

MULANJE MISSION HOSPITAL

FINANCIAL STATEMENTS

30 JUNE 2018

MULANJE MISSION HOSPITAL

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

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MULANJE MISSION HOSPITAL

BOARD MEMBERS REPORT FOR THE YEAR ENDED 30 JUNE 2018

The board members have pleasure in submitting their report together with the audited annual financial statements of Mulanje Mission Hospital for the year ended 30 June 2018.

Nature of business

The Hospital was established by the Blantyre Synod of the Church of Central African Presbyterian (CCAP) to provide basic health services around rural communities of Mulanje District.

Financial performance

The results and state of affairs of the hospital are set out in the accompanying statement of surplus or deficit, statement of financial position, statement of movement in funds, statement of cash flows and accounting policies and other explanatory information.

Trustees

The Directors of the hospital who served during the year 2018 are listed below:-

<i>Name</i>	<i>Position</i>
Mr. E. Sitolo	Chairman
Rev M. Kanjerwa	Board Member
Mr. J. Matonga	Board Member
Dr. R. Shakespeare	Board Member
Mr. Crispin Banda	Board Member
Reverend Dr Billy Gama	Board Member
Mr. J. Lipunga	Board Member
Mr Lington Taibu	Recording Secretary

Registered office

Mulanje Mission Hospital
P O Box 45
Mulanje

Auditors

The hospital's auditors, Messrs Graham Carr chartered accountants (Malawi) have indicated their willingness to continue in office as auditors in respect of the hospital's 30 June 2019 financial statements and a resolution proposing their re-appointment will be tabled at the next board meeting.

MULANJE MISSION HOSPITAL

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

STATEMENT OF SYNOD HEALTH BOARD RESPONSIBILITIES

The International Auditing Standards requires those charged with governance of entities to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the hospital as at the end of the financial year and of the operating results for that year.

They also require those charged with governance to ensure that the entity keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the hospital and enable them to ensure that the financial statements comply with any applicable legal instruments and accounting Standards.

In preparing the financial statements the trustees accept responsibility for the following:

- maintenance of proper accounting records;
- selection of suitable accounting policies and applying them consistently;
- making judgments and estimates that are reasonable and prudent;
- compliance with applicable accounting standards when preparing financial statements, subject to any material departures being disclosed and explained in the financial statements;
- preparation of financial statements on a going concern basis unless it is inappropriate to presume that the hospital will continue in business.

The Board also accepts responsibility for taking such steps as are reasonably open to them to safeguard the assets of the hospital and to maintain adequate systems of internal controls to prevent and detect fraud and other irregularities.

The Board are of the opinion that the financial statement gives a true and fair view of the state of the financial affairs of the hospital and of its operating results.



CHAIRPERSON

30th March 2019

Date



MEDICAL DIRECTOR

30/3/2019.

Date

**INDEPENDENT AUDITOR'S REPORT
TO THE SYNOD HEALTH BOARD OF
MULANJE MISSION HOSPITAL**

**ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

Opinion

We have audited the annual financial statements of Mulanje Mission Hospital, which comprise the statement of financial position as at 30 June 2018, and the statement of income and expenditure, statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Mulanje Mission Hospital as at 30 June 2018, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and Trustees Incorporation Act, 1962.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements which comply with ethical standards and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the hospital'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 hospital or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the hospital's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

**INDEPENDENT AUDITOR'S REPORT
TO THE SYNOD HEALTH BOARD OF
MULANJE MISSION HOSPITAL**

**ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

Auditor's responsibilities for the audit of the financial statements - continued

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the hospital's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the hospital's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the hospital 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 a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the hospital to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

**INDEPENDENT AUDITOR'S REPORT
TO THE SYNOD HEALTH BOARD OF
MULANJE MISSION HOSPITAL**

**ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

Auditor's responsibilities for the audit of the financial statements - continued

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with the relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this Independent Auditor's Report is Mrs Dorothy Ngwira.

