

Lic. Ana Isabel de las Mercedes Pastor Lebron
Court Interpreter

I, Lic. Ana Isabel de las Mercedes Pastor Lebron, duly invested by Resolution of the Judicial Council No. 13/2014 dated December 8th, 2014, hereby CERTIFY: That I have translated a document originally written in Spanish, the English version of which is as follows, to the best of my knowledge and belief, IN FAITH OF WHICH, I seal, sign and issue the present certification, in the city of Santo Domingo, Distrito Nacional, capital of the Dominican Republic, on the fifteenth (15th) day of December of the year two thousand twenty-one (2021). Registered under the number 2021-255.

INDEPENDENT AUDITOR'S AUDIT REPORT
TO THE RECEIVED FUNDS

[Santana Peña, letterhead]

INDEPENDENT AUDITOR'S AUDIT REPORT
TO THE RECEIVED FUNDS

To : Board of Directors of HORIZONTES DE SALUD / HEALTH HORIZONS INTERNATIONAL FOUNDATION.

Matter : Opinion on the accuracy of the revision of the income and expenses of HORIZONTES DE SALUD / HEALTH HORIZONS INTERNATIONAL FOUNDATION to the financial years 2018, 2019 and 2020.

Date : November 27, 2021

DESCRIPTION OF THE ENTITY:

Health Horizons International Foundation is an organization incorporated in the state of Connecticut in the US, operating since January 2009 as Horizontes de Salud at the municipality of Montellano, Dominican Republic, as a nonprofit institution.

Its mission is the improvement of Community Health by means of three main axes:

- 1.- Strengthening of the Primary Attention System of Health.
- 2.- Strengthening of community leadership.
- 3.- Elimination of barriers for persons with scarce resources to be able to receive quality medical attention.

Health Horizons International has developed several initiatives such as:

Attention Program for Persons with Chronic Diseases:

- Provision of medicine and quality medical attention to persons diagnosed with Diabetes, Hypertension, Asthma, and other chronic diseases, from less favored communities (scarce resources).

Healthy and Happy Program:

- Prevention of obesity and overweight in adolescents during school age. Development of healthy lifestyles, based in nutrition, physical activity and monitoring of risk factors.

Strengthening of Diabetes and Hypertension Prevention and Attention within the System of Primary Attention:

- Training of health personnel at the units of primary attention and special centers in the managing, treatment and prevention of diabetes and hypertension.

REVISION OF FUNDS (INCOME AND EXPENSES)

To be able to provide a precise opinion on the revision of Income and Expenses of Health Horizons International Foundation and the different programs developed presented in the Cash Flow or Financial Report.

The director of Finance, Executive Director, and Administrative Directors provided us with the following information:

Horizontes de SALud (HHI) has financial policies and procedures that establish that the programs require checking accounts separate from the one used by the institution. The detail of the bank accounts is as follows:

- 1.- Health Horizons International Foundation Funds
BHD León, checking account in Dominican Pesos No. 16200910026

2.- World Diabetes Foundation (WDF) Funds

BHD León, checking account in Dominican Pesos No. 16200910051

3.- World Diabetes Foundation (WDF) Funds

BHD León, saving account in Dollars No. 16200910042

4.- FHI360 (HS3) Funds

BHD León, checking account in Dominican Pesos No. 16200910034 (currently disabled)

PROVIDED INFORMATION ON THE INSTITUTION AND ITS PROGRAMS FOR THE REVISION OF ITS INCOME AND EXPENSES

1.- Health Horizons International Foundation (Horizontes de Salud):

- a) Financial report 2018, 2019, and 2020.
- b) Books and bank statements 2018, 2019, and 2020.
- c) Reports and conciliations of QBO 2018, 2019, and 2020.

2.- WDF 16-1422 Project improvement of prevention and attention of diabetes and hypertension:

- d) Cash Flow Report of report period 1
- e) Cash Flow Report of report period 2
- f) Cash Flow Report of report period 3
- g) Programmatic Report of report period 1
- h) Programmatic Report of report period 2
- i) Programmatic Report of report period 3
- j) Indicator Report of report period 1
- k) Indicator Report of report period 2
- l) Indicator Report of report period 3
- m) Books and bank statements of Project WDF FY 2018
- n) Books and bank statements of Project WDF FY 2019
- o) Books and bank statements of Project WDF FY 2020
- p) Books and bank statements of Horizontes de Salud for FY2018
- q) Books and bank statements of Horizontes de Salud for FY2019
- r) Books and bank statements of Horizontes de Salud for FY2020
- s) Report and conciliations of QBO 2018, 2019, and 2020

3.- Strengthening of the system and services of HIV (HS3) Project:

- a) Financial report 2019 and 2020
- b) Books and bank statements 2019 and 2020
- c) Reports and conciliations of QBO 2019 and 2020

OPINION ON THE REVISION OF INCOME AND EXPENSES OF:

HEALTH HORIZONS INTERNATIONAL FOUNDATION (HORIZONTES DE SALUD)

I. Association of budgeted expenses and executed expenses in the Financial Report:

With respect to the executed expenses reflected in the financial report during the dates 1/1/2018 and 12/31/2020, we were able to verify that the budgeted expenses are fully executed, possess payment supports pursuant to the regulations of the company's Manual of Financial Procedures.

