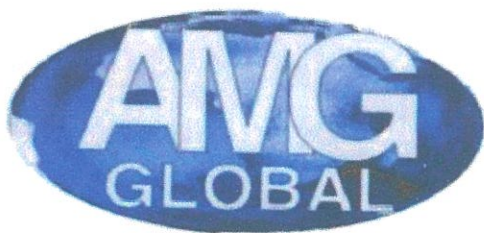


GLOBAL HOPE MOBILIZATION

Financial Statements
For the year ended 31 December 2021

Audit Services



AUDIT ■ TAX ■ ADVISORY

CORRESPONDENT OF MAZARS



GLOBAL HOPE MOBILIZATION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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**GLOBAL HOPE MOBILIZATION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

BACKGROUND

Global Hope Mobilization (GLOHOMO) is a non-profit making organisation registered with the Ministry of Justice and Constitutional Affairs, Council for Non-Governmental organisation, NGO Board to operate as a National Organisation. GLOHOMO headquarters is in Lilongwe, with countries offices in Zambia, Lesotho, Zimbabwe and Mozambique and districts offices in Mzimba, Mchinji, Neno, Thyolo, Machinga and Mzuzu. Since its registration in 2011 in Malawi, the organisation has managed programs and projects funded by UNAIDS, UNDP, SAT Malawi, USAID through Counterpart International, The Global fund for TB, Malaria, HIV and AIDS, Positive Action for Children Fund (PACF), Women Deliver, KNH, Vibrant Village Foundation, Millennium Challenge Account, Voluntary Service Overseas, TARSC, NORFC and GIZ just to mention a few.

Mission

GLOHOMO aims at promoting environment, good health for all through provision of Sexual Reproductive health, HIV Prevention, offer preventive health service, and promotion of human rights.

Vision

GLOHOMO envisions a society that is free from all forms of health ills, poverty, human rights violation and abuse; attained self-reliance, environmental safety, improved health and economic status among vulnerable populations especially the young women and children.

OBJECTIVES OF THE ORGANIZATION

- Promote good health
- Promote education.
- Promote livelihood
- Promote good governance.

GLOBAL HOPE MOBILIZATION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

BOARD OF TRUSTEES REPORT

The directors have pleasure in submitting their report together with audited annual financial statements of Global Hope Mobilization for the year ended 31 December 2021.

The Board of Trustees has pleasure in submitting their report together with the annual financial statements for the year ended 31 December 2021.

Financial Performance

The results and state of affairs of Global Hope Mobilisation are set out in the accompanying income and expenditure statement and the notes.

Registered Office

The registered office of the organisation throughout the year is:

Ecumenical Counselling Centre,
St Johns Campus,
Area 36,
P.O. Box 31707,
Lilongwe 3,
Malawi.

Directors

The Trustees who served during the year are listed below:

Name	Position	Period
a) Mr Calvin Kamchacha	Chairperson	Full Year
b) Mrs Faless Moyo	Member	Full Year
c) Mr Arnold Banda	Member	Full Year
d) Mrs Yvonne Mmangitsa	Member	Full Year
e) Apostle Robert Zimba	Member	Full Year
f) Mr Joshua Mkwelhiwa	Member	Full Year
g) Ms Uchizi Chinula	Member	Full Year

GLOBAL HOPE MOBILIZATION

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

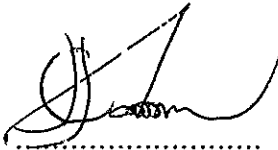
Statement of Board of Trustees' Responsibilities for Financial Statements

In preparing the financial statements, the Board of Trustees accept responsibility on behalf of the entity for the following:

- Maintenance of proper accounting records;
- Selection of suitable accounting policies and applying them consistently;
- Making judgements and estimates that are reasonable and prudent;
- Compliance with applicable accounting standards, when preparing financial statements, subject to any material departures being disclosed and explained in the financial statements; and
- Preparation of financial statements on a going concern basis unless it is inappropriate to presume that the project will continue in business

The board of trustees also accept responsibility for taking such steps as are reasonably open to them to safeguard the assets of the project and to maintain adequate systems of internal control to prevent and detect fraud and other irregularities.

