

**KAALO AID AND DEVELOPMENT  
AUDITED FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2022**

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**Independent Auditor**

Crowe Erastus & Co.  
Certified Public Accountants  
P. O. Box 55268  
00200 – City Square  
NAIROBI, KENYA  
Tel: +254 (20) 386 0513 / 386 0524 / 386 1120  
Cell Phone: +254 (0) 722 39 56 11 / 733 48 78 96  
E-mail: [croweerastus@crowe.co.ke](mailto:croweerastus@crowe.co.ke)  
Website: [www.crowe.com/ke](http://www.crowe.com/ke)

## KAALO AID AND DEVELOPMENT

### ORGANIZATIONAL INFORMATION – YEAR ENDED 31 DECEMBER 2022

<b>Directors</b>	:	Luul Mohamed Warsame	-	Chairperson
		Mohamed Ahmed Burtinle	-	Vice Chairperson
		Ayan Aydarus Haji	-	Secretary
		Ahmed Abshir Jama	-	Member
		Sharmarke Isse Ali	-	Member
		Fuaad Ahmed Mohamud	-	Member
		Dahir Ahmed Farah	-	Member
<b>Management</b>	:	Mohamud Hamid Mohamed	-	Executive Director
		Mohamed Hussein Subeyr	-	Operations Director
		Burhan Jama Yusuf	-	Programmes Director
<b>Place of Business</b>	:	Garowe		
		Puntland State of Somalia		
		Somalia		
<b>Bankers</b>	:	Amal Bank		
		Garowe Branch, Puntland State of Somalia.		
		Dahabshil		
		Garowe Branch, Puntland State of Somalia.		
<b>Independent Auditor</b>	:	Crowe Erastus & Co		
		Certified Public Accountants		
		2 <sup>nd</sup> Floor, Morningside Office Park, Wing B		
		Ngong Road		
		P. O. Box 55268 – 00200		
		Nairobi, Kenya		

## KAALO AID AND DEVELOPMENT

### REPORT OF THE DIRECTORS – YEAR ENDED 31 DECEMBER 2022

The Directors of KAALO Aid and Development submit their report together with the audited financial statements for the year ended 31 December 2022 which disclose the state of affairs of the Organization as at that date.

#### Principal Activities

The main objective of KAALO Aid Development is to improve the livelihood of the Somali people without any distinction of race, nationality, clan, religion or political opinions through provision of basic needs in a sustainable and environmentally sound approach. Areas of interventions include WASH, Food Security, Livelihood and Resilience, Human Rights, Access to Justice, Women Empowerment and Protection, Capacity Building and Development.

#### Results

The operating results for the year are set out on page 6.

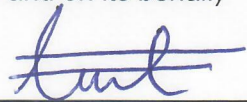
#### Directors and Management

The Directors and Management officials who held office during the year and to the date of this report are set out on page 1.

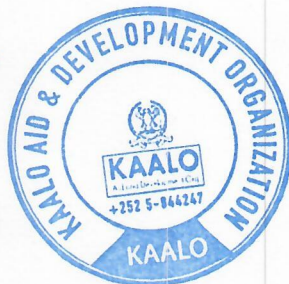
#### Independent Auditor

Crowe Erastus & Co., Certified Public Accountants have expressed their willingness to continue in office.

**By Order of the Directors**  
(For and on its behalf)



**Luul Mohamed Warsame**  
(Chairperson)



Garowe 14<sup>th</sup> June, 2023

## KAALO AID AND DEVELOPMENT

### STATEMENT OF DIRECTORS' RESPONSIBILITIES – YEAR ENDED 31 DECEMBER 2022

The Directors of KAALO Aid and Development are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of Organization at the end of the financial year and of its operating results for that year. The Directors are required to ensure that 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 are maintained. The Directors are also responsible for safeguarding the assets of the Organization, and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

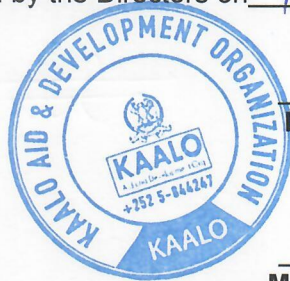
The Directors accept responsibility for the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error. They also accept responsibility for:

- i. designing, implementing and maintaining internal controls 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.