Signature in the name of the audit firm: Graham Carr

Signature of engagement partner: Dorothy Ngwira

Date: 1 April 2019

MULANJE MISSION HOSPITAL**STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018 K	2017 K
Income			
Grants and donations	4	1,390,438,132	1,044,453,072
Hospital income	5	245,081,312	186,277,116
Other income	6	106,457,892	99,225,293
Total income		<u>1,741,977,337</u>	<u>1,329,955,480</u>
Expenditure			
Personnel costs	7	552,288,163	463,668,239
General administration	8	169,545,373	113,150,183
Hospital expenses	9	633,802,261	411,173,675
Transport and travelling	10	27,535,570	18,807,949
Repairs and maintenance	11	36,159,203	23,417,073
PHC expenditure	12	257,833,763	250,600,219
Total expenditure		<u>(1,677,164,334)</u>	<u>(1,280,817,338)</u>
Operating surplus		64,813,003	49,138,142
Exchange difference		<u>10,447,450</u>	<u>8,007,144</u>
Surplus for the year		<u><u>75,260,453</u></u>	<u><u>57,145,286</u></u>

*The notes on pages 10 to 34 form part of these financial statements
Auditor's Report - Pages 3-5*

MULANJE MISSION HOSPITAL

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018**

	Note	2018 K	2017 K
ASSETS			
Non-current assets			
Property, plant and equipment	13	<u>1,040,668,482</u>	<u>889,735,055</u>
Current assets			
Inventories	14	299,029,332	368,005,613
Receivables	15	86,076,725	47,174,457
Cash and cash equivalents	16	<u>198,181,822</u>	<u>242,659,803</u>
Total current assets		<u>583,287,879</u>	<u>657,839,873</u>
Total assets		<u><u>1,623,956,361</u></u>	<u><u>1,547,574,928</u></u>
FUNDS AND LIABILITIES			
Funds			
General fund		215,898,080	140,637,627
Capital fund		647,699,782	492,395,558
Capital fund - deferred assets		1,485,000	-
Revaluation reserve		<u>391,483,700</u>	<u>397,339,496</u>
Total funds		<u>1,256,566,562</u>	<u>1,030,372,681</u>
Non-current liabilities			
Deferred income	17	87,488,774	221,782,240
Deferred inventory grant	18	<u>223,247,022</u>	<u>238,697,668</u>
Total non-current liabilities		<u>310,735,796</u>	<u>460,479,908</u>
Current liabilities			
Bank overdraft	16	6,436,419	3,525,949
Payables	19	<u>50,217,584</u>	<u>53,196,390</u>
Total current liabilities		<u>56,654,003</u>	<u>56,722,339</u>
Total funds and liabilities		<u><u>1,623,956,361</u></u>	<u><u>1,547,574,928</u></u>

The financial statements were authorised for issue by the Blantyre Synod Health Board on
30th March 2019 and signed on its behalf by:



CHAIRPERSON



MEDICAL DIRECTOR

MULANJE MISSION HOSPITAL

STATEMENTS OF CHANGES IN FUNDS AS AT 30 JUNE 2018

	General fund	Capital fund	Capital Deferred assets	Revaluation Reserve	Total
	K	K	K	K	K
Balance as at 1 July 2016	83,492,341	348,800,894	78,807,266	403,195,292	914,295,793
Surplus for the year	57,145,286	-	-	-	57,145,286
Fixed assets	-	-	-	-	-
-transfers	-	78,807,266	(78,807,266)	-	-
-donations	-	100,191,861	-	-	100,191,861
Prior year depreciation adjustmen	-	7,813,512	-	-	7,813,512
Depreciation charge	-	(43,217,975)	-	(5,855,796)	(49,073,771)
Balance as at 30 June 2017	<u>140,637,627</u>	<u>492,395,558</u>	<u>-</u>	<u>397,339,496</u>	<u>1,030,372,681</u>
Balance as at 1 July 2017	140,637,627	492,395,558	-	397,339,496	1,030,372,681
Surplus for the year	75,260,453	-	-	-	75,260,453
Fixed assets	-	-	-	-	-
-donations	-	206,470,374	1,485,000	-	207,955,374
Depreciation charge	-	(51,166,150)	-	(5,855,796)	(57,021,946)
Balance as at 30 June 2018	<u>215,898,080</u>	<u>647,699,782</u>	<u>1,485,000</u>	<u>391,483,700</u>	<u>1,256,566,562</u>

General fund

The general fund represents accumulation of surplus/deficit over a period of time from the Hospital's operations.

