

**MALOTO, INC.**

Financial Statements  
Years Ended  
June 30, 2023 and 2022

**MALOTO, INC.**

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Years Ended  
June 30, 2023 and 2022

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees  
of Maloto, Inc

### **Opinion**

We have audited the accompanying financial statements of Maloto, Inc (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Maloto, Inc as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 required to be independent of Maloto, Inc and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Maloto Inc's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

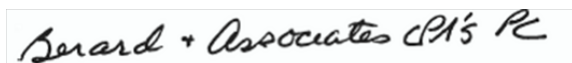
### **Auditor's Responsibilities for the Audit of the Financial Statements**

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 absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. 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. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- 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 Maloto Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Maloto Inc's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



Berard & Associates, CPA's P.C.  
Suffern, New York 10901  
October 11, 2023

**MALOTO, INC.**  
 Statements of Financial Position  
 June 30, 2023 and 2022

	2023	2022
<b>ASSETS</b>		
Cash	\$ 78,848	\$ 170,602
Contributions receivable	77,500	-
Prepaid expense	1,299	42,842
Security deposit	2,550	2,550
Equipment	3,150	7,076
	<u>\$ 163,347</u>	<u>\$ 223,070</u>
<b>LIABILITIES AND EQUITY</b>		
Accounts payable and payroll liabilities	\$ 7,801	\$ 32,023
	<u>7,801</u>	<u>32,023</u>
<b>Net Assets</b>		
Without donor restrictions	128,578	172,083
With donor restrictions	26,968	18,964
	<u>155,546</u>	<u>191,047</u>
	<u>\$ 163,347</u>	<u>\$ 223,070</u>

See notes to financial statements.

**MALOTO, INC.**  
Statements of Activities  
Years Ended June 30, 2023 and 2022

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Public Support						
Contributions	\$ 993,392	\$ 248,629	\$ 1,242,021	\$ 854,218	\$ 156,493	\$ 1,010,711
In-Kind revenue	100,000	-	100,000	90,000	-	90,000
Special events revenue	-	-	-	336,817	-	336,817
Special events expenses	(1,426)	-	(1,426)	(110,641)	-	(110,641)
Investment revenue	(18,253)	-	(18,253)	(3,924)	-	(3,924)
Other income	2,605	-	2,605			
Net assets released from restrictions	240,625	(240,625)	-	137,529	(137,529)	-
<b>Total Revenue and Public Support</b>	<b>1,316,943</b>	<b>8,004</b>	<b>1,324,947</b>	<b>1,303,999</b>	<b>18,964</b>	<b>1,322,963</b>
Expenses						
Program services	1,122,300	-	1,122,300	1,048,086	-	1,048,086
Management and general	202,729	-	202,729	183,794	-	183,794
Fundraising	35,419	-	35,419	33,837	-	33,837
<b>Total expenses</b>	<b>1,360,448</b>	<b>-</b>	<b>1,360,448</b>	<b>1,265,717</b>	<b>-</b>	<b>1,265,717</b>
<b>Change in net assets</b>	<b>(43,505)</b>	<b>8,004</b>	<b>(35,501)</b>	<b>38,282</b>	<b>18,964</b>	<b>57,246</b>
Net assets, beginning of year	172,083	18,964	191,047	133,801	-	133,801
<b>Net assets, end of year</b>	<b>\$ 128,578</b>	<b>\$ 26,968</b>	<b>\$ 155,546</b>	<b>\$ 172,083</b>	<b>\$ 18,964</b>	<b>\$ 191,047</b>

See notes to financial statements.