The board of trustees are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the project and of their operating results.



.....
Chairperson:

18/08/2022

.....
Date



.....
Executive Director

18/08/2022

.....
Date

Office address:
Honeydew Villas
Area 14
Lilongwe
Malawi

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Chartered Accountants
& Business Advisors

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF GLOBAL HOPE MOBILIZATION

Report on the Audited Financial Statements

Opinion

We have audited the financial statements of Global Hope Mobilization which comprise the statement of source and application of funds for the year ended December 31, 2021, and notes to the statement, including a summary of significant accounting policies.

In our opinion, the accompanying source and application of funds statement present fairly, in all material respects, the financial performance of Global Hope Mobilization as at 31 December 2021 in accordance with International Financial Reporting Standards, and the requirements of the donor agreement.

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 organisation in accordance with the International Federation of Accountants (IFAC) code of Ethics together with the ethical requirements that are relevant to our audit of the organisation's financial statements. 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 and fair presentation of the financial statements, 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 the organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. 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 in accordance with ISAs, 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 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 entities or business activities within the entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely 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. We also provide those charged with governance 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 with those charged with governance, 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. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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



AMG Global
Chartered Accountants
Lilongwe (Malawi)

18 / 08 / 2022

GLOBAL HOPE MOBILIZATION

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

SOURCE AND APPLICATION OF FUNDS STATEMENT
In Malawi Kwacha

Income	Note	2021	2020
Opening balance	1	145,567,445	25,882,972
Grants and donations	2	1,429,466,266	1,160,245,588
Other income	3	<u>41,550</u>	<u>282,051</u>
Total income		<u>1,575,075,261</u>	<u>1,186,410,611</u>
Expenditure			
Direct Project Expenses	4	1,036,890,337	853,495,559
Personnel cost	5	404,686,725	153,937,981
Administrative overheads	6	53,713,453	6,952,280
Capital Expenditure	7	<u>7,943,600</u>	<u>26,457,345</u>
Total expenditure		<u>1,503,234,115</u>	<u>1,040,843,165</u>
Surplus for the year		<u>71,841,146</u>	<u>145,567,445</u>
Represented by			
Bank Balances	8	55,802,506	145,567,445
Other Receivables	9	<u>16,038,640</u>	<u>-</u>
		<u>71,841,146</u>	<u>145,567,445</u>

The financial statements are to be read in conjunction with accounts policies and notes on pages 7 to 12.

The auditors' report is on page 4.

GLOBAL HOPE MOBILIZATION

ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2021

(a) Principal activity

The Global Hope Mobilization is a local development agency registered with the NGO Board and Council for Non- Governmental Organisation in Malawi (CONGOMA). Global Hope Mobilization is a Malawian non- profit making organization working towards contributing to Post 2015 Millennium Development Goals agenda and the Malawi Growth Development Strategy II by promoting Sexual Reproductive Health, preventive, curative health. The organization is legally registered with the government of Malawi.

(b) Accounting Convention

The financial statements have been prepared in accordance with Generally Accepted Accounting Principles (GAAP)

(c) Significant accounting policies

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and interpretations issued by the Standing Interpretations Committee of the International Financial Reporting and Interpretations Committee (IFRIC)

(d) Basis of preparation

The financial statements are prepared in Malawi Kwacha on cash receipt and disbursement basis and exclude classification of financial information into assets and liabilities.

(e) Basis of measurement

The financial statements are presented in Malawi Kwacha rounded to the nearest thousand.

(f) Functional and presentation currency

These financial statements are presented in Malawi Kwacha which is the organization's functional currency.

(g) Use of estimates and judgments

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of income and expenses.

GLOBAL HOPE MOBILIZATION

ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2021

(h) Use of estimates and judgments

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of income and expenses.