II. Association of executed expenses and account balance:

2018

During the financial year 12/31/2018, the expenses were RD\$10,680,568.27 and the account balance to the date of 12/31/2018 was RD\$261,759.23. Such amounts were verified.

2019

During the financial year 12/31/2019, the expenses were RD\$8,372,269.83 and the account balance to the date of 12/31/2019 was RD\$271,765.57. Such amounts were verified.

2020

During the financial year 12/31/2019, the expenses were RD\$14,583,225.93 and the account balance to the date of 12/31/2019 was RD\$127,598.16. Such amounts were verified.

III. Verification of transfers:

2018

We were able to verify that the organization received transfers during the months of January until December in the amount of RD\$10,942,327.50 in accordance with the monthly budgeted.

2019

We were able to verify that the organization received transfers during the months of January until December in the amount of RD\$8,644,035.40 in accordance with the monthly budgeted.

2020

We were able to verify that the organization received transfers during the months of January until December in the amount of RD\$11,045,728.58 in accordance with the monthly budgeted.

IV. Opinion on the expenses on budget allocations in the Financial Report:

The Financial Report includes 7 budget allocations which in turn include specific sub-activities related to the operational execution of the project. Such are:

1. Training Section:

The expenses associated to this budget allocation are related to the bank statements and the financial report.

2. Promotion of Health, Screening, and referrals:

The expenses associated to this budget allocation are related to the bank statements and the financial report.

3.- Monitoring, Evaluation and Supervision:

The expenses associated to this budget allocation are related to the bank statements and the financial report.

4.- Equipment:

The company holds quotes, equipment purchase narrative, and conducts purchases of equipment in accordance with the provisions of purchases in the Finance and Operations Manual. Also, the purchased equipment is identified with a serial number and hold a responsible person assigned to the same. The expenses associated to this budget allocation are related to the bank statements and the financial report.

5.- Purchase of Materials:

The expenses associated to this budget allocation are related to the bank statements and the financial report.

6.- Salaries:

Payroll payments take place to employees whose percentage is associated to the Project pursuant to the Dominican Labor Code, making the corresponding withholdings and presenting fiscal reports to the corresponding institutions. The company in turn conducts a project payroll relation with respect to the general payroll, which evidences the percentage destined to the counterparts. The expenses associated to this budget allocation are related to the bank statements and the financial report.

7.- Administration:

The expenses associated to this budget allocation are related to the bank statements and the financial report.

PROJECT WDF 16-1422 IMPROVEMENT TO THE PREVENTION AND ATTENTION OF DIABETES AND HYPERTENSION

This program started in 2018 and is currently ongoing. Next, we detail the income and expenses:

I. Association of budgeted expenses and executed expenses in the Cash Flow:

With respect to the executed expenses reflected in the financial report during the dates 1/1/2018 and 30/9/2020, we were able to verify that the budgeted expenses within "Main Budget Headings" are fully executed, possess payment support pursuant to the regulations of the company's Manual of Financial Procedures; and are associated and aligned with the activities performed in the reports of Indicators 1, 2, and 3; and Programmatic Reports 1, 2, and 3.

II. Association of executed expenses and account balance:

2018

During the financial year 1/1/2018-12/31/2018, the expenses were 135,659.00 USD and the account balance on 12/31/2018 was 1,341.00 USD. Such amounts were verified.

2019

During the financial year 1/1/2019-12/31/2019, the expenses were 87,282.33 USD and the account balance on 12/31/2019 was 29,058.67 USD. Such amounts were verified.

2020

During the financial year 1/1/2020-12/31/2020, the expenses were 68,235.23 USD and the account balance on 12/31/2018 was 39,823.44 USD. Such amounts were verified.

III. Verification of transfers:

2018

We were able to verify that the organization received a transfer of 137,000.00 USD on 1/4/18 corresponding to the first payment pursuant to the contracts and multilateral agreements of the Project.

2019

We were able to verify that the organization received a transfer of 115,000.00 USD on 1/7/19 corresponding to the second payment pursuant to the contracts and multilateral agreements of the Project. In the Cash Flow the exchange rate of US\$50.40 was used while in the bank statement we confirmed that it was received with the exchange rate of US\$49.66.

We were able to verify that the organization received a transfer of 79,000.00 USD on 12/1"/19 corresponding to the third payment pursuant to the contracts and multilateral agreements of the Project.

2020

No payments took place to the company during 2020.

