

THE FAFALI ORGANIZATION

Audited Reports and Financial Statements

For The Year Ended 30Th APRIL 2022



AIKINS-HAWKSON & ASSOCIATES

CHARTERED ACCOUNTANTS

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ANNUAL REPORTS AND FINANCIAL STATEMENTS

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**The Fafali Organization
Annual Reports and Financial Statements**

Executive Council, Officials and Registered Office

EXECUTIVE COUNCIL MEMBERS **Raymond Senyo Amezado
Senyo Sosu**

REGISTERED OFFICE P. O. Box WY 123
Kwabinya - Accra

AUDITORS Aikins-Hawkson & Associates
Chartered Accountants
Top Floor, El's Place
Christian Village – West Legon
P. O. Box MP 1559
Mamprobi - Accra

SECRETARY Raymond Senyo Amezado

BANKERS Ecobank Ghana Limited

EXECUTIVE SUMMARY

1. Background

The Fafali Organization is based in Ghana. It is registered as non-profit organization under Ghana Law (certificate of incorporation from the Registrar General Department and Certificate of recognition from the Department of Social Welfare).

Mission

Empower the youth of Africa with education, training and character enabling them to act upon their future and enriching their local communities and Africa as a whole.

Vision

Engage more youth each year with an education curriculum combined with sports, gender equality and character development that convinces its communities and develops trust.

Commitment

We are committed to work with partners to spread these goals and adjust to local conditions so that most children can be reached. We will overcome the obstacles that discrimination, poverty, gender inequality, ignorance and illiteracy have placed on the developmental phases of child's growth in Africa with proof of leadership and integrity within social and cultural spheres.

Aims and Objectives

To spark the brains of African children through the provision of education, training and the needed guidance, resources and the opportunities that will change the continent of Africa and the rest of the world.

Every year, the Fafali Organization with its partners agree on a set of programmes and activities to implement.

During the period under review the Fafali with its partners implemented the following activities: -

Programmes and activities	Partners
Education	Kids-N-Technology(USA)
Sports & Para Sports	The Golf Trust (UK), KitAid (UK), Phocus Soccer (The Netherlands)
Entrepreneurship	GreenChi (The Netherlands)
Environment and Sanitation	The Weeden Foundation (USA)
Gender Equality	Ngorli C.I.C (UK)

We appreciate the support of our donors towards the development of children in Africa. We remain committed to the development and greater accountability to children in Africa.

Sources of funding during the period under review were Grant, Board Donation, Fundraiser and In-kind Donation.

2. Audit Objectives and Scope

The Objective

A. Audit of the Fafali Organization Financial Statements

The objective of this audit is to express an opinion on whether these statements present fairly in all material respects, the financial position at year end, and the results of their operations for the year 30th April, 2022 are in conformity with the General Accepted Accounting Principles. The Financial Statements comprise of a statement of financial position and Income and Expenditure Account for the year ended 30th April, 2022.

The Scope

A. The Fund Accountability Statement

We examined the Fund Accountability Statement, including the budgeted amount by category and major items; the costs reported by the organization as incurred during the year ended 30th April, 2022 and the fund received from donors for that period.

We took steps to verify that funds were fully accounted for. We checked that control procedures existed and had been in operation to adequately safeguard those funds. Project implementation actions and accomplishments were evaluated specifically to determine that costs incurred are allowable, locatable, and reasonable and we identified and reported on areas where fraud, waste abuse, or mismanagement could exist as a result of inadequate controls.

1. We reviewed direct costs captured in the accounts of the project, identifying and qualifying any questioned costs.
2. We reviewed general ledgers to determine whether costs incurred were properly authorized and recorded. We reconciled grants receipts, costs in the general ledgers to project reports sent.
3. We reviewed the procedures used to control the funds, and reviewed the bank accounts and the controls on those bank accounts.
4. We determined whether advances of funds were justified with documentations and ensured that all funding received were appropriately recorded in the Fafali Organization accounting records and that these records were periodically reconciled.
5. We reviewed procurements procedures to determine that sound commercial practices including competition were used, reasonable prices obtained, and that there were adequate controls on qualities and quantities received.

6. We reviewed travel and transportation charges to determine whether they were adequately supported and approved.

B. Internal Control System

We also reviewed and evaluated the Fafali Organization Internal Control System to obtain a sufficient understanding of the design of relevant control policies and procedures, and whether those policies and procedures were in operation. The major internal control evaluated included, but were not limited to each, revenue and expense accounts on the Fund Accountability Statement. We assessed inherent and control risks, and determined the combined risks.

C. Compliance with Agreed Terms as Provided for in Project Agreement

With regard to the Fafali's compliance with Project Agreement terms, Applicable Law and Regulations, we performed the following.

