NGUNGA, CE

Title: Audit Manager


Signature:

Date: 04 Jan 2023

Location: Nairobi - Kenya

Auditors Official Seal:



Director's Message

During, 1 January to 31 December 2022, marked a period of strategic growth and operational resilience for SAFA Education and Medical Development Organization (SEMDO). Through the generous support of our donors and the dedication of our team, we expanded access to Humanitarian Responses across underserved communities.

This audit report reflects our commitment to transparency, accountability, and continuous improvement. We remain focused on building sustainable systems that empower Somali youth and strengthen community resilience.

Signed:

Safa Education and Medical Development Organization (SEMDO)

By: Mohamed Adam Mukhtar

Title: Executive Director



Signature:

Date: 04 Jan 2023

Location: Baidoa, Bay Somalia

Official Seal:



Balance Sheet
as of 31 December 2022

1

Balance sheet

Cash in Bank	\$0.00
Total Balance	\$0.00

Income Statement

Revenue

1

Income

CORE SERVICE STREAMS

Baidoa Communities & Somali Businesses (Nairobi & America) (Ramadan Iftar Program donations)	\$7,458.70
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Total Income	<u>\$7,458.70</u>
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Net Income	<u>\$7,458.70</u>
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For the year ended 31 December 2022, SEMDO received a total income of USD 7,458.70 through community-based fundraising efforts. This amount was contributed by Baidoa residents and Somali-owned businesses in Nairobi and the United States to support SEMDO's Ramadan Iftar Program. The initiative provided essential food assistance to vulnerable families and internally displaced persons (IDPs) in Baidoa during the holy month, reflecting SEMDO's commitment to culturally sensitive humanitarian response.

All income was recognized in accordance with International Financial Reporting Standards (IFRS) for Small and Medium-sized Entities and Public Benefit Entity Standards. The funds were fully utilized to support programmatic activities, resulting in a net income of USD 7,458.70.

2

Direct Expenses

Staff Expenses	\$500.00
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Office Utilities and Rent	\$600.00
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Project Implementation	\$6,358.7
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Other Expenses	\$0.00
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Total Expenses	<u>\$7,458.70</u>
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Surplus/Deficit

Surplus / Deficit	<u>\$0.00</u>
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For the year ended 31 December 2022, SEMDO incurred total direct expenses of USD 7,458.70, fully funded by community donations for the Ramadan Iftar Program. These expenses were allocated as follows: USD 500.00 for staff involved in coordination and logistics, USD 600.00 for office utilities and rent to support operational continuity, and USD 6,358.70 for direct project implementation, including food procurement and distribution to vulnerable families and IDPs. No other expenses were recorded during the period. The full utilization of funds reflects SEMDO's commitment to

transparency, efficiency, and community-driven impact, resulting in a balanced budget with no surplus or deficit.

Statement of Financial Position
As at 31 December 2022

<u>NON-CURRENT ASSETS</u>	
Property and Equipment	\$15,876.8
<u>Total Non-Current Assets</u>	<u>\$15,876.8</u>
CURRENT ASSETS	
Cash and Bank balances	\$0.00
<u>Total Current Assets</u>	<u>\$0.00</u>
NET ASSETS	\$15,876.8
<u>ACCUMULATED FUNDS AND LIABILITIES</u>	
Equity (Capital and Retained Earnings)	\$15,876.80
Liabilities	\$0.00
Total Equity & Liabilities	\$15,876.80
Surplus / Deficit for the Year	\$0.00

As at 31 December 2022, SEMDO reported total net assets of USD 15,876.80, represented entirely by non-current assets in property and equipment. No cash or bank balances were held at year-end, and no liabilities were recorded. This financial position reflects SEMDO's investment in long-term operational infrastructure and its commitment to asset-based development. The absence of surplus or deficit for the year indicates that all program funds were fully utilized, in line with SEMDO's mission to deliver direct impact through community-driven initiatives.

