



REPUBLIC OF NAMIBIA



**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE
MINISTRY OF HEALTH AND SOCIAL
SERVICES GLOBAL FUND GRANT NAM-Z-MOH
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 AND 2023**

REPUBLIC OF NAMIBIA



TO THE HONOURABLE SPEAKER OF THE NATIONAL ASSEMBLY

I have the honour to submit herewith my report on the accounts of the Ministry of Health and Social Services Global Fund Grant Nam-Z-MOH for the financial years ended 31 December 2022 and 2023 in terms of Article 127(2) of the Namibian Constitution. The report is transmitted to the Honourable Minister of Finance in terms of Section 27(1) of the State Finance Act, 1991 (Act 31 of 1991) to be laid upon the Table of the National Council in terms of Section 27(4) of the Act.

WINDHOEK, May 2025

A handwritten signature in black ink, appearing to read "Junias Etuna Kandjeke".

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE
MINISTRY OF HEALTH AND SOCIAL SERVICES GLOBAL FUND GRANT NAM-Z-
MOH FOR THE YEARS ENDED 31 DECEMBER 2022 AND 2023**

1. DISCLAIMER AUDIT OPINION

I have audited the consolidated financial statements of the Ministry of Health and Social Services Global Fund Grant NAM-Z-MOH for the financial years ended 31 December 2022 and 2023, provided by the Accounting Officer as attached. These financial statements comprise the consolidated statement of Grant Funds, and notes to the statement of Grant Funds including a basis of accounts.

Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, I do not express an opinion on the financial statement of the Ministry of Health and Social Services Global Fund Grant NAM-Z-MOH as at 31 December 2022 and 2023.

2. BASIS FOR DISCLAIMER AUDIT OPINION

I conducted the audit in accordance with International Standards for Supreme Audit Institutions. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the entity in accordance with the Code of Ethics for Supreme Audit Institutions together with the ethical requirements that are relevant to the audit of the financial statements in Namibia and I have fulfilled my other ethical responsibilities in accordance with these requirements and the Code of Ethics.

I believe that the audit evidence I have obtained is insufficient and inappropriate to provide a basis for my opinion. A disclaimer audit opinion is expressed due to the following:

2.1 General Expenses

General expenses amounting to USD 160 912 (2023) and USD 386 720 (2022) could not be confirmed due to non-submission of supporting documents.

2.2 VAT Refund

The auditors did not receive sufficient and appropriate audit evidence to verify VAT refundable to the value of USD 202 340 (2023) and USD 145 211 (2022) as disclosed in the financial statements.

2.3 Payables and Liabilities

Payable and liabilities disclosed in the financial statements amounting to USD 370 324 (2023) and USD 64 826 (2022) could not be verified due to non-submission of supporting documents.

2.4 Property, Plant and Equipment

Property, plant and equipment amounting to USD 3 538 306 (2023) and USD 939 741 (2022) could not be verified for existence and completeness due to the absence of an updated fixed asset register.

2.5 Employee Costs

Differences amounting to USD (177 680) 2023 and USD 343 788 (2022) and were noted between the employee costs disclosed in the financial statements and the employee summary reports.

3. KEY AUDIT MATTERS

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters. I have nothing to report in this regard.

4. OTHER MATTERS

Attention is drawn to the management on the following matter that relate to my responsibility in the audit of the financial statements, and excluding matters already disclosed by the Ministry of Health and Social Services Global Fund Grant NAM-Z-MOH in the financial statements. My opinion is not modified in respect of this matter.

4.1 It was observed that the Compliance Policy Manual clearly states duties and responsibilities of key staff members such as the compliance officer; finance manager/head of finance; and accounting officer; however evidence of independent reviews and evaluations of risk management and internal controls around financial processes could not be obtained.

It was further observed that documents relating to analysis and constructive recommendations for improvement to attain program goals such as periodic evaluation of Sub Recipients (SRs) and Sub- sub Recipients (SSRs), the processes and asset verification at the SRs premises could not be provided for audit

5. OTHER INFORMATION

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon. In connection with the audit of the financial statements my responsibility is to read the other information and in doing so consider whether the other information is materially inconsistent with the financial statements or the knowledge obtained in the audit or otherwise appears to be materially misstated.

6. RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with legislation 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 entity'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 entity or to cease operations

or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity's financial reporting process.

7. AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS

My 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 my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the International Standards for Supreme Audit Institutions 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 the International Standards for Supreme Audit Institutions I exercise professional scepticism throughout the audit.

- 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 the audit 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 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies uses 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 Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in the audit report to the related disclosures in the financial statements or if such disclosures are inadequate to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of the audit report. However future events or conditions may cause the Entity 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
- I 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 I identify during the audit.

- I also provide those charged with governance with a statement that I 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 my independence and where applicable related safeguards.

From the matters communicated with those charged with governance I 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. I describe these matters in the audit report unless law or regulation precludes public disclosure about the matter or when in extremely rare circumstances I determine that a matter should not be communicated in the audit report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

8. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

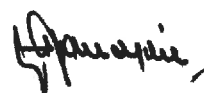
The financial statements for the financial years ended 31 December 2022 and 2023 were submitted by the Accounting Officer to the Auditor General in compliance with the MOHSS Global Fund Grant Agreement GF-NAM-Z-MOH-, except that they were only submitted 31 January 2025.

Significant delays in submission of requested audit information was observed throughout the audit, consequently audit procedures could not be performed.

9. ACKNOWLEDGEMENT

The co-operation and assistance by the management and staff of the Ministry of Health and Social Services Programme Management Unit during the audit is appreciated.

WINDHOEK, May 2025



**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

Grant Number	NAM-Z-MOH
Accounting Methodology	Cash
Grant's Currency	USD
Implementation Period Start Date	01-Jan-2
Implementation Period End Date	31-Dec-2

Period of Financial Reporting	Beginning Date:	01-Jan-2	End Date:	31-Dec-2
Cumulative Period of Financial Reporting	Beginning Date:	01-Jan-2	End Date:	31-Dec-2

Financial Statements (all figures are in US\$ unless otherwise stated)

	Current Period				Cumulative Period				Previous year			
	Budget	Actual	Variance	Commitments	Budget	Actual	Variance	Notes	Budget	Actual	Variance	
Sources of Grant funds												
Opening cash balance	2,574,811				2,712,549		6		2,712,549			
Receipts from Global fund	11,263,383	13,312,227	-2,048,843		40,414,597	13,477,095	7		42,628,293	27,102,360	15,525,933	
Other income	19,681				238,135		8		218,456.73			
Insurance Proceeds from damaged goods					0							
Total sources of Grant Funds	11,263,383	15,906,719	-2,048,843		43,365,274	13,477,095			42,628,299	30,033,366	15,525,933	
Uses of Grant Funds												
1.0 Human Resources (HR)	4,164,361	4,950,075	-785,718		14,741,791	196,078	9		10,381,352	9,791,712	589,640	
2.0 Travel related costs (TRC)	2,270,775	2,588,010	-317,235		6,832,521	2,603,718	10		7,165,464	4,244,511	2,920,953	
3.0 External Professional services	178,277	227,791	-49,514		775,194	1,293,011	11		1,889,929	547,404	1,342,525	
4.0 Health Products (HPPP)	2,731,950	2,206,391	525,559		5,983,915	2,070,547	12		5,322,512	3,777,524	1,544,988	
5.0 Health Products (HPNP)	662,171	2,776,798	-2,114,627		6,825,882	3,348,817	13		9,510,357	4,049,084	5,461,273	
6.0 Health Products (HPE)	15,677	268,985	-253,215		472,979	446,345	14		903,646	204,087	699,560	
7.0 Procurement and Supply-Chain	588,323	347,979	240,344		1,139,880	1,863,560	15		2,415,125	791,911	1,623,216	
8.0 Infrastructure (INF)	11,999	61,913	-49,915		185,913	53,924	16		119,997	124,001	-4,009	
9.0 Non-health equipment (NHP)	32,638	493,390	-460,753		1,429,466	482,050	17		1,878,873	936,076	942,803	
10.0 Communication Material	281,348	861,946	-580,602		1,329,507	763,852	18		1,812,011	467,557	1,344,454	
11.0 Program Administration	223,070	398,066	-175,019		1,057,670	82,474	19		752,125	659,691	92,545	
12.0 Living support (LSCPT)	0	35,429	-35,429		35,429	11,197	20		46,627	0	46,627	
13.0 Payment for Results	102,796	336,227	-233,431		818,032	284,958	21		430,275	481,805	-51,527	
Total uses of Grant Funds	11,263,383	15,652,938	-4,289,555		41,628,189	12,263,493			42,628,299	26,075,250	16,553,047	
Total commitments at 31-12-2023												
Net sources (uses) of Grant Funds					1,737,084.91		22			3,958,116		

Notes to the financial statements

All amounts are in US\$ unless otherwise stated

Note 1: Basis of accounting

The Annual Financial Report is prepared on a modified accrual basis of accounting. Income is recognised using the cash basis of accounting while expenditures are recognised using the accrual basis.