(i) Donations

Revenue represents total donations received from Donors and expended. Donations are recognized in full in the source and application of fund statement when received.

(j) Expenditure

Resources expended are recognized in the period in which they are incurred they include attributable Valued Added Tax which cannot be recovered.
Staff costs and overhead expenses are allocated to activities on the basis of staff time spent on those activities

(k) Cash and cash equivalents

Cash and cash equivalents comprises cash and bank balances as at the end of the reporting period. Foreign currency cash and cash equivalents closing balances are converted into the local currency by using National Bank of Malawi Exchange Rates ruling at the end of the reporting period.

(l) Capital Assets

Global Hope Mobilization did not purchase capital assets during the period of the project. All capital assets purchased are expensed during the project period in accordance with the project policies and procedures.

(m) Foreign currencies

Donations received in foreign currencies are translated into Malawi Kwacha at the rate of exchange ruling at the date of the transaction

(n) Related party transactions

Transactions between departments within Global Hope Mobilization have been eliminated in the main consolidated income statement and also in the comparisons for consistency.

(o) Credit risk

Global Hope Mobilization principal financial assets are bank balances and cash which represent the organization's maximum exposure to credit risk in relation to financial asset.

GLOBAL HOPE MOBILIZATION

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

In Malawi Kwacha

1	Opening balance	2021	2020
	HHS-SAT	385,020	1,122,880
	GLOHOMO Ana Patsogolo	59,504,126	72,710
	KNH	1,624,866	813,055
	SAT Trust-Global fund	248,290	201,904
	GLOHOMO Project	40,646,408	4,378,801
	GLOHOMO USD	<u>43,158,735</u>	<u>19,293,623</u>
		<u>145,567,445</u>	<u>25,882,972</u>
2	Grants and donations		
	Global Fund -		14,021,080
	Happy Healthy and Safe	19,326,367	30,739,731
	KNH CBF	5,547,360	2,547,360
	KNH SIGI		5,355,673
	NOREC	-	67,168,464
	Ana Patsogolo	1,161,257,374	260,445,082
	COVID 19	27,160,000	775,838,198
	Oxfam	-	4,130,000
	USAID TIP	<u>216,175,165</u>	<u>-</u>
		<u>1,429,466,266</u>	<u>1,160,245,588</u>
3	Other Income		
	Interest received	<u>41,550</u>	<u>282,051</u>
		<u>41,550</u>	<u>282,051</u>

GLOBAL HOPE MOBILIZATION**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021***In Malawi Kwacha*

	<u>Appendix</u>	<u>2021</u>	<u>2020</u>
4 Direct Project Expenses			
Happy Healthy and Safe	I	16,002,533	22,270,870
COVID Emergency	II	42,832,376	566,403,939
KNH – CBT	III	-	80,000
KNH – Self Help Group Project	IV	1,801,770	4,261,378
NOREC	V	-	120,321,970
Ana Patsogolo	VI	872,438,856	124,843,208
Oxfam	VII	-	4,130,000
USAID TIP	VIII	103,814,802	-
Global Fund	IX	-	11,184,194
		<u>1,036,890,337</u>	<u>853,495,559</u>
5 Personnel Cost			
SAT HHS Salaries		3,318,880	3,755,750
Salaries Ana Patsogolo		303,893,107	68,117,026
KNH Salaries		2,860,000	2,495,429
TIP Salaries		70,685,398	-
SAT Salaries & Insurance		-	2,325,900
COVID 19 Salaries		<u>23,929,340</u>	<u>77,243,876</u>
		<u>404,686,725</u>	<u>153,937,981</u>

GLOBAL HOPE MOBILIZATION**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021***In Malawi Kwacha*