**MALOTO, INC**  
Statement of Functional Expenses  
Year Ended June 30, 2023

	Program	General and Administration	Fundraising	Direct cost of donor benefits	Total Expenses
Salaries	\$ 133,966	\$ 44,655	\$ 15,532	\$ -	\$ 194,153
In-Kind Services	-	98,000	2,000	-	100,000
Payroll taxes	12,011	4,004	1,392	-	17,407
Employee Benefits	33,314	11,105	3,862	-	48,281
	179,291	157,764	22,786	-	359,841
Development and marketing	-	-	9,083	-	9,083
Kwithu Kitchen	192,578	-	-	-	192,578
Kwithu Women's Group	213,976	-	-	-	213,976
Mzuzu Academy	506,184	-	-	-	506,184
Malawi emergency assistance	-	-	-	-	-
MIA infrastructure & marketing	-	-	-	-	-
Professional fees	-	7,950	-	-	7,950
Insurance	1,000	4,000	-	-	5,000
Occupancy	-	15,539	1,727	-	17,266
Office expenses	-	12,872	1,430	-	14,302
Travel	28,951	591	-	-	29,542
Meals and Entertainment	-	-	-	1,426	1,426
Outside contractors	320	480	-	-	800
Depreciation expense	-	3,533	393	-	3,926
Total expenses by function	1,122,300	202,729	35,419	1,426	1,361,874
Less: Expenses included with revenues on the statement of activities	-	-	-	(1,426)	(1,426)
Total functional expenses	<u>\$ 1,122,300</u>	<u>\$ 202,729</u>	<u>\$ 35,419</u>	<u>\$ -</u>	<u>\$ 1,360,448</u>

See notes to financial statements.

**MALOTO, INC**  
Statement of Functional Expenses  
Year Ended June 30, 2022

	Program	General and Administration	Fundraising	Direct cost of donor benefits	Total Expenses
Salaries	\$ 136,844	\$ 20,786	\$ 15,590	\$ -	\$ 173,220
In-Kind Services	-	88,200	1,800	-	90,000
Payroll taxes	11,319	1,719	1,290	-	14,328
Employee Benefits	18,783	7,015	2,552	-	28,350
	166,946	117,720	21,232		305,898
Development and marketing	-	-	9,058	-	9,058
Kwithu Kitchen	185,490	-	-	-	185,490
Kwithu Women's Group	205,615	-	-	-	205,615
Mzuzu Academy	481,185	-	-	-	481,185
Professional fees	-	30,403	-	-	30,403
Insurance	770	3,082	-	-	3,852
Occupancy	-	14,916	1,657	-	16,573
Office expenses	-	13,473	1,497	-	14,970
Travel	7,740	158	-	-	7,898
Meals and Entertainment	-	-	-	110,641	110,641
Outside contractors	340	509	-	-	849
Depreciation expense	-	3,533	393	-	3,926
Total expenses by function	1,048,086	183,794	33,837	110,641	1,376,358
Less: Expenses included with revenues on the statement of activities	-	-	-	(110,641)	(110,641)
Total functional expenses	\$ 1,048,086	\$ 183,794	\$ 33,837	\$ -	\$ 1,265,717

See notes to financial statements.



**MALOTO, INC.**  
Statements of Cash Flows  
Years Ended June 30, 2023 and 2022

	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (35,501)	\$ 57,246
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Changes in operating assets and liabilities		
Depreciation expense	3,926	3,926
Pledges receivable	(77,500)	3,000
Prepaid expenses	41,543	(14,446)
Accounts payable and payroll liabilities	(24,222)	24,672
Deferred revenue	-	-
Cash provided (used) by operating activities	(91,754)	74,398
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
None	-	-
Cash provided/(used) by investing activities	-	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Donated stock	(307,468)	(136,337)
Loss on sale of stock	18,254	-
Stock sold	289,214	136,337
Cash provided (used) by financing activities	-	-
Net Increase/(Decrease) in Cash	(91,754)	74,398
Cash and cash equivalents, Beginning	170,602	96,204
Cash and cash equivalents, Ending	\$ 78,848	\$ 170,602
 <b>SUPPLEMENTAL INFORMATION</b>		
Interest	\$ -	\$ -
Taxes	N/A	N/A
In-Kind	\$ 100,000	\$ 90,000

See notes to financial statements.

**MALOTO INC.**  
Notes to Financial Statements  
June 30, 2023 and 2022

**NOTE 1 – NATURE OF ORGANIZATION**

Maloto, Inc. is a non-profit organization dedicated to improving the lives of some of the most vulnerable women and children in northern Malawi by feeding, educating and empowering. Maloto is rooted in the belief that, through access to education and economic development activities, women and children can improve their quality of life and lift themselves out of poverty. The Organization accomplishes this by providing financial and technical assistance to three effective local organizations: Kwithu Women's Group (aka Kwithu CBO), Mzuzu International Academy, and Kwithu Kitchen. Together, these organizations provide a continuum of services that can be accessed throughout a beneficiary's lifetime and also provide a holistic solution for health, educational, social and economic needs.