1. We studied the terms of the Project Agreement, pertinent laws and regulations and determined which of these could have a direct and material effect on the Fund Accountability Statement as well as the Financial Statements.
2. We assessed, for each material requirement, the risks that material non-compliance could occur.
3. We designed audit steps and procedures to test for errors, irregularities, and illegal acts that provide reasonable assurance of detecting both unintentional and intentional instance of non-compliance with project agreement terms, applicable laws and regulations, and standards that could have a material effect on the Fund Accountability Statement, and the Fafali's financial statements.
4. We determined if payments have been made in accordance with agreement terms, applicable laws and regulations.
5. We determined if funds had been expended for purpose not authorized or not in accordance with applicable agreements terms.

D. Project Financial Statements

We examined the Fafali Organization financial statements. The objective of this audit was to express an opinion on whether these statements present fairly, in all material respects, the Fafali Organization project financial position at year end, and the results of operations for the year then ended, and are in conformity with the generally accepted accounting principles.

In arriving at our opinion, we conducted our examination in accordance with Generally Accepted Auditing Standards. Those standards are based to a large extent, on relevant International Accounting Standards.

Our examination included tests of accounting systems and other supporting evidence as well as observation and review of the system of internal controls established and considered necessary. We employed Business/Corporate Review techniques which were directed to understanding the projects' total operation, how its important segments and significant transaction systems function, and then corroborated that understanding through audit procedures.

The overriding objective was to incorporate in the Audit Plan those procedures that ensure the audit was carried out effectively, efficiently and economically.

I. Fund Accountability Statement

The Fund Accountability Statement, showing the receipts and disbursements made by the Fafali Organization under the various projects from 1st May, 2021 to 30th April, 2022 was presented fairly in all material respects, and in conformity with the basis of accounting described in Notes to the Fund Accountability Statement.

II. The Fafali Organization Financial Statements

The Financial Statements for the year ended 30th April, 2022 were fairly presented and showed a true and fair view of the state of affairs of the project at the date and the results of operations for the year then ended.

THE FUND ACCOUNTABILITY STATEMENT
Independent Auditor's Report on The
Fund Accountability Statement

The Fund Accountability Statement of the Fafali Organization for the year ended April 30, 2022 was audited in accordance with International Accounting Standards. We have obtained all the information and explanations we required.

Respective Responsibilities of Executive Council and Auditors

The Fund Accountability Statement is the responsibility of the Fafali Organization management. Our responsibility is to express an independent opinion on the Fund Accountability based on our audit.

Basis of Opinion

Our audit was conducted in accordance with generally accepted Auditing Standards. The standards require that we plan and perform the audit to obtain reasonable assurance whether the Fund Accountability Statement is free from material misstatement. The audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the Fund Accountability statement. It also includes an assessment of the accounting principles used, significant estimates and judgments made by management in the preparation of the Fund Accountability statement and of whether the accounting policies are appropriate to the Fafali Organization circumstances and has consistently been applied and adequately disclosed.

The audit was planned and performed so as to obtain reasonable assurance that the financial statements taken as a whole are free from material misstatements, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the Fund Accountability statement.

Opinion

As a result of our examination, we are of the opinion that the Fund Accountability Statement of the Fafali Organization fairly presents all material respects, programme revenues; costs incurred for the period ended 30th April, 2022 in accordance with the terms of the agreement and in conformity with basis of accounting described in Note. 1



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Julius Aikins-Hawkson
Practicing Certificate: License No. **ICA/P/1166**

For and on behalf of
Aikins-Hawkson & Associates
**AIKINS-HAWKSON
AND ASSOCIATES**
Firm License No. ICAG/F/2022/185
Chartered Accountants
Accra, Ghana
...21st July. 2022

The Fafali Organisation
Notes Forming Part of the Fund Accountability Statement

1. Basis Of Accounting

The statement has been prepared on cash basis of accounting. Under cash basis of accounting expenses are assigned to the period in which cash payment is made.

Funds for the organization are paid into its account at Ecobank Ghana Limited.

2. Grants

These represent amounts received totalling GH¢748,276 that were paid into the Fafali Organization accounts.

3. Supported Disbursements

The total expenditure in the sum of GH¢116,926 supported with relevant evidence.

4. Bank Balances

The bank balances were fully reconciled with the Fafali Organization bank statements as at 30th April 2022.

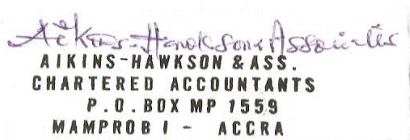
Internal Control Systems

Independent Auditors Report on Internal Control Systems

We have audited the Financial Statements of the Fafali Organization Accounts for the year ended 30th April, 2022 in accordance with International Accounting Standards. We have obtained all the information and explanations we required and have issued our report thereon.