	<u>2021</u>	<u>2020</u>
6 Administration Overheads		
Office rent	16,123,227	-
Office supplies	6,480,038	-
Office Communication	990,557	-
Bank Charges	4,302,788	154,400
Audit	-	700,000
Ana Patsogolo-HO admin costs	8,502,322	1,275,757
Ana Patsogolo-Field O admin costs	16,088,893	1,674,000
Office utilities		750,800
Administrative salaries	-	1,630,750
Office Admin Costs (Rent Comms/Supplies)	1,225,628	766,573
	<u>53,713,453</u>	<u>6,952,280</u>
7 Capital Expenditure		
Purchase of laptop/Camera	<u>7,943,600</u>	<u>26,457,345</u>
8 Cash & Cash Equivalents		
IIIS SAT	-	385,020
Ana Patsogolo Project	31,925,169	59,504,126
KNII	1,557,118	1,624,866
COVID	101,711	-
SAT Trust-Global Fund	-	248,290
TIP	21,985,343	40,646,408
SAT	<u>233,166</u>	<u>43,158,735</u>
	<u>55,802,506</u>	<u>145,567,445</u>
9 Other Receivables/(Payables)		
Ana Patsogolo	(10,665,979)	-
Tigwirane Manja Counter-Trafficking in Person Activity (TIP)	<u>26,704,619</u>	-
	<u>16,038,640</u>	-

**GLOBAL HOPE MOBILIZATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

10. Going concern

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The ability of the organization to continue as a going concern is dependent on a number of factors. The most significant of these is that the directors continue to procure funding for the ongoing operations for the organization.

11. Capital commitments

There are no capital commitments at the end of the year.

12. Impact of COVID-19

The emergence of Corona Virus (COVID-19) towards the end of 2019 had a crippling effect on the world and the country. The organization was impacted by the pandemic due to lock downs. Most of the countries have rolled out vaccination programs which will help to reduce the impact. The organization continues to monitor the situation.

13. Subsequent events

There have been no material events occurring after the statement in financial position date that require adjustments to or disclosures in the financial statements.

**GLOBAL HOPE MOBILIZATION
APPENDICES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

The following information are summaries of expenditure for the projects

**GLOBAL HOPE MOBILIZATION
APPENDICES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

In Malawi Kwacha

Appendix I

HHS/SAT	2021	2020
Travel and Transport – Other	140,000	-
Advocacy meetings with parents	702,100	382,000
Demand creation awareness	698,348	-
Training guardians on positive		353,500
Support monthly AYA meetings	636,895	1,040,405
Support monthly support groups	841,975	746,170
Support nutrition assessment using MUC and weigh scale. (Nutrition support)	-	753,500
Establishment of youth led sup	454,000	-
Conduct Community awareness campaign on SHRH	811,350	987,200
Support monthly youth lead sup	-	706,515
Conduct monthly supportive meet	919,260	
Quarterly support group visits	350,000	
Outreach on IIC & ARI provision	620,900	
Community mobile services on IIC	226,200	
Outreach on modern contraception	-	848,966
COVID 19 PPEs	-	7,225,772
Peer educators training	-	1,969,525
District stakeholders meeting	698,353	698,354
Monthly data collection and mon	-	294,000
Advocate for increase in number	20,000	
Awareness on existing of YFHS	2,598,868	-
Interface meeting with community	5,955,284	1,380,163
Conduct community by-laws strengthening meeting on health and education target ADCs		1,480,320
Documentation of best practices meeting in ending child marriages through SHRH with collaboration of IT/As and youth platforms	-	2,046,354
Monitoring and Evaluation	-	1,363,127
Quarterly Board meeting	329,000	-
	16,002,533	22,270,870

**GLOBAL HOPE MOBILIZATION
APPENDICES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

In Malawi Kwacha

Appendix II

	2021	2020
COVID 19 Emergency		
Conduct a situation analysis on preparedness in 40 school communities, market spaces and border posts	-	9,388,300
Meetings - national and local level	-	2,704,000
Support for repairing WASH facilities in targeted sites	37,467,776	246,129,900
Procure equipment PPE, tents, WASH equipment, beds, laboratory materials, etc	-	297,026,859
Provide COVID 19 prevention skills training and PSS for health workers	5,369,600	10,854,880
Travel & accom/subsistence	-	300,000
	42,832,376	566,403,939