Capital fund

The capital funds represents the value of assets net of accumulated depreciation charges.

Capital deferred assets

This represents donated plant and equipment not yet in use as at 30 June 2018.

MULANJE MISSION HOSPITAL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018

	Notes	2018 K	2017 K
Cash flows from operating activities			
Surplus for the year		75,260,453	57,145,286
Depreciation	13	57,021,946	41,260,260
Interest received		(8,989,250)	(6,442,023)
		<u>123,293,148</u>	<u>91,963,523</u>
Movement in working capital			
Decrease/(increase) in inventories		68,976,281	(134,161,355)
Increase in receivables		(38,902,268)	(29,898,392)
Increase in payables		<u>(2,978,803)</u>	<u>13,712,968</u>
Cash generated by/(used in) operations		150,388,358	(58,383,256)
Interest received		<u>8,989,250</u>	<u>6,442,023</u>
Net cash generated by/(used in) operating activities		<u>159,377,608</u>	<u>(51,941,233)</u>
Cashflows from investing activities			
Purchase of property, plant and equipment	13	<u>(207,955,374)</u>	<u>(100,191,863)</u>
		<u>(207,955,374)</u>	<u>(100,191,863)</u>
Cashflows from financing activities			
decrease in severance pay provision			(14,070,872)
Increase in capital and revaluation reserves		150,933,428	58,931,601
Increase in deferred income		(134,293,466)	87,426,025
Decrease in deferred inventory		<u>(15,450,646)</u>	<u>83,865,602</u>
Net cash(used in)/generated from financing activities		<u>1,189,316</u>	<u>216,152,356</u>
Net (decrease)/increase in cash and cash equivalents		(47,388,450)	64,019,260
Cash and cash equivalents at the beginning of financial year		<u>239,133,852</u>	<u>175,114,592</u>
Cash and cash equivalents at the end of the financial year	16	<u><u>191,745,402</u></u>	<u><u>239,133,852</u></u>

MULANJE MISSION HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

1 GENERAL INFORMATION

The Hospital was established by the Blantyre Synod of the Church of Central African Presbyterian (CCAP) to provide basic health services around rural communities of Mulanje District.

2 ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs)

2.1 Standards and Interpretations in issue not yet adopted

<i>Amendments to IAS 1 Disclosure Initiative</i>	1 The amendments provide for disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flow and non-cash changes. This includes providing a reconciliation between the opening and closing balances for liabilities arising from financing activities.
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The amendments apply for annual periods beginning on or after 1 January 2017 and early application is permitted.

IFRS 15 Revenue from Contracts with Customers

This standard replaces IAS 11 *Construction Contracts*, IAS 18 *Revenue*, IFRIC 13 *Customer Loyalty Programmes*, IFRIC 15 *Agreements for the Construction of Real Estate*, IFRIC 18 *Transfer of Assets from Customers* and SIC-31 *Revenue – Barter of Transactions Involving Advertising Services*.

The standard contains a single model that applies to contracts with customers and two approaches to recognising revenue: at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognised.

This new standard will most likely have a significant impact on the corporation, which will include a possible change in the timing of when revenue is recognised and the amount of revenue recognised.

The amendments apply for annual periods beginning on or after 1 January 2018 and early application is permitted.

IFRS 9 Financial Instruments

On 24 July 2014, the IASB issued the final IFRS 9 *Financial Instruments* Standard, which replaces earlier versions of IFRS 9 and completes the IASB's project to replace IAS 39 *Financial Instruments: Recognition and Measurement*.

MULANJE MISSION HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

2 ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (CONTINUED)

2.2 Standards and Interpretations in issue not yet adopted - continued

*IFRS 9 Financial
Instruments- continued*

This standard will have a significant impact on the hospital, which will include changes in the measurement bases of the hospital's financial assets to amortised cost, fair value through other comprehensive income or fair value through profit or loss. Even though these measurement categories are similar to IAS 39, the criteria for classification into these categories are significantly different. In addition, the IFRS 9 impairment model has been changed from an "incurred loss" model from IAS 39 to an "expected credit loss" model, which is expected to increase the provision for bad debts recognised in the hospital.

The standard is effective for annual periods beginning on or after 1 January 2018 with retrospective application, early adoption is permitted.

