Financial Statements

NAMATI MOÇAMBIQUE

Programa Direito à Saúde

31 December 2022

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NAMATI MOÇAMBIQUE

PROGRAMA DIREITO À SAÚDE

FINANCIAL STATEMENTS – 31 DECEMBER 2022

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Ernst & Young – Sociedade de Contabilistas e Auditores Certificados, Lda.
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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 2022 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.

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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.

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- 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:

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Caixa Postal 366 - Maputo - Moçambique

Paulo Jorge Gonçalves Afonso dos Reis (Certified Auditor Nrº34)

Maputo, 6 July 2023

NAMATI MOÇAMBIQUE

PROGRAMA DIREITO À SAÚDE

STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 31 DECEMBER 2020

(Amounts expressed in USD)

	Notes	Budget	Actual 2022	Actual 2021	Used until 2022
		A	B	C	D=B+C
Openning balance as of 1 january		-	92 411	60 003	32 408
		-	**92 411**	**60 003**	**32 408**
Income					
Funds received	5		2 031 624	1 939 320	92 303
Exchange rate differences	6		1 899	2 542	(643)
			2 033 523	1 941 862	91 660
Total Income			**2 125 933**	**2 001 865**	**92 303**
Expenditure	7				
NAMATI INC	7.1	268 530	268 529	67 152	201 377
CDC	7.2	1 760 492	1 760 492	1 781 528	(21 036)
CCS/FDC	7.3	-	196	168	28
OSISA	7.4		-	57 432	(57 432)
Exchange rate differences		-	220	3 176	(2 957)
Total expenditure		**2 029 022**	**2 029 437**	**1 909 456**	**119 981**
Excess of income over expenditure			**96 496**	**92 411**	

Represented by

	Notes	2022	2021
Cash and cash equivalents	3	90 252	85 504
Debtors	4	6 244	6 907
		96 496	***92 411***

The Accountant

The Management

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