Against this landscape, Maloto, meaning "dreams" in the local language, was formed in 2007 by a group of Malawians living in the United States in direct response to the specific challenges facing their communities in northern Malawi. These issues of poverty, HIV/AIDS, and lack of educational opportunities called out to them for intervention.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with U.S generally accepted accounting principles (US GAAP), which require Maloto, Inc. to report information regarding its financial position and activities according to the following net asset classifications, with or without donor restrictions.

Basis of Presentation

The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions. Net assets with donor restrictions are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, such as those that the donor stipulates that resources be maintained in perpetuity.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

It is the policy of the Organization to account for donor restricted funds, which are received and expended in the same year to be recorded as unrestricted.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents, unless the investments are held for meeting restrictions for purchase of property and equipment, payment of long-term debt, or endowment.

**MALOTO INC.**  
Notes to Financial Statements  
June 30, 2023 and 2022

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

Promises to Give

Unconditional promises to give are recognized as revenues in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. Contributions as of 2023 and 2022 were current and do not reflect any discounts or bad debts.

Donors' expressions of intention to give in the future, not constituting unconditional promises to give, are not reflected in the accompanying financial statements.

Property and Equipment

The Organization capitalizes all expenditures for property and equipment in excess of \$1,500. Purchases of property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the useful lives of the assets.

Impairment of Long-Lived Assets

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an assets may not be recoverable. No impairment was identified at June 30, 2023 and 2022.

Revenue With and Without Donor Restrictions

Contributions received are recorded as increases in net assets without donor restrictions and net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions.

Donated Services

Donated services are recognized as contributions if the services create or enhance non-financial assets or require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. The Executive Director donates her time to Maloto, Inc. The value of those services have been determined to be \$100,000 and \$90,000 for the years ending June 30, 2023 and 2022, respectively.

Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include occupancy and depreciation, which are allocated on a square footage basis, as well as personnel costs, professional services, office expenses, information technology, insurance, and other, which are allocated on the basis of estimates of time and effort.

**MALOTO INC.**  
Notes to Financial Statements  
June 30, 2023 and 2022

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. On an ongoing basis, management evaluates the estimates and assumptions based on new information. Management believes that the estimates and assumptions are reasonable in the circumstances; however, actual results could differ from those estimates.

Awards and Grants

Maloto, Inc. provides awards and grants to not-for-profit organizations in Malawi in support of its exempt purposes, which are recorded when awarded.

Leases

At the inception of a contract, we assess whether the contract is, or contains, a lease. A lease is classified as a finance lease if any one of the following criteria are met: the lease transfers ownership of the asset by the end of the lease term, the lease contains an option to purchase the asset that is reasonably certain to be exercised, the lease term is for a major part of the remaining useful life of the asset or the present value of the lease payments equals or exceeds substantially all of the fair value of the asset. A lease is classified as an operating lease if it does not meet any one of the criteria.

For all leases a ROU asset and lease liability are recognized at the lease commencement date. The lease liability represents the present value of the lease payments under the lease. The ROU asset is initially measured at cost, which includes the initial lease liability, plus any initial direct costs incurred, less any lease incentives received. The lease liability is initially measured as the present value of the lease payments, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the risk-free rate.

Income Tax Status

The Organization is exempt from federal income tax under Section 501(c)(3), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the code. Maloto, Inc. has processes presently in place to ensure the maintenance of its tax-exempt status: to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. Maloto, Inc has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

**NOTE 3 – PROGRAMS**

Maloto's emphasis on local solutions to local problems underlies our participatory community development approach and focus on self-reliance. The Organization believes that solutions generated by the local people ensure that development remains relevant to their lives, builds on their knowledge and is sustained by them.