Appendix III

CBT/KNH		
Director's visit	-	80,000
	-	80,000

Appendix IV

SHG/KNH		
Director's visit	-	80,000
Project officers' visit	200,000	80,368
Federation refresher training	-	100,250
Training children of group book writers	256,168	233,600
CLAs refresher training	-	226,280
Monitoring and supervision	76,500	226,280
Facilitate the process of SHG	-	180,600
Procurement of CBT equipment	-	306,847
CLA delivery of capacity building	430,830	129,163
Facilitation of SHG strengthening	-	48,900
Strengthening of CLAs to unders	720,182	322,976
Conduct self assessments to SHG	-	78,800
Training of SHGs in business management skills	118,090	105,894

GLOBAL HOPE MOBILIZATION
APPENDICES TO THE FINANCIAL STATEMENTS
For the year ended 31 DECEMBER 2021
In Malawi Kwacha

	2021	2020
Training of federation	-	613,500
Facilitate the CLAs in CGs form	-	48,900
Monthly monitoring of CG Activities	-	293,768
Facilitate the CG subcommittees	-	385,252
	1,801,770	4,261,378

Appendix V

NOREC

Allowance	-	26,811,651
Insurances Professionals	-	4,013,185
Insurance Volunteer	-	1,965,040
Pension fund contributions	-	1,964,243
Departure / set up grant Professional	-	1,371,607
Departure/set up grant Volunteer	-	1,827,773
Language course	-	1,417,445
Housing	-	25,207,797
Participants' in-service travel	-	4,345,116
Preparatory and homecoming course	-	2,503,904
Travel to Youth Camp	-	2,540,105
Board and lodging allowance (host country)	-	16,448,921
Travel home/host country	-	2,372,768
Official travels/activities (host country)	-	1,730,525
Variable grant - receiving partner	-	9,718,418
Variable grant - sending partner	-	5,457,971
Follow-up / Supplementary activities	-	4,921,394
Fixed grant & equipment	-	1,486,142
Partners meeting	-	822,532
Audit	-	2,291,187
Equipment	-	1,104,245
	-	120,521,970

GLOBAL HOPE MOBILIZATION
APPENDICES TO THE FINANCIAL STATEMENTS
For the year ended 31 DECEMBER 2021
In Malawi Kwacha

Appendix VI

	2021	2020
Ana Patsogolo		
Travel	15,711,783	11,677,876
Enhanced capacity of families and communities to support OVC and AGYW	202,213,583	32,056,319
Strengthen identification and linkage of (CLHIV) high risk OVC and AGYW through intensified clinic and community case finding, index testing and contact tracing	302,813,541	42,442,567
Reduction in Sexual Violence and GBV among OVC and AGYW	272,247,002	19,496,775
Enhanced Child Protection Systems Monitoring & Evaluation	66,574,985 12,877,961	19,169,671
	872,438,856	124,843,208

Appendix VII

Oxfam

Citizen Budget Advocacy	-	4,130,000
	-	4,130,000

Appendix VIII

TIP

Travel	38,000	-
Prevention	9,909,030	-
Prosecution	31,547,924	-
Protection	14,265,769	-
Branding and Marking	8,490,854	-
Data Management	3,004,509	-
Monitoring and Evaluation	36,558,716	-
	103,814,802	-

GLOBAL HOPE MOBILIZATION
APPENDICES TO THE FINANCIAL STATEMENTS
For the year ended 31 DECEMBER 2021
In Malawi Kwacha

Appendix IX

	2021	2020
Global Fund		
Briefing & Planning	-	1,480,000
Prison Health Day Campaign	-	6,278,057
Briefing and Planning Meetings	-	-
Orientation/Training of Inmate	-	-
Review Meetings with Prison		1,505,000
Prison Mentorship Visits / Prog	-	1,921,138
	-	<u>11,184,195</u>