Having made an assessment of the Organization's ability to continue as a going concern, the Directors are not aware of any material uncertainties related to events or conditions that may cast significant doubt upon the Organization's ability to continue as a going concern.

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

Approved by the Directors on 14<sup>th</sup> June, 2023 and signed by:



**Luul Mohamed Warsame**  
(Chairperson)

**Mohamud Hamid Mohamed**  
(Executive Director)

## **REPORT OF THE INDEPENDENT AUDITOR**

### **KAALO AID AND DEVELOPMENT**

#### **YEAR ENDED 31 DECEMBER 2022**

##### **Independent Opinion**

We have audited the accompanying financial statements set out on pages 6 to 17 of KAALO Aid and Development which comprise the statement of comprehensive income, the statement of financial position as at 31 December 2022, statement of changes in fund balances 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, which are in agreement therewith, give a true and fair view of the financial position of KAALO Aid and Development as at 31 December 2022 and of its financial performance and its cash flows for the year then ended in accordance with generally accepted non-profit accounting principles and applicable international financial reporting standards for small and medium sized entities.

##### **Basis for Independent Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISA). 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 KAALO Aid and Development 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, and we have fulfilled our ethical responsibilities in accordance with those 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 Directors are 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 or 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

##### **Responsibility for the Financial Statements**

As stated on page 3, the Directors are responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted non-profit accounting principles and applicable international financial reporting standards for small and medium sized entities. This 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 Directors are responsible for assessing KAALO Aid and Development'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 Directors either intend to liquidate KAALO Aid and Development or to cease operations, or have no realistic alternative but to do so.

# REPORT OF THE INDEPENDENT AUDITOR (CONT...)

## KAALO AID AND DEVELOPMENT

YEAR ENDED 31 DECEMBER 2022

### Responsibility of the Independent Auditor

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 independent 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 ISA 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 ISA, 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 controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of KAALO Aid and Development's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' 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 KAALO Aid and Development'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 the auditor's report. However, future events or conditions may cause KAALO Aid and Development 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 controls that we identify during our audit.

*CPA Rahab Nyaboga practices in CROWE ERASTUS & Co. as a firm with other partners. The engagement partner responsible for the audit resulting in this independent auditor's report is CPA Rahab Nyaboga – Practicing Certificate P/No.1789.*

  
**CROWE ERASTUS & Co.**  
Certified Public Accountants



Nairobi, Kenya, 15 June 2023

## KAALO AID AND DEVELOPMENT

### STATEMENT OF COMPREHENSIVE INCOME - YEAR ENDED 31 DECEMBER 2022

		2022	2021
INCOME	Note	USD	USD
Grant Income	6	5,348,168	4,093,566
Other Income		114,116	226,985
Grants to Implementing Partners		168,461	244,531
<b>Total Income</b>		<b><u>5,630,745</u></b>	<b><u>4,565,082</u></b>
<b>EXPENDITURE</b>			
Personnel Costs	7	739,327	901,879
Operation & Administration Costs	8	212,569	155,643
Direct Project Costs	9	3,249,013	3,558,444
Depreciation	5	39,473	22,795
Implementing Partners Expenses		168,461	244,531
<b>Total Expenditure</b>		<b><u>4,408,843</u></b>	<b><u>4,883,292</u></b>
<b>Balance / (Deficit) for the year (Page 8)</b>		<b><u>1,221,902</u></b>	<b><u>(318,210)</u></b>

**KAALO AID AND DEVELOPMENT**

**STATEMENT OF FINANCIAL POSITION - 31 DECEMBER 2022**

		2022	2021
	Note	USD	USD
<b>Non-Current Assets</b>			
Property and Equipment	5	488,036	395,168
<b>Total Non-Current Assets</b>		<b>488,036</b>	<b>395,168</b>
<b>Current Assets</b>			
Cash and Bank Balances	10	182,637	345,353
Accounts Receivable	11	2,077,796	993,529
<b>Total Current Assets</b>		<b>2,260,433</b>	<b>1,338,882</b>
<b>Current Liabilities</b>			
Accounts Payable	12	254,848	461,764
<b>Total Current Liabilities</b>		<b>254,848</b>	<b>461,764</b>
<b>Net Current Assets</b>		<b>2,005,585</b>	<b>877,118</b>
<b>Net Assets</b>		<b>2,493,621</b>	<b>1,272,286</b>
<b>Represented By:</b>			
Programmes Fund		2,493,621	1,272,286
<b>Fund Balance (Page 8)</b>		<b>2,493,621</b>	<b>1,272,286</b>