**MALOTO INC.**  
Notes to Financial Statements  
June 30, 2023 and 2022

**NOTE 3 – PROGRAMS** - Continued

**Kwithu Women’s Group (aka Kwithu CBO)**

Kwithu, which translated means "home", was formed in 2005 by an inspiring group of women who came together to provide assistance to the large number of orphans living in the outskirts of Mzuzu, Malawi even though they themselves had limited means. The Kwithu Orphan Feeding Program was originally conceived to provide hot meals to these orphaned children at a temporary, make-shift community center consisting of a dirt floor and a thatched roof. In 2010, Maloto provided funding for construction of a permanent building to replace this temporary shelter. This new structure has allowed the group to greatly expand its capacity and feed many more children. The feeding program now serves hot, nutritious meals to over 300 children three times a week. For many of these children, this is the most nutritious food they will receive all week.

Kwithu is a dynamic, community-based organization and has greatly expanded its activities and its reach. In addition to the feeding program, the Group now operates a number of other initiatives for vulnerable children and families in the community, including:

- before- and after-school tutoring and recreation programs for over 270 children,
- an HIV/AIDS information and education service, which supports more than 60 HIV+ children and their families and conducts information and education campaigns in the broader community,
- an early childhood education program which provides two full-day learning programs for 60 children, ages 3-5 years,
- providing scholarships for over 70 local orphans and vulnerable children to attend local secondary schools and Malawian Universities, and
- the development of income-generation projects for women in the community who often bear the burden of providing for their families alone.

The Group also owns and operates its own garden, which not only provides food for the feeding program, but also produces excess produce that is sold in local markets and given to the neediest of families within the Group.

**Mzuzu International Academy**

In 2003, Maloto’s founder, Anna Msowoya, and a group of local community leaders in northern Malawi identified the lack of educational opportunities created by the critical shortage of secondary schools as one of the most urgent challenges in the region: Malawi has lost a generation to HIV/AIDS and cannot afford to lose another generation due to a lack of education. They raised over \$600,000 and, in September of 2010, Mzuzu International Academy was opened with 35 students – the first internationally accredited school in northern Malawi. In 2013, Mzuzu International Academy expanded to include an international primary school. Currently there are over 375 students attending school at Mzuzu Academy. At this time, Maloto provides a small annual operating subsidy to Mzuzu Academy, which is primarily supported by tuition and boarding fees. Maloto provides scholarships to over 20 local vulnerable children to attend Mzuzu Academy. Maloto also provides some funding for capital improvement projects as needed.

**MALOTO INC.**  
Notes to Financial Statements  
June 30, 2023 and 2022

**NOTE 3 – PROGRAMS** - Continued

**Kwithu Kitchen**

In 2010, the 20 women associated with the Kwithu Women’s Group, in conjunction with several Maloto Board Members, recognized that tomatoes, among the country’s most important natural resources, were not being well-utilized because of the existing agricultural system’s limitations. The organization took an entrepreneurial approach to addressing the matter. Leaders of Kwithu Kitchen brought the women together with the Board Members and developed its first commercial product: a naturally preserved whole tomato product, called Garden Fresh Tomatoes. Responding to consumer demand, Kwithu Kitchen developed popular Chopped Tomato and Tomato Puree products.

Since 2014, Kwithu Kitchen has built tomato and honey processing facilities and built relationships with more than 750 small-holder farmers and beekeepers.

In 2020, Kwithu Kitchen received government approval to begin selling honey products. KK quickly became the country’s largest honey processor and supplier (processing and selling more than 40 tons of honey annually). Kwithu Kitchen’s tomato and honey products can be found in all of the country’s major supermarket and hotel chains.

A portion of Kwithu Kitchen’s sales is donated to the Kwithu Women’s Group to support their programs (described above).

**NOTE 4 – PROMISES TO GIVE**

Unconditional promises to give that are expected to be collected within one year are recorded at are written off unless the donors indicate that payment is merely postponed. Conditional promises to give are not recognized in the financial statements until the conditions are substantially met. Unconditional promises to give at June 30, 2023 and 2022 were \$77,500 and \$0, respectively.

**NOTE 5 - PROPERTY AND EQUIPMENT**

Property and equipment consist of the following:

<u>Description</u>	<u>2023</u>	<u>2022</u>	<u>Estimated Useful Life</u>
Equipment	\$ 12,966	\$ 12,966	3-5 years
Accumulated Depreciation	(9,816 )	(5,890 )	
Total	<u>\$ 3,150</u>	<u>\$ 7,076</u>	

The depreciation expense for June 30, 2023 and 2022 was \$3,926.