CASH FLOW STATEMENT

Statement of Cash flow

1 January to 31 December 2022

Category	Description	Amount (USD)
Cash Flows from Operating Activities		
Receipts from Donor Projects	Ramadan Iftar Program – Community & Diaspora Support	\$7,458.70
Total Receipts		\$7,458.70
Payments to Staff and Suppliers	Staff Salaries and Coordination	\$500.00
	Office Utilities and Rent	\$600.00
	Project Implementation (Food Procurement & Distribution)	\$6,358.70
Total Payments		\$7,458.70
Net Cash from Operating Activities		\$0.00
Cash Flows from Investing Activities	No asset purchases or disposals	\$0.00
Cash Flows from Financing Activities	No capital contributions or loans	\$0.00
Net Increase in Cash		\$0.00
Opening Cash and Bank Balances		\$0.00
Closing Cash and Bank Balances		\$0.00

Notes to the Financial Statements

For the 31 December 2022

1. Reporting Entity

SAFA Education and Medical Development Organization (SEMDO) is a non-profit NGO established in Baidoa on November 28, 2019, with a mission to empower vulnerable communities across Southwest Somalia through sustainable programs in education, healthcare, protection, youth development, WASH, and food security. Guided by values of respect, accountability, impartiality, and innovation, SEMDO works closely with local communities, government bodies, and international partners to deliver culturally sensitive and impactful services.

Recognized by key institutions including the Ministry of Youth and Sports and the Ministry of Planning, SEMDO has demonstrated its commitment to transparency and grassroots engagement through initiatives such as IDP education support, health worker training, water trucking during droughts, and Ramadan Iftar distributions funded by diaspora and local donors.

2. Basis of Preparation

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) for Small and Medium-sized Entities and the Public Benefit Entity Standards – Reduced Disclosure Regime. All figures are presented in U.S. Dollars (USD), the functional currency of the entity.

3. Accounting Policies

- ✓ Revenue Recognition: Income is recognized when services are rendered and payment is reasonably assured.
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- ✓ Property and Equipment: Non-current assets are stated at historical cost less accumulated depreciation.
- ✓ Cash and Bank Balances: Represent actual cash held and bank deposits available at year-end.
- ✓ Equity: Includes initial capital and retained earnings adjusted for annual surplus or deficit.

4. Property and Office Equipment

As at 31 December 2022, SEMDO held non-current assets totaling USD 15,876.80, representing property and equipment used to support program delivery. No additions or disposals were recorded during the year.

5. Cash and Bank Balances

Cash and bank balances amounted to USD 0.00 at year-end, reflecting the net result of operating activities and available liquidity.

6. Income

SEMDO received USD 7,458.70 in donations from Baidoa communities and Somali businesses in Nairobi and the United States to support the Ramadan Iftar Program. All funds were allocated to direct program expenses.

7. Equity and Liabilities

The organization's financial structure included equity of USD 15,876.80 and no recorded liabilities, reflecting SEMDO's asset-based development approach and debt-free operations.

8. Audit Confirmation

The audit was conducted by HALDOOR ADVISORY AND AUDIT GROUP in accordance with International Standards on Auditing (ISAs). The auditors confirmed that SAFA Education and Medical Development Organization (SEMDO) maintained proper books of accounts and that the financial statements fairly represent the Organization's financial position.



HALDOOR
ADVISORY & AUDIT GROUP

AUDITOR'S REPORT AND FINANCIAL STATEMENT December 2023

**SAFA EDUCATION AND MEDICAL DEVELOPMENT
ORGANIZATION (SEMDO)**

Preparer

Accountant: Mohamed
Hassan

Stamp



Reviewer and Analysis

Audit Manager: MATHEW
NGUNGA, CE



HALDOOR
ADVISORY & AUDIT GROUP

Organization of official Logo



Ref No: HAAG0753

Date: 10 Jan 2024

Organization Chairman
Southwest Somalia
Name: Mohamed Adam Mukhtar
Title: Executive Director

AUDITED FINANCIAL ACCOUNTS AND REPORT FROM THE YEAR December 2023

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We look forward to a cordial relationship, as we always promise to professionally offer our services.