These financial statements were approved by the Directors on 14<sup>th</sup> June, 2023 and signed by:-



*[Handwritten signature]*

**Luul Mohamed Warsame**  
(Chairperson)

*[Handwritten signature]*

**Mohamud Hamid Mohamed**  
(Executive Director)



## KAALO AID AND DEVELOPMENT

### STATEMENT OF CHANGES IN FUND BALANCES - YEAR ENDED 31 DECEMBER 2022

<b>Fund Movements</b>	<b>Programmes Funds</b>
<b>Year ended 31 December 2022</b>	<b>USD</b>
At 01 January 2022	1,272,286
Opening Balance Adjustment (Note 13)	(567)
Balance for the year (Page 6)	1,221,902
<b>Funds Balance - 31 December 2022</b>	<b><u>2,493,621</u></b>
<b>Year ended 31 December 2021</b>	<b>USD</b>
At 01 January 2021	1,563,983
Opening Balance Adjustment (Note 13)	26,513
Deficit for the year (Page 6)	(318,210)
<b>Funds Balance - 31 December 2021</b>	<b><u>1,272,286</u></b>

## KAALO AID AND DEVELOPMENT

### STATEMENT OF CASH FLOW - YEAR ENDED 31 DECEMBER 2022

		2022	2021
<b>Cash Flows From Operating Activities</b>	<b>Note</b>	<b>USD</b>	<b>USD</b>
Balance / (Deficit) for the year (Page 6)		1,221,902	(318,210)
<b>Adjustments for:-</b>			
Depreciation		39,473	22,794
Opening Balance Adjustment	<b>13</b>	(567)	26,513
<b>Changes in Working Capital:-</b>			
(Increase) / Decrease in Accounts Receivable		(1,084,267)	185,797
(Decrease) / Increase in Accounts Payable		(206,916)	132,273
<b>Net Cash (Used in) / From Operating Activities</b>		<b><u>(30,375)</u></b>	<b><u>49,167</u></b>
<b>Cash Flows From Investing Activities:-</b>			
Purchase of Fixed Assets	<b>5</b>	(132,341)	(235,320)
<b>Net Cash Used In Investing Activities</b>		<b><u>(132,341)</u></b>	<b><u>(235,320)</u></b>
<b>Net Decrease in Cash and Cash Equivalents</b>		<b><u>(162,716)</u></b>	<b><u>(186,153)</u></b>
<b>Movement in Cash and Cash Equivalents</b>			
Cash and Cash Equivalents at 01 January		345,353	531,506
Net Decrease in Cash and Cash Equivalents		(162,716)	(186,153)
<b>Cash and Cash Equivalents at 31 December</b>		<b><u>182,637</u></b>	<b><u>345,353</u></b>

# KAALO AID AND DEVELOPMENT

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

### 1. BACKGROUND INFORMATION

#### Legal Status

KAALO Aid and Development is registered by the Ministry of Planning, Economic Development and International Cooperation as a local NGO in accordance with Section 15 of Puntland NGO Act 2016; Certificate Number: 0000097 dated 9/12/2022. Registration is done and is renewable on annual basis.

### 2. ACCOUNTING POLICIES

#### 2.1. Basis of Accounting

The financial statements are prepared under the historical cost convention and in conformity with generally accepted non-profit accounting principles and in accordance with the applicable international financial reporting standards for small and medium sized entities.

#### 2.2. Income

Income comprises grants and donations received from donors. Grants are recognized as revenue in the year in which the grant is pledged as long as collection is probable.

#### 2.3. Expenditure

Expenditure is recognised when payments are made. However, accruals are made at the date of the statement of financial position to recognise unpaid obligations.

#### 2.4. Non-Current Assets

Property and equipment purchased or donated are capitalized on acquisition and measured at cost less accumulated depreciation and any impairment losses.