Note 2: Disbursements/Receipts

Receipts comprises amounts advanced and reimbursed by the Global Fund under the grant agreement during the period [January 1, 2023 to December 31, 2023] to the Principal Recipient and to third parties. Receipts from Global Fund were in United States Dollars.

Note 3: Expenditure

Expenditure represents amounts disbursed and costs incurred denominated in Namibian Dollars (NAD) and United States Dollars (USD) and they are recognised net of VAT.

Note 4: Currency Translation

Transactions in Namibian Dollar NAD are translated to US dollars at the exchange rate on the date of the transaction while funds received from Global Fund are recorded at the rate applicable at date of receipt. Conversions from USD to Namibian dollars NAD are done at the prevailing rate on the date of conversion. For the purpose of this report, balances denominated in Namibian dollars have been translated to US dollars based on the closing rate at the date of this report 31/12/2023.

Note 5: Value Added Tax

The Principal Recipient and some Sub-Recipients are registered with the Ministry of Finance to claim refund on Value Added Tax under Section 40 of the VAT Act 2000

Note 6: Opening Cash Balance

Description	Current period US\$
Bank Account USD A/C 62263160625	1,636,307
Bank Account Mal USD A/C 622631606	156
Bank Account 081 NAD	123,398
Bank Account 055 NAD	96,195
Petty Cash	-365
Sub-Recipients Open advances	560,635
Other Receivables	158,484.40
Total	2,574,811

Note 7: Receipts from Global Fund

Description	Current period US\$	Prior period US\$	Cumulative US\$
Cash Disbursement received	8,867,998.67	17,259,311.00	26,127,310
Wambo & GDF	4,444,228.04	8,635,676.00	13,079,904
Total	13,312,227	25,894,987	39,207,214

Note 8: Other Income

Description	Amount US\$
Grant Cycle 5 Refunds - VAT	695.89
Interest	18,985.47
Total	19,681

Note 9: Human Resources

Description	Budget	Actual	Variance
Salaries - program management	1,346,544	1,132,931	213,612
Salaries - outreach workers, medical staff and other service providers	2,806,711	3,234,012	-427,301
Other HR Costs	11,106	47,354	-36,247
Salaries – community-based, incl. Community Health Workers and outreach workers	0	535,782	-535,782
Salaries - facility-based, including medical staff and other service providers			0
Total	4,164,361	4,950,079	-785,718

Note 10: Travel Related Costs

Description	Budget	Actual	Variance
Training related per diems/transport/other costs	361,768.45	486,259.58 -	124,491.13
Technical assistance-related per diems/transport/other costs	62,837.77	32,526.90	30,310.87
Supervision/surveys/data collection related per diems/transport/other costs	327,674.14	269,974.18	57,699.96
Meeting/Advocacy related per diems/transport/other costs	1,217,864.47	1,348,076.32 -	130,211.85
Other Transportation costs	300,630.28	451,173.15	
Total	2,270,775	2,588,010	-166,692

Note 11: External Professional services

Description	Budget	Actual	Variance
Technical Assistance	15,604.70	177,343.22 -	161,738.52
Fees/Consultants	44,884.94	31,304.20	13,580.74
Other external professional services	117,787.02	19,143.13	98,643.89
Total	178,277	227,791	-49,514

Note 12: Health Products - Pharmaceuticals (HPPP)

Description	Budget	Actual	Variance
Antiretroviral medicines	2,163,161.91	2,114,824.68	48,337.23
Anti-tuberculosis medicines	568,788.27	91,566.36	477,221.91
Other medicines	-	-	-
Existing COVID-19 medicines	-	-	-
Total	2,731,950	2,206,391	525,559

Note 13: Health Products - Non-Pharmaceuticals (HPNP)