**MALOTO INC.**  
Notes to Financial Statements  
June 30, 2023 and 2022

**NOTE 6 - CONCENTRATION OF CREDIT RISK**

The Organization derives most of its income from contributions. During the year ended June 30, 2023, 56% of its income came from one donor. During the year ended June 30, 2022, 44% of its income came from the same donor. Should this donor cease to contribute, it could have a material effect on the organization.

Maloto maintains cash in one bank. The bank accounts are insured by the Federal Deposit Insurance Corporation (FDIC) on balances up to \$250,000 at each bank. There were no bank account balances in excess of the FDIC insured limits as of June 30, 2023 or 2022.

**NOTE 7 – LEASES**

ASC 842-20-25-2, a lessee may elect not to apply the recognition requirements of ASC 842 to short-term leases. This election should be made by class of underlying asset. If a lessee chooses to elect this short-term lease measurement and recognition exemption, it should recognize the lease payments in net income on a straight-line basis over the lease term. Variable lease payments should be recorded in the period in which the obligation for the payment is incurred. The ASC 842 Glossary defines a short-term lease as a lease that, at the commencement date, has a lease term of 12 months or less and does not include an option to purchase the underlying asset that the lessee is reasonably certain to exercise. The Organization's lease qualifies as a short-term lease and thus the Organization elected to not apply the recognition requirements of ASC 842 and will record the lease payments in net income on a straight line basis.

A new lease in New York City began May 2022 through June 30, 2023 with monthly payments of \$1,300 per month. Rental payments for the years ended June 30, 2023 and 2022 were \$15,405 and \$15,600, respectively.

**NOTE 8 - RELATED PARTIES**

The President of Maloto and the Chief Operating Officer are married.

**NOTE 9 – NET ASSETS WITH DONOR RESTRICTIONS**

Net assets are available for the following purposes as of June 30, 2023:

Purpose	Beginning Balance	Revenues	Net Assets Released	Ending Balance
Mzuzu School (HS)	\$ -	\$ 81,629	\$ (81,629)	\$ -
Mzuzu School Restricted Projects	-	150,000	(145,996)	4,004
Kwithu Kitchen	-	3,000	(3,000)	-
Mzuzu Special Restricted Projects	-	14,000 0,000	(10,000)	4,000
Mzuzu Construction	18,964	-	-	18,964
	<u>\$ -</u>	<u>\$ 248,629</u>	<u>\$(240,625)</u>	<u>\$ 26,968</u>

**MALOTO INC.**  
Notes to Financial Statements  
June 30, 2023 and 2022

**NOTE 9 – NET ASSETS WITH DONOR RESTRICTIONS** - Continued

Net assets are available for the following purposes as of June 30, 2022:

Purpose	Beginning Balance	Revenues	Net Assets Released	Ending Balance
Mzuzu School (HS)	\$ -	\$ 21,493	\$ (21,493)	\$ -
Mzuzu construction	-	135,000	(116,036)	18,964
	<u>\$ -</u>	<u>\$156,493</u>	<u>\$(137,529)</u>	<u>\$ 18,964</u>

**NOTE 10 - LIQUIDITY AND FUNDS AVAILABLE**

The following table reflects the Organization’s financial assets as of June 30, 2023 and 2022, reduced by amounts not available for general expenditure within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within three months, or because the Board has set aside the funds for specific reserve or long-term investments as Board designated. Board designations could be drawn upon if the Board approves that action.

Maloto’s financial assets available within one year of the statements of financial position date for general expenditure are as follows:

Financial Assets:	2023	2022
Cash and cash equivalents	\$ 78,848	\$ 170,602
Contributions receivable	77,500	-
Financial assets available to meet cash needs for general expenditure within one year	<u>\$ 156,348</u>	<u>\$ 170,602</u>

Maloto carefully monitors its budget on a regular basis. Maloto solely relies on its donors should there be a cash shortfall.

**NOTE 11 - SUBSEQUENT EVENTS**

Subsequent events have been evaluated through October 11, 2023, which is the date the financial statements were available to be issued.