

Financial Statements

NAMATI MOÇAMBIQUE

Programa Direito à Saúde

31 December 2021



NAMATI MOÇAMBIQUE - PROGRAMA DIREITO À SAÚDE
FINANCIAL STATEMENTS – 31 DECEMBER 2021

CONTENTS

PAGE

FINANCIAL STATEMENTS APPROVALS

1

INDEPENDENT AUDITOR'S REPORT

2 – 4

STATEMENT OF RECEIPTS AND EXPENDITURES

5

NOTES TO THE FINANCIAL STATEMENTS

6 – 11

NAMATI MOÇAMBIQUE - PROGRAMA DIREITO À SAÚDE

Financial Statements Approvals

The Management of **NAMATI MOÇAMBIQUE** is responsible for the preparation and adequate presentation of the Statement of Receipts and Expenditures for the year ended 31 December 2021 which include the notes of the statement of receipts and expenditures and a summary of the significant accounting policies and other explanatory notes, described in note 2.

The Management responsibility includes: designing, implementing and maintaining internal control 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.

The Statement of receipts and expenditures audited for the period from 1 January to 31 December 2021 and set out on pages 6 to 11, have been approved by the Management of **NAMATI MOÇAMBIQUE** on 27 September 2022 and are signed on their behalf by:



Management

INDEPENDENT AUDITOR'S REPORT

To the Project Manager of
NAMATI MOÇAMBIQUE

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the **NAMATI MOÇAMBIQUE - PROGRAMA DIREITO À SAÚDE**, which comprise the Statement of Income and Expenditures for the year ended 31 December 2021 and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of **NAMATI MOÇAMBIQUE - PROGRAMA DIREITO À SAÚDE** are prepared, in all material respects, in accordance with the basis of accounting disclosed on Note 2 of the Financial Statements and with the requirements of the donors.

Basis for 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 **NAMATI MOÇAMBIQUE** in accordance with the ethical requirements that are relevant to our audit of the financial statements in Mozambique, and 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 for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with basis of accounting disclosed in Note 2 of the Financial Statements and with the Donor's requirements, and for such internal control as Management determines is 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 Project'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 Project or to cease operations, or has no realistic alternative but to do so.

Management is also responsible for overseeing the Project'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 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 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 NAMATI'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 Organisation 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 communicated with Management 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.

We also provided Management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated to Management, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters.

The engagement partner on the audit resulting in this independent auditor's report is Paulo Reis.

ERNST & YOUNG - Sociedade de Contabilistas e Auditores Certificados, Lda.

Represented by:



Paulo Jorge Gonçalves Afonso dos Reis (Certified Auditor Nº34)

Maputo, 28 September 2022



NAMATI MOÇAMBIQUE

PROGRAMA DIREITO À SAÚDE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

(Amounts expressed in USD)

	Notes	Budget A	Actual		Used until 2021 D=B+C
			2021 B	2020 C	
Opening balance as of 1 January		-	60 003	168 760	
		-	60 003	168 760	
Income					
Funds received	5		1 939 320	1 116 430	3 055 750
Exchange rate differences	6		2 542	1 623	4 165
			1 941 862	1 118 053	3 059 915
Total Income			2 001 865	1 286 813	3 055 750
Expenditure	7				
CCS/FDC	7.1	-	168	34 555	34 723
OSISA	7.2	57 450	57 432	100 675	158 107
NAMATI INC	7.3	64 483	67 152	54 849	122 001
CDC	7.4	1 807 863	1 781 528	1 006 388	2 787 916
Weekly	7.5	-	-	30 343	30 343
ADPP	7.6	-	-	-	-
Exchange rate differences		-	3 176	-	-
Total expenditure		1 929 796	1 909 456	1 226 810	(20 340)
Excess of income over expenditure			92 411	60 003	
Represented by					
			2021	2020	
Cash and cash equivalents	3		85 504	53 849	
Debtors	4		6 907	6 154	
			92 411	60 003	

The Accountant



The Management



These financial statements should be read together with the notes to the financial statements