Description	Budget	Actual	Variance
Insecticide-treated Nets (LLINs/ITNs)	-	583,021.02 -	583,021.02
Condoms - Male	26,125.00	-	26,125.00
Rapid Diagnostic Test Insecticides	107,936.98	787,031.34 -	679,094.36
Laboratory reagents	168,421.92	170,842.03 -	2,420.11
Other consumables	359,686.98	213,562.87	146,124.11
Personal Protective Equipment	-	-	-
Medical oxygen	-	1,022,340.35 -	1,022,340.35
Total	662,171	2,776,798	-2,114,627

Note 14: Health Products - (HPE)

Description	Budget	Actual	Variance
TB Molecular Test equipment	-	141,306.17 -	141,306.17
Maintenance and service costs for health equipment	9,219.83	-	9,219.83
Other health equipment	6,457.66	127,586.33 -	121,128.67
Total	15,677	268,893	-253,215

Note 12: Health Products - Pharmaceuticals (HPPP)

Description	Budget	Actual	Variance
Antiretroviral medicines	2 163 162	2 114 825	48 337
Anti-tuberculosis medicines	568 788	91 566	477 222
Other medicines	-	-	-
Existing COVID-19 medicines	-	-	-
Total	2 731 950	2 206 391	525 559

Note 13: Health Products - Non-Pharmaceuticals (HPNP)

Description	Budget	Actual	Variance
Insecticide-treated Nets (LLINs/ITNs)	-	583 021	(583 021)
Condoms - Male	26 125	-	26 125
Rapid Diagnostic Test Insecticides	107 937	787 031	(679 094)
Laboratory reagents	-	-	-
Other consumables	168 422	170 842	(2 420)
Personal Protective Equipment	359 687	213 563	146 124
Medical oxygen	-	-	-
	-	1 022 340	(1 022 340)
Total	662 171	2 776 798	(2 114 627)

Note 14: Health Products - (HPE)

Description	Budget	Actual	Variance
TB Molecular Test equipment	-	141 306	(141 306)
Maintenance and service costs for health equipment	9 220	-	9 220
Other health equipment	6 458	127 586	(121 129)
Total	15 677	268 893	(253 215)

Note 15: Procurement and Supply-Chain Management costs (PSM)

Description	Budget	Actual	Variance
Procurement agent and handling fees	111 425	-	111 425
Freight and insurance costs (Health products)	455 355	334 997	120 358
Warehouse and Storage Costs	-	123	(123)
In-country distribution costs	-	-	-
Quality assurance and quality control costs (QA/QC)	16 360	-	16 360
PSM Customs Clearance	5 184	12 858	(7 675)
Other PSM costs	-	-	-
Total	588 323	347 979	240 344

Note 16: Infrastructure (INF)

Description	Budget	Actual	Variance
Renovation/constructions	-	61 913	(61 913)
Infrastructure maintenance and other INF costs	11 998	-	11 998
Total	11 998	61 913	(49 915)

Note 17: Non-health equipment (NHP)

Description	Budget	Actual	Variance
Computers, computer equipment, software and applications	32 638	491 623	(458 985)
Vehicles	-	-	-
Other non-health equipment	-	1 569	(1 569)
Maintenance and service costs non-health equipment	-	198	(198)
Total	32 638	493 390	(460 753)

Note 18: Communication Material

Description	Budget	Actual	Variance
Printed materials (forms, books, guidelines, brochure, leaflets...)	28 503	91 601	(63 098)
Television/Radio spots and programmes	252 845	699 776	(446 931)
Promotional Material (t-shirts, mugs, pins) and other CMP costs	-	70 573	(70 573)
Total	281 348	861 949	(580 602)

Note 19: Program Administration

Description	Budget	Actual	Variance
Office related costs	212 596	243 653	(31 057)
Other PA costs	10 474	154 436	(143 962)
Total	223 070	398 089	(175 019)

Note 20: Living support (LSCTP)

Description	Budget	Actual	Variance
Food and care packages	-	35 429	(35 429)
Total	-	35 429	(35 429)

Note 21: Payment for Results

Description	Budget	Actual	Variance
Activity based contracts, community based organizations and other service provide	102 796	336 227	(233 431)
Total	102 796	336 227	(233 431)

Note 22: Net sources of Grant Funds

Description	Amount US\$
Cash and Bank Balance	149 362
Sub-Recipient Open Advances	482 877
Other Receivables	205 118
Payables and Liabilities	(370 324)
Exchange (gain)/loss	(113 252)
	353 781

Note 23: Closing Cash & Bank balances

Description	Amount US\$
Bank Account USD A/C 62263160625	313
Bank Account Mal USD A/C 62263160609	156
Bank Account 081 NAD	91 718
Bank Account 055 NAD	57 176
Petty Cash	-
Closing Balance	149 362