Yours faithfully,
Mr. MATHEW NGUNGA, CE

On behalf of Haldoor Advisory and Audit Group
Audit Manager

Date: 10 Jan 2024



[Signature]

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DIRECTOR OFFICIALS

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Category	NGO
Date Established	Nov 28, 2019
Head Quarter	Baidoa, Southwest, Somalia
Contact Person	Mohamed Adam Mukhtar
Email	info@semdosom.org
Phone Number	+252610991025
Area of Operation	Southwest Somalia
Registrations	Somali Government and Southwest state
Auditor	Haldoor Advisory and Audit Group (HAAG) Address 1: Nairobi – Yaya center / Argwings Kodhek Rd Address 2: Mogadishu – near Hayat Mall Phone number: +252617261008 Contact person: MATHEW NGUNGA, CE Title: Audit Manager Email: haldooraagroup@gmail.com / info@haldooraagroup.com Website: www.haldooraagroup.com

To the Board of Directors of Safa education and Medical Development Organization
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Auditor's Responsibilities

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An audit involves the application of procedures designed to gather sufficient and appropriate audit evidence regarding the amounts and disclosures presented in the financial statements. The selection of procedures is based on the auditor's professional judgment, including the assessment of the risks of material misstatement, whether arising from fraud or error.

In assessing these risks, we consider the entity's internal control systems relevant to the preparation and fair presentation of the financial statements. This assessment is undertaken to design audit procedures that are appropriate under the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls.

Furthermore, the audit includes evaluating the appropriateness of accounting policies applied, the reasonableness of significant accounting estimates made by management, and the overall presentation of the financial statements.

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

for our audit opinion.

Except for our role as independent auditors, we have no financial interest in, nor any, any relationship with, SAFA Education and Medical Development Organization (SEMDO)

Opinion

The financial statements of the SAFA Education and Medical Development Organization (SEMDO), present fairly, in all material respects, the financial position of the entity as at 31 December 2023, and its financial performance and cash flows for the 1 January to 31 December 2023, in accordance with the Public Benefit Entity Standards – Reduced Disclosure Regime.

Report on Other Legal and Regulatory Requirements

In accordance with applicable auditing standards and legal obligations, we confirm the following based on our examination of the financial statements of SAFA Education and Medical Development Organization (SEMDO) for the 1 January to 31 December 2023,

1. We obtained all necessary information and explanations that, to the best of our knowledge and belief, were required for the purpose of our audit.
2. In our opinion, the Organization has maintained proper books of account, as evidenced by our review and evaluation of the accounting records.
3. The financial statements, including the Statement of Financial Position and the Statement of Comprehensive Income, are in agreement with the underlying books of account and accurately reflect the financial activities of the Organization.

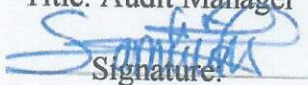
Signed:

Auditor: Haldoor Advisory & Audit Group

Represented

By: MATHEW NGUNGA, CE

Title: Audit Manager


Signature:

Date: 10 Jan 2024

Location: Nairobi - Kenya

Auditors Official Seal:



Director's Message

During, 1 January to 31 December 2023, marked a period of strategic growth and operational resilience for SAFA Education and Medical Development Organization (SEMDO). Through the generous support of our donors and the dedication of our team, we expanded access to Humanitarian Responses across underserved communities.

This audit report reflects our commitment to transparency, accountability, and continuous improvement. We remain focused on building sustainable systems that empower Somali youth and strengthen community resilience.

Signed:

Safa Education and Medical Development Organization (SEMDO)
By: Mohamed Adam Mukhtar
Title: Executive Director

Signature:



Date: 10 Jan 2024

Location: Baidoa, Bay Somalia

Official Seal:



Balance Sheet
as of 31 December 2023

1

Balance sheet

	Cash in Bank	\$0.00
	Total Balance	\$0.00

Income Statement

Revenue

1

Income

CORE SERVICE STREAMS

Baidoa Communities & Somali
Businesses (Nairobi & America)
(Ramadan Iftar Program
donations)

\$8,740.43

Total Income

\$8,740.43

Net Income

\$8,740.43

For the year ended 31 December 2023, SAFA Education and Medical Development Organization (SEMDO) received total donations amounting to USD 8,740.43. These funds were contributed by Baidoa communities and Somali-owned businesses in Nairobi and the United States, specifically designated to support the Ramadan Iftar Program. The initiative was designed to provide culturally sensitive humanitarian assistance through the procurement and distribution of food to vulnerable families and internally displaced persons (IDPs) in Baidoa during the holy month of Ramadan.