*IFRIC 22 Foreign
Currency Transactions and
Advance Considerations*

When foreign currency consideration is paid or received in advance of the item it relates to – which may be an asset, an expense or income – IAS 21 *The Effects of Changes in Foreign Exchange Rates* is not clear on how to determine the transaction date for translating the related item.

This has resulted in diversity in practice regarding the exchange rate used to translate the related item. IFRIC 22 clarifies that the transaction date is the date on which the hospital initially recognises the prepayment or deferred income arising from the advance consideration. For transactions involving multiple payments or receipts, each payment or receipt gives rise to a separate transaction date.

The interpretation applies for annual reporting periods beginning on or after 1 January 2018.

The members of the board anticipate that the new standards, amendments and interpretations will be adopted in the Fund's financial statements when they become effective. The hospital has assessed where practicable, the potential impact of these new standards, amendments and interpretations that will be effective in future periods.

MULANJE MISSION HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

3 ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied in all material respects.

3.1 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards.

3.2 Accounting convention

The financial statements are prepared under the historical cost convention as modified by the revaluation of certain assets.

3.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

Donations in cash

Local and international donations are recognised when received. Funds that have not been utilised at the year end are credited to deferred income.

Patient income

Revenue from patient income is accounted for on accruals basis.

Donations in kind

Donations in kind comprise of consumable and non- current assets

These are valued at market value where it is available or the donated value

Interest receivable

Interest income is recognised on a time - proportion basis using the effective interest method.

3.4 Property, plant and equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at their revalued amounts, being the fair value at the date of revaluation, determined from market-based evidence by appraisal undertaken by professional valuers, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at the reporting date.

Any revaluation increase arising on the revaluation of such land and buildings is credited to the properties revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised as an expense, in which case the increase is credited to the income statement to the extent of the decrease previously charged. A decrease in carrying amount arising on the revaluation of such land and buildings is charged as an expense of the extent that it exceeds the balance, if any, held in the properties revaluation reserve relating to a previous revaluation of the asset.

MULANJE MISSION HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

3.4 Property, plant and equipment (continued)

Depreciation on revalued buildings is charged to income. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the properties revaluation reserve is transferred directly to accumulated profits.

Properties in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the hospital's policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Fixtures and equipment are stated at cost less accumulated depreciation and any recognised impairment loss.

Depreciation is charged so as to write off the cost of valuation of assets, other than land and properties under construction, over their estimated useful lives, using the straight-line method, on the following bases:

Buildings	50 years
Motor vehicles	5 years
Equipment	10 years

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in income.

3.5 Impairment of property, plant and equipment

The carrying amounts of the hospital's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement.

3.6 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs, including and appropriate portion of fixed and variable overhead expenses, are assigned to inventories held by the method most appropriate to the particular class of inventory, with the majority being valued on a first-in-first-out basis. Net realisable value represents the estimated selling price for inventories less all estimated cost of completion and costs necessary to make the sale.

3.7 Inventory grants

Inventories donated or purchased with donor funds are consumed over the period. Accordingly the value of these inventories are credited to an inventory grant and amortised to the statement of income and expenditure.

MULANJE MISSION HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

3.8 Financial instruments

The term financial instruments includes financial assets and financial liabilities. These are initially recognised at cost, which is the fair value of the consideration paid or received to acquire the asset or liability, respectively. Subsequent to initial recognition all financial assets are measured at fair value except for the hospital's originated loans and receivables (not held for trading), held to maturity investments and other financial assets whose fair value cannot be reliably measured. Where these assets have a fixed maturity, they are measured at amortised cost using the effective interest rate method. Those that do not have a fixed maturity are measured at cost less, where applicable, provision for permanent diminution in value.

Trade receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

Cash and cash equivalents

Bank balances and cash comprise cash on hand and demand deposits and other short-term liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Trade payables

Trade payables are measured at fair value.

3.9 Financial assets

Investments are recognised and derecognised on a trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe establishment by the market concerned, and are initially measure at fair value, net of transaction costs except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

Financial assets are classified into as financial assets as at fair value through profit or loss (FVPL). The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets, or where appropriate, a shorter period.