Note 24: Other Receivables

Description	Amount US\$
VAT Refund Receivables	202 340
PMU Receivables	2 778
Other Receivables	-
Closing Balance	205 118

Note 25: Sub-recipient advances

	Opening Balance	Addition	Liquidation	Closing Balance
MOHSS - HIV	171 356	1 878 520	1 864 925	184 951
MOHSS - NVDCP	110 777	1 211 716	1 253 150	69 344
MOHSS - NTLP	55 408	2 785 932	2 644 892	196 448
Ministry of Education	(17 447)	333 029	313 539	2 042
Positive Vibes	11 004	1 141 307	1 137 706	14 605
COHENA	(13 544)	816 259	789 246	13 469
DAPP	4 523	338 206	345 994	(3 266)
Intra-health	92 905	455 734	429 438	119 202
WBCG	15 460	262 510	336 227	(58 257)
SFH, One Economy & Lifeline Childline	130 192	261 747	322 012	69 926
	560 635	9 484 959	9 437 130	608 464

Note 26: Reconciliation of IAE and PUDR Expenditure

Description	Amount USD\$	Cumulative Amount USD\$
AFR expenses	15 552 938	42 020 525
Movements in advances/prepayments:		
<i>Add Closing Advances:</i>		
SR unspent advances	482 877	482 877
Other Prepayments	205 118	205 118
Less Opening Advances:		
SR Opening Advance	560 635	-
Other Prepayments	158 484	-
		-
	(31 125)	687 995
Movements in commitments (accruals & payables):		
<i>Add Opening Commitments:</i>		
Other Liabilities	83 585	-
Less Closing Commitments:		
Other Liabilities	370 324	370 324
Adjustment for non-cash movement items(WAMBO)	4 444 228	13 079 904
	-	
	(4 730 966)	(13 450 228)
Total	10 790 847	29 258 293

Note 27: Payables and Liabilities

Description	Amount US\$
Medical Aid	(1 308)
Social Security	(261)
PAYE	(23 811)
Other liabilities	(344 944)
Closing Balance	(370 324)

Note 28: Exchange Gain/Loss

18.4935

Description	Closing Amount US\$	NAD Amount US\$ @ Closing Rate	Exchange Difference
MOHSS - HIV	184 951	167 493	(17 459)
MOHSS - NVDCP	69 344	67 536	(1 808)
MOHSS - NTLP	196 448	180 024	(16 424)
Ministry of Education	2 042	(5 860)	(7 902)
Positive Vibes	14 605	(6 187)	(20 791)
COHENA	13 469	(1 440)	(14 908)
DAPP	(3 266)	(11 352)	(8 087)
Intra-health	119 202	99 088	(20 114)
WBCG	(58 257)	(60 473)	(2 216)
SFH, One Economy & Lifeline Childline	69 926	54 049	(15 877)
Bank Account 081 NAD	63 680	91 718	28 038
Bank Account 055 NAD	(30 360)	57 176	87 535
Petty Cash	(25)	-	25
Medical Aid	(3 185)	(1 308)	1 877
Social Security	(855)	(261)	594
Salary Control	(9 277)	-	9 277
PAYE	(29 462)	(23 811)	5 651
Other liabilities	(272 171)	(344 944)	(72 774)
VAT Refund Receivables	222 989	202 340	(20 649)
PMU Receivables	3 385	2 778	(607)
Other Receivables	660	-	(660)
Exchange on Fund Flow movements			200 530
Closing Balance	553 842	466 565	113 252

Note 29: FIXED ASSET MOVEMENT

NARRATION	Computer Equipment US\$	Medical Equipment US\$	Office Equipment US\$	Motor Vehicles US\$	Total US\$
<i>Balance as at 1 January 2023</i>	97 886	613 306	155 504	73 045	939 741
Additions during the year	57 326	2 148 908	102 797	289 534	2 598 565
Write-off During the year					
<i>Balance as at 31 December 2023</i>	155 212	2 762 214	258 301	362 579	3 538 306

Notes to the financial statements

All amounts are in US\$ unless otherwise stated

Note 1: Basis of accounting

The Annual Financial Report is prepared on a modified accrual basis of accounting. Income is recognised using the cash basis of accounting while expenditures are recognised using the accrual basis.