Depreciation is calculated on a straight line basis to write down the cost of each asset over its estimated useful life at the following annual rates:

<b>Asset Category</b>	<b>Annual Rate (%)</b>
Buildings	0
Motor Vehicles	25
Furniture & Fittings	12.5
Equipment & Machinery	12.5
Computers & Accessories	20

Depreciation is charged in the year of acquisition and none in the year of disposal. If there is an indication that there has been a significant change in the depreciation rate, useful life or residual value, the depreciation of that asset is revised prospectively to reflect the new expectations.

#### 2.5. Translation of Foreign Currencies

All transactions in foreign currencies are initially recorded in USD (the functional currency), using the spot rate at the date of the transaction. Foreign currency monetary items at the reporting date are translated using the closing rate. All exchange differences arising on settlement of transactions or upon translation are taken-up in the statement of comprehensive income.

## **KAALO AID AND DEVELOPMENT**

### **NOTES TO THE FINANCIAL STATEMENTS – YEAR ENDED 31 DECEMBER 2022**

#### **2. ACCOUNTING POLICIES (CONT...)**

##### **2.6. Accounts Payable**

Accounts payable are initially recognised at the transaction price (including transaction costs). These are obligations on the basis of normal Organization's activities and do not bear interest.

##### **2.7. Accounts Receivable**

Accounts receivable comprise grants receivable which arise in the normal course of the Organization's activities and do not bear interest. Operating and other receivables are initially recognised at the transaction price. At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in the statement of comprehensive income.

##### **2.8. Cash and Cash Equivalents**

For the purposes of the statement of cash flows, cash and cash equivalents comprise deposits held at the bank.

#### **3. Critical Accounting Estimates and Assumptions**

In the process of applying the Organization's accounting policies, the Directors makes certain estimates and assumptions about future events. In practice, the estimated and assumed results would differ from the actual results. Such estimates and assumptions, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

(i) Non-current assets – the Directors use estimates in determining the depreciation rates for non-current assets. The rates used are set out in the accounting policy for non-current assets. Those estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the prevailing circumstances.

(ii) Other estimates and assumptions made by the Directors are for impairment of grant receivables (unrecoverable grants).

#### **4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Organization's activities expose it to a variety of financial risks including liquidity and currency risks. The Organization's overall risk management programme focuses on the unpredictability of local legislations and uncertainties in the operational environment and, seeks to minimize potential adverse effects on its financial performance and activity implementation. Risk management is carried out by Management with the oversight of the Board of Directors who identify, evaluate and manage risks.

The Organization's objectives when managing risks are to safeguard its ability to continue as a going concern in order to provide services to beneficiaries and to maintain an optimal funding structure that optimizes program delivery as well as comply with the local legislation. The Organization's funding requirements are currently met through funding from donors.

## KAALO AID AND DEVELOPMENT

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

#### 5. PROPERTY AND EQUIPMENT

	Land	Buildings	Motor Vehicles	Computers & Accessories	Furniture & Fittings	Equipment & Machines	Total
<b>Cost / Valuation</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
At 01 January 2022	120,000	220,000	111,046	15,452	27,570	18,618	<b>512,686</b>
Additions	80,000	0	34,000	11,500	1,351	5,490	<b>132,341</b>
<b>At 31 December 2022</b>	<b><u>200,000</u></b>	<b><u>220,000</u></b>	<b><u>145,046</u></b>	<b><u>26,952</u></b>	<b><u>28,921</u></b>	<b><u>24,108</u></b>	<b><u>645,027</u></b>
<b>Depreciation</b>							
At 01 January 2022	0	4,400	87,171	5,885	12,389	7,673	<b>117,518</b>
Charge for the year	0	7,390	22,000	4,865	2,651	2,567	<b>39,473</b>
<b>At 31 December 2022</b>	<b><u>0</u></b>	<b><u>11,790</u></b>	<b><u>109,171</u></b>	<b><u>10,750</u></b>	<b><u>15,040</u></b>	<b><u>10,240</u></b>	<b><u>156,991</u></b>
<b>Net Book Value</b>							
<b>At 31 December 2022</b>	<b><u>200,000</u></b>	<b><u>208,210</u></b>	<b><u>35,875</u></b>	<b><u>16,202</u></b>	<b><u>13,881</u></b>	<b><u>13,868</u></b>	<b><u>488,036</u></b>
<b>At 31 December 2021</b>	<b><u>0</u></b>	<b><u>335,600</u></b>	<b><u>23,875</u></b>	<b><u>9,567</u></b>	<b><u>15,181</u></b>	<b><u>10,945</u></b>	<b><u>395,168</u></b>