We conducted our audit in accordance with Generally Accepted Auditing Standard. These Standards are based to a large extent on the relevant International Accounting Standards. The Executive Council of the Fafali Organisation is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgment by management are required to assess the expected benefits and related costs of internal control structure, policies and procedures. The benefits and related costs of internal controls are to provide management with reasonable but not absolute assurance that assets are safeguarded against loss from unauthorized use or dispositions are executed in accordance with management authorization and in accordance with the terms of the agreement; and transactions are recorded properly to permit the preparation of the Financial Statements in conformity with the basis of accounting described in the Note 1 to the Fund Accountability Statement. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, control of any valuation of the structure to future periods in subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the designed and operation of policies and procedures may deteriorate.

In planning and performing our audit of the Fund Accountability Statement of Fafali for the year ended 30th April, 2022, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation and we assessed the control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the Fund Accountability Statement and not to provide an opinion on the internal control systems. Accordingly, we do not express such an opinion. Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly would not necessarily disclose all reportable conditions that are also considered to be material weakness as defined above.



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Firm License No. ICAG/F/2022/185
Chartered Accountants
Accra, Ghana
.....21st July 2022

FINANCIAL STATEMENTS

The Fafali Organisation Statement of Responsibilities of the Executive Council

Good Corporate Governance requires the Executive Council to prepare financial statements for each financial period which gives a true and fair view of the state of affairs of the Organization and of its income and expenditure for that period. In preparing these financial statements, the members of the Organization are required to:

- Select suitable accounting policies and apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the organization will continue to exist.

The Council members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Organization which enable them to ensure that the financial statements comply with International Accounting Standards. The Council members are also responsible for safeguarding the assets of the Organization and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The above statements, which should be read in conjunction with the statement of the Auditors' responsibilities set out on page 15, is made with a view to distinguishing for stakeholders the respective responsibilities of the Executive Council and the Auditors in relation to the Financial Statements.

**Report of the Executive Council
To The Members Of
The Fafali Organization**

The Executive Council has pleasure in presenting the audited financial statements of the Organization for the year ended 30th April 2022.

FINANCIAL STATEMENTS	2022 GH¢
The results are summarized as follows:	
Income for the year amounted to	895,341
from which is deducted Expenditure of	(293,081)

giving an Excess of Income over Expenditure of	602,260

Leaving a balance on the Accumulated Fund Account of	602,260
	=====

The Executive Council considers the state of the Organization's affairs to be satisfactory.

Messrs Aikins-Hawkson & Associates have indicated their willingness to continue in office as auditors of the Organization and in accordance with section 134(5) of the Companies Code, 2019 (Act 179) they so continue.



.....
(Executive Council Member)



.....
(Executive Council Member)

Independent Auditors Report to Members Of **The Fafali Organization**

We have audited the accompanying financial statements of the Fafali Organization, which comprise the statement of financial position as at 30th April 2022 and income & expenditure account, for the year then ended, and a summary of significant accounting policies and other explanatory notes.

EXECUTIVE COUNCIL MEMBERS' RESPONSIBILITY FOR THE FINANCIAL STATEMENT

The Executive Council Members are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and Ghana Companies Code, 1963 (Act 179). This responsibility includes: designing, implementation and maintaining internal controls relevant to the preparation and fair presentation of the financial Statements that are free from misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from materials misstatement.

An Audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessment, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 internal control. An audit also includes evaluating the appropriate of accounting policies used and the reasonable of accounting estimates made by the Executive Council Members, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

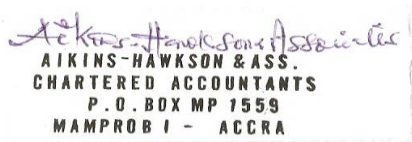
OPINION

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fafali Organization as of 30th April, 2022 and its financial performance for the year then ended in accordance with International Financial Reporting Standards and Ghana Companies Codes, 2019 (Act 179).

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENT

The Ghana Companies Code, 1963 (Act 179) requires that in carrying out audit we consider and report on the following matters. We confirm that:

- i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii. In our opinion proper books of accounts have been kept by the company, so far as appears from our examination of those books; and
- iii. The Statement of financial position and Income & Expenditure Account of the Fafali Organization are in agreement with the books of accounts.