Note 2: Disbursements/Receipts

Receipts comprises amounts advanced and reimbursed by the Global Fund under the grant agreement during the period [January 1, 2022 to December 31, 2022] to the Principal Recipient and to third parties. Receipts from Global Fund were in United States Dollars.

Note 3: Expenditure

Expenditure represents amounts disbursed and costs incurred denominated in Namibian Dollars (NAD) and United States Dollars (USD) and they are recognised net of VAT.

Note 4: Currency Translation

Transactions in Namibian Dollar NAD are translated to US dollars at the exchange rate on the date of the transaction while funds received from Global Fund are recorded at the rate applicable at date of receipt. Conversions from USD to Namibian dollars NAD are done at the prevailing rate on the date of conversion. For the purpose of this report, balances denominated in Namibian dollars have been translated to US dollars based on the closing rate at the date of this report 31/12/2022.

Note 5: Value Added Tax

The Principal Recipient and some Sub-Recipients are registered with the Ministry of Finance to claim refund on Value Added Tax under Section 40 of the VAT Act 2000.

Note 6: Opening Cash Balance

Description	Current period US\$
Bank Account USD A/C 62263160625	2 333 811
Bank Account Mal USD A/C 62263160609	-
Bank Account 081 NAD	325 740
Bank Account 055 NAD	69 530
Petty Cash	41
Sub-Recipients Open advances	575 508
Other Receivables	26 368
Total	3 330 998

Note 7: Receipts from Global Fund

Description	Current period US\$	Prior period US\$	Cumulative US\$
Cash Disbursement received	8 815 249	8 444 062	17 259 311
Wambo & GDF	3 778 361	4 857 315	8 635 676
Total	12 593 609	13 301 378	25 894 987

Note 8: Other Income

Description	Amount US\$
Other Income -GC5 VAT Recoveries	5 330
Grant Cycle 5 Refunds	118 258
Interest	10 874
Total	134 462

Note 9: Human Resources

Description	Budget	Actual	Variance
Salaries - program management	1 347 950	1 221 961	125 989
Salaries - outreach workers, medical staff and other service providers	3 006 805	2 711 187	295 618
Other HR Costs	11 106	19 162	(8 055)
Salaries – community-based, incl. Community Health Workers and outreach workers	642 299	610 666	31 633
Salaries - facility-based, including medical staff and other service providers			-
Total	5 008 160	4 562 975	445 185

Note 10: Travel Related Costs

Description	Budget	Actual	Variance
Training related per diems/transport/other costs	566 541	553 888	12 653
Technical assistance-related per diems/transport/other costs	149 894	195 324	(45 430)
Supervision/surveys/data collection related per diems/transport/other costs	368 914	315 498	53 416
Meeting/Advocacy related per diems/transport/other costs	1 173 238	991 857	181 381
Other Transportation costs	827 790	923 945	
Total	3 086 378	2 980 513	202 019

Note 11: External Professional services

Description	Budget	Actual	Variance
Technical Assistance Fees/Consultants	744 415	265 247	479 168
External audit fees	44 885	605	44 280
Other external professional services	142 787	-	142 787
Total	932 087	265 852	666 235

Note 12: Health Products - Pharmaceuticals (HPPP)

Description	Budget	Actual	Variance
Antiretroviral medicines	2 163 162	1 525 859	637 303
Anti-tuberculosis medicines	612 025	26 677	585 348
Other medicines	-	-	-
Existing COVID-19 medicines	-	32 148	(32 148)
Total	2 775 187	1 584 685	1 190 503

Note 13: Health Products - Non-Pharmaceuticals (HPNP)

Description	Budget	Actual	Variance
Insecticide-treated Nets (LLINs/ITNs)	459 933	-	459 933
Condoms - Male	26 125	-	26 125
Rapid Diagnostic Test	107 683	326 200	(218 517)
Insecticides	820 704	833 011	(12 307)
Laboratory reagents	526 022	179 665	346 357
Other consumables	345 615	202 958	142 657
Personal Protective Equipment	-	-	-
Medical oxygen	-	354 690	(354 690)
Total	2 286 082	1 896 524	389 558

Note 14: Health Products - (HPE)

Description	Budget	Actual	Variance
TB Molecular Test equipment	-	46 470	(46 470)
Maintenance and service costs for health equipment	8 084	7 316	767

Other health equipment	81 834	96 711	(14 877)
Total	89 918	150 498	(60 580)