All income was recognized in accordance with International Financial Reporting Standards (IFRS) for Small and Medium-sized Entities and the Public Benefit Entity Standards – Reduced Disclosure Regime. The funds were fully allocated to programmatic activities, including staff coordination, office utilities, and direct project implementation. No surplus or deficit was recorded, as the entire amount of USD 8,740.43 was utilized for its intended purpose.

This income note demonstrates SEMDO's continued commitment to transparency, accountability, and efficiency in financial management. It highlights the organization's reliance on community-driven support and diaspora contributions to sustain its humanitarian programs, ensuring that donor resources directly benefit the most vulnerable populations in Southwest Somalia.

2

Direct Expenses

Staff Expenses

\$500.00

Office Utilities and Rent

\$600.00

Project Implementation

\$7,640.43

Other Expenses

\$0.00

Total Expenses

\$8,740.43

Surplus/Deficit

For the year ended 31 December 2023, SAFA Education and Medical Development Organization (SEMDO) recorded total direct expenses of USD 8,740.43. These expenditures were fully funded by donations from Baidoa communities and Somali-owned businesses in Nairobi and the United States, specifically designated for the Ramadan Iftar Program.

Out of the total amount, USD 500.00 was allocated to staff expenses, covering coordination and logistical support required to ensure the smooth delivery of the program. Office utilities and rent amounted to USD 600.00, providing the necessary infrastructure and operational continuity for program management. The largest portion of the funds, USD 7,640.43, was dedicated to direct project implementation, which included the procurement and distribution of food to vulnerable families and internally displaced persons (IDPs) in Baidoa. No other expenses were recorded during the reporting period.

The full utilization of the USD 8,740.43 reflects SEMDO's commitment to transparency, efficiency, and accountability in financial management. By ensuring that all donor contributions were directed toward programmatic activities, SEMDO maintained a balanced budget with no surplus or deficit, underscoring its dedication to community-driven impact and donor confidence.

Statement of Financial Position
As at 31 December 2023

NON-CURRENT ASSETS

Property and Equipment

\$15,876.8

Total Non-Current Assets

\$15,876.8

CURRENT ASSETS

Cash and Bank balances

\$0.00

Total Current Assets

\$0.00

NET ASSETS

\$15,876.8

ACCUMULATED FUNDS AND
LIABILITIES

Equity (Capital and Retained Earnings)

\$15,876.80

Liabilities

\$0.00

Total Equity & Liabilities

\$15,876.80

Surplus / Deficit for the Year

\$0.00

As at 31 December 2023, SEMDO reported total net assets of USD 15,876.80, represented entirely by non-current assets in property and equipment. No cash or bank balances were held at year-end, and no liabilities were recorded. This financial position reflects SEMDO's investment in long-term operational infrastructure and its commitment to asset-based development. The absence of surplus or deficit for the year indicates that all program funds were fully utilized, in line with SEMDO's mission to deliver direct impact through community-driven initiatives.

CASH FLOW STATEMENT

Statement of Cash flow

1 January to 31 December 2023

Category	Description	Amount (USD)
Cash Flows from Operating Activities		
Receipts from Donor Projects	Ramadan Iftar Program – Community & Diaspora Support	\$ 8,740.43
Total Receipts		\$ 8,740.43
Payments to Staff and Suppliers	Staff Salaries and Coordination	\$500.00
	Office Utilities and Rent	\$600.00
	Project Implementation (Food Procurement & Distribution)	\$ 7,640.43
Total Payments		\$8,740.43
Net Cash from Operating Activities		\$0.00
Cash Flows from Investing Activities	No asset purchases or disposals	\$0.00
Cash Flows from Financing Activities	No capital contributions or loans	\$0.00
Net Increase in Cash		\$0.00
Opening Cash and Bank Balances		\$0.00
Closing Cash and Bank Balances		\$0.00

For the year ended 31 December 2023, SAFA Education and Medical Development Organization (SEMDO) reported total cash inflows of USD 8,740.43. These receipts were generated entirely from community and diaspora contributions to the Ramadan Iftar Program, with donations collected from Baidoa residents and Somali-owned businesses in Nairobi and the United States. The funds were designated to provide food assistance to vulnerable families and internally displaced persons (IDPs) in Baidoa during the holy month of Ramadan.