# KAALO AID AND DEVELOPMENT

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

	<b>2022</b>	<b>2021</b>
<b>6. GRANT INCOME</b>	<b>USD</b>	<b>USD</b>
GFFO	870,733	863,330
SHF	0	200,000
DF	492,401	421,140
Drilling	191,264	0
SHARP	255,484	770,199
DPA	460,237	118,768
NCA	692,735	397,060
Diakonia	144,131	167,489
SOMJR	597,513	292,320
UNHCR	153,238	174,372
DRA	0	280,728
SIDA	0	(257)
NED	64,875	0
OXFAM	0	(2,489)
EU	190,698	260,665
DRC	51,112	35,400
IRC	322,325	0
Irish Aid	107,883	0
GIZ	753,539	114,841
<b>Total Grant Income</b>	<b><u>5,348,168</u></b>	<b><u>4,093,566</u></b>
<b>7. PERSONNEL COSTS</b>		
Salaries	739,327	901,879
<b>Total Personnel costs</b>	<b><u>739,327</u></b>	<b><u>901,879</u></b>
<b>8. OPERATIONS &amp; ADMINISTRATION COSTS</b>		
Office Rent	98,186	64,353
Office Supplies	26,080	15,461
Printing and Stationery	6,063	6,119
Office Communication Costs	12,366	26,016
Office Utilities	1,566	33,039
Fuel Costs	1,500	0
Bank Charges	862	5,615
EU Project Audit Fees	3,400	0
Exchange Loss	62,546	5,040
<b>Total Operations &amp; Administration Costs</b>	<b><u>212,569</u></b>	<b><u>155,643</u></b>

## KAALO AID AND DEVELOPMENT

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

	2022	2021
9. DIRECT PROJECT COSTS	USD	USD
Rehabilitation and Construction Costs	521,030	378,715
Training Costs	569,874	944,868
Supplies & Equipment	158,298	305,943
Unconditional Cash Grants	406,431	40,622
Health & Sanitation	135,938	923,840
Agricultural Inputs	85,892	60,143
Vehicle Hire & Transportation	179,130	49,967
Dignity Kits	1,500	4,830
Sensitization & Campaign Costs	0	34,960
Monitoring & Evaluation Costs	101,622	92,295
Legal Services	0	3,096
Awareness Sessions	244,174	134,732
Water Provision Costs	173,241	41,836
Travel	54,417	221,125
Project Start Up	19,831	13,755
IEC Materials (Bill Boards, Banners)	24,746	134,216
Food & NFI	3,963	0
Capital Expenditure	99,739	12,731
Child Support Expenses	55,538	0
BRISC Expenses	97,511	0
SEIPP Expenses	35,287	0
IP Personel Cost Nation	104,583	0
Other Project Costs	67,067	0
Implementing Partners Costs	12,652	0
Immediate Victims Costs	3,337	0
GFFO Main ICR	22,102	23,989
STAK Project	5,780	0
CP Response Costs	23,491	0
Income Generation Activity	0	5,138
CFW Payment	0	86,792
Incentives Fee	41,839	44,851
<b>Total Direct Project Costs</b>	<b><u>3,249,013</u></b>	<b><u>3,558,444</u></b>