Note 15: Procurement and Supply-Chain Management costs (PSM)

Description	Budget	Actual	Variance
Procurement agent and handling fees	165 063	23 257	141 806
Freight and insurance costs (Health products)	613 193	326 594	286 600
Warehouse and Storage Costs	-	419	(419)
In-country distribution costs	60 518	-	60 518
Quality assurance and quality control costs (QA/QC)	29 180	-	29 180
PSM Customs Clearance	36 398	-	36 398
Other PSM costs	13 131	-	13 131
Total	917 483	350 270	567 214

Note 16: Infrastructure (INF)

Description	Budget	Actual	Variance
Renovation/constructions	-	123 028	(123 028)
Infrastructure maintenance and other INF costs	11 998	-	11 998
Total	11 998	123 028	(111 030)

Note 17: Non-health equipment (NHP)

Description	Budget	Actual	Variance
Computers, computer equipment, software and applications	41 775	465 160	(423 384)
Vehicles	54 583	-	54 583
Other non-health equipment	46 057	333 938	(287 881)
Maintenance and service costs non-health equipment	-	13 759	(13 759)
Total	142 415	812 856	(670 441)

Note 18: Communication Material

Description	Budget	Actual	Variance
Printed materials (forms, books, guidelines, brochure, leaflets...)	96 101	142 041	(45 940)
Television/Radio spots and programmes	252 845	42 887	209 958
Promotional Material (t-shirts, mugs, pins...) and other CMP costs	-	14 954	(14 954)
Total	348 946	199 882	149 064

Note 19: Program Administration

Description	Budget	Actual	Variance
Office related costs	245 246	241 212	4 034
Other PA costs	164 619	106 578	58 041
Total	409 866	347 790	62 075

Note 20: Living support (LSCTP)

Description	Budget	Actual	Variance
Food and care packages	-	-	-
Total	-	-	-

Note 21: Payment for Results

Description	Budget	Actual	Variance
Activity based contracts, community based organizations and other service provide	126 927	156 372	(29 446)
Total	126 927	156 372	(29 446)

Note 22: Net sources of Grant Funds

Description	Amount US\$
Cash and Bank Balance	1 855 691
Sub-Recipient Open Advances	560 635
Other Receivables	158 484
Payables and Liabilities	(64 826)
Exchange (gain)/loss	117 839
	2 627 824

Note 23: Closing Cash & Bank balances

Description	Amount US\$
Bank Account USD A/C 62263160625	1 636 307
Bank Account Mal USD A/C 62263160609	156
Bank Account 081 NAD	123 398
Bank Account 055 NAD	96 195
Petty Cash	(365)
Closing Balance	1 855 691

Note 24: Other Receivables

Description	Amount US\$
VAT Refund Receivables	145 211
PMU Receivables	3 040
Other Receivables	10 233
Closing Balance	158 484

Note 25: Sub-recipient advances

	Opening Balance	Addition	Liquidation	Closing Balance
MOHSS - HIV	129 409	2 263 266	1 964 531	428 144
MOHSS - NVDCP	17 516	1 550 093	1 453 403	114 206
MOHSS - NTLP	252 766	1 610 866	1 751 196	112 436
Ministry of Education	7 117	535 230	559 723	(17 377)
Positive Vibes	28 798	815 811	791 117	53 492
COHENA	30 327	842 213	872 703	(163)
DAPP	-	254 463	242 951	11 512
Intra-health	109 575	149 518	156 633	102 460
WBCG	-	180 018	156 372	23 646
SFH, One Economy & Lifeline Childline	-	139 825	7 750	132 075
	575 508	8 341 303	7 956 380	960 432

Note 26: Reconciliation of IAE and PUDR Expenditure

Description	Amount USD\$	Cumulative Amount USD\$
AFR expenses	13 431 245	26 467 587
Movements in advances/prepayments:		
<i>Add Closing Advances:</i>		
SR unspent advances	560 635	560 635
Other Prepayments	158 484	158 484
Less Opening Advances:		
SR Opening Advance	825 350	
Other Prepayments	27 592	
	<u>(133 822)</u>	<u>719 120</u>
Movements in commitments (accruals & payables):		
<i>Add Opening Commitments:</i>		
Other Liabilities	115 342	
Less Closing Commitments:		
Other Liabilities	83 586	83 586
Adjustment for non-cash movement items(WAMBO)	3 778 361	8 635 676
Other necessary adjustments (Understatement of opening bank balance)	-	
	<u>(3 746 604)</u>	<u>(8 719 262)</u>
Total PR Cash Expenses	9 550 819	18 467 445