Cash outflows during the year matched the total receipts, amounting to USD 8,740.43. Payments included USD 500.00 for staff salaries and coordination, USD 600.00 for office utilities and rent, and USD 7,640.43 for direct project implementation, covering food procurement and distribution. No additional expenses were recorded, and no cash flows were reported from investing or financing activities.

As a result, net cash from operating activities was USD 0.00, with no increase or decrease in cash balances during the year. Opening and closing cash and bank balances remained at USD 0.00. This reflects SEMDO's practice of fully utilizing donor contributions within the reporting period, ensuring that all funds are directed toward programmatic activities without carrying forward unused balances.

The cash flow statement underscores SEMDO's commitment to transparency and efficiency in financial management, demonstrating that every dollar received was applied directly to its intended purpose of supporting vulnerable communities in Southwest Somalia.

Notes to the Financial Statements

For the 31 December 2023

1. Reporting Entity

SAFA Education and Medical Development Organization (SEMDO) is a non-profit NGO established in Baidoa on November 28, 2019, with a mission to empower vulnerable communities across Southwest Somalia through sustainable programs in education, healthcare, protection, youth development, WASH, and food security. Guided by values of respect, accountability, impartiality, and innovation, SEMDO works closely with local communities, government bodies, and international partners to deliver culturally sensitive and impactful services.

Recognized by key institutions including the Ministry of Youth and Sports and the Ministry of Planning, SEMDO has demonstrated its commitment to transparency and grassroots engagement through initiatives such as IDP education support, health worker training, water trucking during droughts, and Ramadan Iftar distributions funded by diaspora and local donors.

2. Basis of Preparation

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) for Small and Medium-sized Entities and the Public Benefit Entity Standards – Reduced Disclosure Regime. All figures are presented in U.S. Dollars (USD), the functional currency of the entity.

3. Accounting Policies

- ✓ Revenue Recognition: Income is recognized when services are rendered and payment is reasonably assured.
- ✓ Expense Recognition: Expenses are recorded on an accrual basis and categorized by function.
- ✓ Property and Equipment: Non-current assets are stated at historical cost less accumulated depreciation.
- ✓ Cash and Bank Balances: Represent actual cash held and bank deposits available at year-end.
- ✓ Equity: Includes initial capital and retained earnings adjusted for annual surplus or deficit.

4. Property and Office Equipment

As at 31 December 2023, SEMDO held non-current assets totaling USD 15,876.80, representing property and equipment used to support program delivery. No additions or disposals were recorded during the year.

5. Cash and Bank Balances

Cash and bank balances amounted to USD 0.00 at year-end, reflecting the net result of operating activities and available liquidity.

6. Income

During 2023, SEMDO received USD 8,740.43 in donations from Baidoa communities and Somali-owned businesses in Nairobi and the United States. These funds were specifically designated for the Ramadan Iftar Program, which provided food assistance to vulnerable families and internally displaced persons (IDPs) in Baidoa. All income was recognized in accordance with IFRS and Public Benefit Entity Standards, and the entire amount was allocated to programmatic activities.

7. Expenses

Total direct expenses for the year amounted to USD 8,740.43. Of this, USD 500.00 was used for staff coordination and logistics, USD 600.00 for office utilities and rent, and USD 7,640.43 for direct project implementation, including food procurement and distribution. No other expenses were recorded. The full utilization of funds resulted in a balanced budget with no surplus or deficit

8. Equity and Liabilities

The organization's financial structure included equity of USD 15,876.80 and no recorded liabilities, reflecting SEMDO's asset-based development approach and debt-free operations.

9. Audit Confirmation

The audit was conducted by HALDOOR ADVISORY AND AUDIT GROUP in accordance with International Standards on Auditing (ISAs). The auditors confirmed that SAFA Education and Medical Development Organization (SEMDO) maintained proper books of accounts and that the financial statements fairly represent the Organization's financial position.