## KAALO AID AND DEVELOPMENT

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

	2022	2021
	USD	USD
<b>10. BANK BALANCES</b>		
GFFO Main Account - 6914	389	1,605
GIZ COVID -19	0	97,278
SHARP Project - 80519078	0	104,682
CRISP Project	0	22,834
DF DARWIN - 5106	22,838	(5,232)
DPA Child Protection - 10743	71	0
NCA WASH - 5914	76	76
NCA Emergency EPRP - 8410	900	0
SOMJR Bank Account - 2278	1,109	(48)
DRC - 7931	149	857
NED PROJECT - 1090	7,982	11,807
NCA FGM - 5272	186	70
Petty Cash	205	205
CIVSAM Project - 1011688728	1	5,000
EU Democracy - 6773	30,360	34,811
EU Culture and Sport - 5142	26,900	19,414
IRISH - AID 7969	1,291	0
DRA NEXUS - 7969	1	8,755
SHF WASH-EYL - 6585	8,041	8,041
SOM HF-CAT-2 DROUGHT RESPONSE	375	0
Drilling Project - 7907	69,083	0
DF-NORAD - 120	10,681	6,723
DPA WASH - 5943	1,999	28,475
<b>Total Bank Balances</b>	<b><u>182,637</u></b>	<b><u>345,353</u></b>
<b>11. GRANTS RECEIVABLE</b>		
SHF	4,281	157,200
DF	151,770	286,989
RESTORE	148,902	228,091
DPA	183,522	80,180
Drilling Project	105,196	0
CRISP	180,543	0
NED	24,875	0
NCA	141,599	57,813
GFFO	326,830	117,270
SOMJR	143,292	(481)
OXFAM	15,511	15,511
IRISH	10,393	0
DRA	8,465	28,266
Diakonia	58,332	0
GIZ	553,922	16,783
UNHCR	(82)	(82)
UNOCHA	976	976
DRC	19,469	5,013
<b>Total Grants Receivable</b>	<b><u>2,077,796</u></b>	<b><u>993,529</u></b>

Independent auditor's report - page 4 and 5  
The notes on pages 10 to 17 form part of these financial statements



## KAALO AID AND DEVELOPMENT

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

	2022	2021
12. ACCOUNTS PAYABLE	USD	USD
Accruals	30,874	392
KAALO-Project Prefinance	223,974	461,372
<b>Total Accounts Payable</b>	<b><u>254,848</u></b>	<b><u>461,764</u></b>

### 13. OPENING BALANCE ADJUSTMENT (USD 567)

Year 2021 fund balance has been adjustment to correct understated receivable balances and overstated KAALO payable balances amounting to USD 5,360/- and USD 5,817/- respectively, which were written off as they had been double posted. Furniture and fittings accumulated depreciation has been adjusted to correct an understatement of USD 110/-.

The effect of the adjustment is as shown below:

	USD
Increase in donor Receivables	(5,360)
Decrease in KAALO Payable Balance	5,817
Increase in Accumulated Depreciation	110
<b>Total</b>	<b><u>567</u></b>
<b>Increase in General Fund</b>	<b><u>(567)</u></b>

### 14. CURRENCY

The financial statements are prepared in US dollar (USD) as the base currency.

### 15. COMPARATIVES

Where necessary, comparative figures have been adjusted to conform to the changes in presentation in the current year.

### 16. EMPLOYEES

The number of employees as at 31 December 2022 were seventy-four (74) [2021: seventy-five (75) persons].

### 17. STAFF RETIREMENT BENEFITS SCHEME

KAALO Aid and Development does not have a staff retirement benefits scheme.

### 18. CAPITAL COMMITMENTS

There were no capital commitments as at 31 December 2022.

## KAALO AID AND DEVELOPMENT

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

#### 19. ABBREVIATIONS

BRCiS	-	Building Resilient Communities in Somalia
CFW	-	Cash for Work
CP	-	Child Protection
CRISP	-	Community Resilience in Somaliland & Puntland
DF	-	Development Fund for Norway
DPA	-	Danish People's Aid
DRA	-	Dutch Relief Agency
DRC	-	Danish Refugee Council
EU	-	European Commission
FGM	-	Female Genital Mutilation
GARP	-	GARP Project
GBV	-	Gender Based Violence
GFFO	-	German Federal Foreign Office
GIZ	-	Gesellschaft für Internationale Zusammenarbeit
IEC	-	Information Education Communication
IDP	-	Internally Displaced Person
IP	-	Implementing Partner
IRC	-	International Rescue Committee
NCA	-	Norwegian Church Aid
NED	-	National Endowment for Democracy
NFI	-	Non Food Items
PSU	-	Puntland State University
PUNSAA	-	Puntland Non-State Actors Association
SEIPP	-	Promotion of Social and Economic Inclusion of Extremely Poor IDPs and Residents of Host Communities in Puntland Somalia
SHARP	-	Somali Humanitarian and Resilience Program
SHF	-	Somali Humanitarian Fund
SIDA	-	The Swedish International Development Cooperation Agency
SOMJR	-	Somali Joint Response
UNHCR	-	United Nations High Commissioner for Refugees
UNOCHA	-	United Nations Office for the Coordination of Humanitarian Affairs
USD	-	United States Dollar