Note 27: Payables and Liabilities

Description	Amount US\$
Medical Aid	(2 450)
Social Security	(2 684)
PAYE	(24 229)
Other liabilities	(35 463)
Closing Balance	(64 826)

Note 28: Exchange Gain/Loss

Description	Amount US\$	Amount US\$ @ Closing Rate	Exchange Difference
MOHSS - HIV	428 144	171 356	(256 788)
MOHSS - NVDCP	114 206	110 777	(3 428)
MOHSS - NTLP	112 436	55 408	(57 028)
Ministry of Education	(17 377)	(17 447)	(70)
Positive Vibes	53 492	11 004	(42 488)
COHENA	(163)	(13 544)	(13 381)
DAPP	11 512	4 523	(6 989)
Intra-health	102 460	92 905	(9 555)
WBCG	23 646	15 460	(8 186)
Society for Family Health	132 075	130 192	(1 884)
Bank Account 081 NAD	131 771	123 398	(8 373)
Bank Account 055 NAD	12 099	96 195	84 096
Petty Cash	(391)	(365)	27
Medical Aid	(4 317)	(2 450)	1 867
Social Security	(3 064)	(2 684)	380
Salary Control	(11 418)	-	11 418
PAYE	(28 498)	(24 229)	4 269
Other liabilities	(36 289)	(35 463)	825
VAT Refund Receivables	155 547	145 211	(10 336)
PMU Receivables	3 385	3 040	(345)
Other Receivables	87 344	10 233	(77 111)
Exchange on Fund Flow movements			275 240
Closing Balance	1 266 601	873 522	(117 839)

****Note 29: Prior Year (2021) Audit Adjustment**

	AUDITED ACCOUNT 2021	UPDATED ACCOUNT 2021	PROPOSED ADJUSTMENTS
	US\$	US\$	US\$
INCOME			
Opening Balance	-	2 712 549	2 712 549
Funds received from Global Fund	9 444 062	8 444 062	(1 000 000)
Disbursements to third Parties	5 064 689	4 857 315	(207 374)
Other income	1 429	314 451	313 022
Exchange gain	93 905	-	(93 905)
Interest received	13 925	-	(13 925)
TOTAL INCOME	14 618 010	16 328 378	1 710 367

EXPENDITURE BY GLOBAL FUND COST CATEGORIES

1.0 Human Resources (HR)	5 228 737	5 248 635	19 898
2.0 Travel related costs (TRC)	1 263 997	1 354 283	90 286
3.0 External Professional services (EPS)	281 552	279 810	(1 742)
4.0 Health Products - Pharmaceutical Products (HPPP)	2 192 839	2 291 082	98 243
5.0 Health Products - Non-Pharmaceuticals (HPNP)	2 152 560	2 157 829	5 268
6.0 Health Products - Equipment (HPE)	53 589	53 044	(545)
7.0 Procurement and Supply-Chain Management costs (PSM)	441 641	441 745	103
8.0 Infrastructure (INF)	973	968	(5)
9.0 Non-health equipment (NHP)	123 220	339 340	216 120
10.0 Communication Material and Publications (CMP)	267 676	239 511	(28 164)
11.0 Indirect and Overhead Costs (IOC)	311 791	309 706	(2 084)
12.0 Living support to client/ target population (LSCTP)	-	-	-
13.0 Activity based contracts, CBOs and SP	325 433	320 390	(5 043)
Disbursements to SR	-	-	-
Old Grant Expenses	-	-	-
Exchange Loss	25 264	-	(25 264)
			-
TOTAL EXPENDITURE	12 669 271	13 036 342	367 072
(DEFICIT)/ SURPLUS FOR THE YEAR	630 937	3 292 035	1 343 296

**Note 30: FIXED ASSET
MOVEMENT**

	Computer Equipment	Medical Equipment	Office Equipment	Motor Vehicle	Total
NARRATION	US\$	US\$	US\$	US\$	US\$
<i>Balance as at 1 January 2022</i>	76 738	161 581	9 299	73 045	320 663
Additions during the year	21 148	451 725	146 205	-	619 078
Write-off During the year	-	-	-	-	-
<i>Balance as at 31 December 2022</i>	97 886	613 306	155 504	73 045	939 741