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Julius Aikins-Hawkson
Practicing Certificate: License No. ICA/P/1166

For and on behalf of
Aikins-Hawkson & Associates
**AIKINS-HAWKSON
AND ASSOCIATES**
Firm License No. ICAG/F/2022/185
Chartered Accountants
Accra, Ghana
...21st July 2021

The Fafali Organization
Income Statement
For the year Ended 30th April 2022

		2022
	Notes	GH¢
Income	3	895,341

Total Income		895,341

Expenditure		
Programme Expenditure	5	176,155
General & Administrative Expenses	4	116,926

Total Expenditure		293,081

Excess of Income over Expenditure		602,260
		=====

**Statement of comprehensive
Income and expenditure**
For the year Ended 30th April,2022

	2022
	GH¢
Excess of income over expenditure	602,260
Other comprehensive income & expenditure	-

Total comprehensive income and expenditure	602,260
	=====

The Fafali Organization
Statement of Financial Position
As At 30th April 2022

		2022
Assets	Notes	GH¢
Non-Current Assets		
Property, Plant & Equipment	6	605,242
Current Assets		
Cash and Bank Balances	7	18

Total Current Assets		18

Total Assets		605,260
		=====
Funds & Liabilities		
Funds		
Funds Balances		602,260

		602,260

Current Liabilities		
Other Payables	8	3,000

Total Current Liabilities		3,000

Total Funds & Liabilities		605,260
		=====

.....

 (Executive Council Member)

.....

 (Executive Council Member)

These financial statements were approved on 15 July, 2022

The Fafali Organization
Statement of Changes in Fund Balances

For the year ended 30th April 2022

	2022
	GH¢
Excess of Income over Expenditure	602,260

Fund Balance at 30/04/2022	602,260
	=====

The Fafali Organization
Statement of Cash flows
for the year ended 30th April 2022

	2022
	GH¢
Cash flows from operating activities	
Excess of income over expenditure	602,260
Depreciation charges	65,046
Increase/(Decrease) in Payables	3,000

Net Cash (Outflow) from operating activities	670,306

Cash flows from investing activities	
Purchase of property, plant & equipment	670,286

Net cash (outflow) from investing activities	670,286

Net Increase in cash and cash equivalents	1,340,592
Cash & cash equivalents at beginning of year	1,340,574

Cash & cash equivalents at end of year	18
	=====

The Fafali Organization
Notes Forming Part of the Financial Statements
For The Year Ended 30th April 2022

1. Basis of Accounting

These financial statements have been prepared under the historical cost convention.

2. Accounting Policies

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the organization's financial statements:

a. Grants

Grants of revenue nature are dealt with in the Income and Expenditure Account. Capital based grant are shown as capital grants and transferred to Income and Expenditure Account over the estimated life of the related asset.

b. Depreciation

Depreciation of property, plant & equipment is provided on a straight-line basis at rates calculated to reduce the assets value to zero at the end of their expected useful lives. The principal annual depreciation rates used are:-

Office Furniture & Fittings	10%
Office Equipment	10%
Computer & Accessories	25%
Building	10%

c. Foreign Currency Translation

Grants received in foreign currency, are translated at rates ruling at the date of receipt.

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated at the rate of exchange ruling at the date of the transaction. Exchange differences are taken to the Income and Expenditure Account.

3. Income	2022
Grant	748,276
Board Donation	53,755
Fundraiser	19,624
In-kind Donation	17,492
Others	56,194

	895,341

3.	

4. General & Administrative Expenses	2022
	GH¢
Salaries	38,200
Utility	6,120
Internet charges	4,560
Audit fee	3,000
Depreciation	65,046

	116,926

4.	

5. Programs Expenditure	2022
	GH¢
STEM	7,512
Entrepreneurship	5,101
Ball and Brain	23,606
Golf & Goal	19,880
Drum, Dance & Dram	800
Literacy	700
Miscellaneous	25,889
Coach the Coaches	78,926
Gender Equality	13,741

Total	176,155

6. Property, Plants & Equipment

10% 25% 10% 10%

	Land GH¢	Building GH¢	Computer & Accessories GH¢	Furniture GH¢	Equipment GH¢	GH¢
Cost/Valuations						
At 1/05/2021	70,000	500,000	33,446	32,400	34,440	670,288
At 30/04/2022	70,000	500,000	33,446	32,400	34,440	670,288
Accumulated Depreciations						
Charge for the Year	-	50,000	8,362	3,240	3,444	65,046
At 30/04/2022	-	50,000	8,362	3,240	3,444	65,046
Net Book Value						
At 30/04/2022	70,000	450,000	25,085	29,160	30,996	605,242
5.	=====	=====	=====	=====	=====	=====

7. Bank & Cash Balances

	2022
	GH¢
Bank Balance	18

	18

8. Accounts Payables

	2022
	GH¢
Audit fees	3000

	3000

9. Comparative Figures

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