IV. Opinion on the expenses on budget allocations in Cash Flow:

The Cash Flow includes 9 budget allocations which in turn include specific sub-activities related to the operational execution of the project. Such are:

1. Training Section:

The expenses associated to this budget allocation are related to the bank statements and the Cash Flow report.

2. Promotion of Health, Screening, and referrals:

The expenses associated to this budget allocation are related to the bank statements and the Cash Flow report.

3.- Monitoring, Evaluation and Supervision:

The expenses associated to this budget allocation are related to the bank statements and the Cash Flow report.

4.- Model Centers:

The expenses associated to this budget allocation are related to the bank statements and the Cash Flow report.

5.- Equipment:

The company holds quotes, equipment purchase narrative, and conducts purchases of equipment in accordance with the provisions of purchases in the Finance and Operations Manual. Also, the purchased equipment is identified with a serial number and hold a responsible person assigned to the same. The expenses associated to this budget allocation are related to the bank statements and the financial report.

6.- Production of Materials:

The expenses associated to this budget allocation are related to the bank statements and the Cash Flow report.

7.- Salaries:

Payroll payments take place to employees whose percentage is associated to the Project pursuant to the Dominican Labor Code, making the corresponding withholdings and presenting fiscal reports to the corresponding institutions. The company in turn conducts a project payroll relation with respect to the general payroll, which evidences the percentage destined to the counterparts. The expenses associated to this budget allocation are related to the bank statements and the Cash Flow report.

8.- Administration:

The expenses associated to this budget allocation are related to the bank statements and the Cash Flow report.

9.- Audit:

No expenses took place in this allocation during this period.

PROJECT FOR STRENGTHENING HIV SYSTEM AND SERVICES

This program started on December 2019 and concluded in September 2020. Next, we detail the income and expenses:

I. Association of budgeted expenses and executed expenses in the Financial Report:

With respect to the executed expenses reflected in the financial report (income and expenses) between the dates 12/10/2019 and 09/9/2020, we were able to verify that the same donor audited directly the incomes and expenses executed pursuant to the budgeted and the same possess support payment pursuant with the regulations of the Manual of Financial Procedures of the company.

II. Association of executed expenses and account balance:

2019

During the financial year 12/10/2019, the expenses were RD\$152,317.84 and the account balance to the date of 12/31/2019 was RD\$82,068.39. Such amounts were verified.

2020

During the financial year 09/09/2020, the expenses were RD\$2,358,695.82 and the account balance to the date of 09/30/2020 was RD\$1,061.27. Such amounts were verified.

III. Verification of transfers:

2019

We were able to verify that the organization received a transfer of RD\$324,226.00 on 12/10/19 corresponding to the first payment pursuant to the Project contract and agreement.

2020

We were able to verify that the organization received transfers during the months of January, March, April, June, July, August, and September in the amount of RD\$2,186,787.66 pursuant to the Project contract and agreement.

Opinion on the expenses on budget allocations in the Financial Report:

The Financial Report includes 7 budget allocations which are:

1. Salaries and supplemental benefits:

Payroll payments take place to employees whose percentage is associated to the Project pursuant to the Dominican Labor Code, making the corresponding withholdings and presenting fiscal reports to the corresponding institutions. The company in turn conducts a project payroll relation with respect to the general payroll, which evidences the percentage destined to the counterparts. The expenses associated to this budget allocation are related to the bank statements and the financial report.

2.- Consultants:

Monthly incentives were paid to the collaborators from different health centers. Which were divided in the following three:

a.- 6 psychologists

b.- 6 navigators

c.- 3 digitizers

The expenses associated to this budget allocation are related to the bank statements and the financial report.

3. Equipment:

The company holds quotes, equipment purchase narrative, and conducts purchases of equipment in accordance with the provisions of purchases in the Finance and Operations Manual. Also, the purchased equipment is identified with a serial number and hold a responsible person assigned to the same. The expenses associated to this budget allocation are related to the bank statements and the financial report.

4. Travel and transportation:

The expenses associated to this budget allocation are related to the bank statements and the financial report.

5.- Other direct costs:

The expenses associated to this budget allocation are related to the bank statements and the financial report.

6.- Audit

No expenses took place in this allocation during the execution of this Project. HS3 audited the financial report monthly.

We found that the Incomes and Expenses executed by Health Horizons International Foundation, Inc. (Horizontes de Salud) and the programs it managed during the financial years 2018, 2019, and 2020 are directly related to the budgeted axes and their corresponding budget allocations. We verified that the organization executes the incomes and expenses pursuant to the provisions and regulations of the donor, as well as the internal policies of the company. Also, the organization keeps payment supports in binders with programmatic/financial files of each audited financial statement.

By the firm,

[signed]

PERMISA SANTANA PEÑA CONTADORES ASOCIADOS, SRL.

Registry at the Institute for Authorized Public Accountants No. 99464

C.P.A. Estanailda A. Peña S.

Registry at ICPARD No. 011733

Partner in charge of the audit

[Santana Peña, Authorized Public Accountants,
seal affixed]