MULANJE MISSION HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

3.9 Financial assets

Financial assets at FVPL

Financial assets are classified as at FVPL where the financial asset is either held for trading or it is designated as at FVPL.

A financial asset other than a financial asset held for trading may be designated as at FVPL upon recognition if:

Such designation eliminated or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or

Financial assets at FVPL

The financial asset forms part of a group of financial assets or financial liabilities or both which is managed and its performance is evaluated on a fair value basis, in accordance with the hospital's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

It forms part of a contract containing one or more embedded derivatives, and IAS 39 permits the entire combined contract (asset or liability) to be designated as at FVPL.

Financial assets at FVPL are stated at fair value, with any resultant gain or loss recognised in profit or loss. The net gain or loss recognised in profit or loss incorporated interest earned on the financial asset.

3.10 Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial liabilities at FVTPL

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

Other financial liabilities

Other financial liabilities (including borrowings) are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The hospital derecognises financial liabilities when, and only when, the organisation's obligations are discharged, cancelled or they expire.

MULANJE MISSION HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (CONTINUED)

3.11 Foreign currencies

Transactions in currencies other than Malawi Kwacha are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when their fair value was determined.

Gains and losses arising on retranslation are included in net profit or loss for the period, except for exchange differences arising on non-monetary assets and liabilities where changes in fair value are recognised directly in equity.

3.12 Pension fund

CHAM operates a defined contribution pension scheme through Old Mutual for the benefit of CHAM permanent employees. CHAM contributes 10.5% as an employer and employees contributes 5% to the fund. CHAM is responsible to remit these funds to Old Mutual.

3.13 Provisions

Provisions are recognised when the hospital has a present obligation (legal or constructive) as a result of a past event, it is probable that the hospital will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3.14 Critical accounting judgements and key sources of estimation uncertainty

a Critical judgements in applying the hospital's accounting policies

There were no critical judgement areas in applying the hospital's accounting policies.

b Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the year end, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are valuation of land and buildings, useful lives of plant and equipment and provision for doubtful debts.

MULANJE MISSION HOSPITAL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018 (CONTINUED)**

4 GRANTS AND DONATIONS	Page	2018 K	2017 K
CHAM grants	29	443,925,040	454,227,776
Cash donations	31	454,173,228	311,965,836
Donations in kind	32	492,339,863	278,259,460
Total grants and donations		<u>1,390,438,132</u>	<u>1,044,453,072</u>
5 HOSPITAL INCOME			
General	33	99,826,348	82,605,012
Private	33	48,985,054	37,531,371
Service level agreement	34	91,456,551	63,228,449
Staff treatment	34	4,813,359	2,912,285
Total hospital income		<u>245,081,312</u>	<u>186,277,117</u>
6 OTHER INCOME			
House rent – Blantyre house		3,000,000	2,577,000
House rent (staff houses & buildings)		16,248,806	11,832,501
Interest on savings		8,989,250	6,442,023
Hire of vehicle		1,819,448	1,591,277
Health booklets		304,584	263,611
Students affiliation fee		10,397,271	6,172,950
Disposal proceeds		398,500	4,749,850
Depreciation recovery		57,021,946	41,260,259
Sundry income		6,775,441	8,183,075
PHC sundry income		82,110	1,348,448
Severance pay reversal		-	14,070,872
Bad debt recovery		1,420,536	638,428
Legal fees over provision		-	94,999
Total other income		<u>106,457,892</u>	<u>99,225,293</u>

MULANJE MISSION HOSPITAL**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018 (CONTINUED)**

	2018	2017
7 PERSONNEL COSTS	K	K
Salaries and wages	348,018,424	296,283,234
Swap top up allowance	85,060,860	79,845,081
Professional allowance	2,157,644	2,108,764
Special medical allowance	2,190,638	2,131,428
Pension contributions	28,750,892	25,759,043
Leave grants	6,551,500	6,563,135
Incentive allowance	52,397,809	30,463,590
Incentive in kind - nurses meals	3,264,534	1,985,372
Casual wages/locum	12,199,727	9,568,874
Overtime	969,794	1,349,642
Commuted leave	2,185,477	655,327
School fund-bursary	263,000	81,000
Staff welfare	1,061,020	245,696
Bonus	2,688,031	2,260,000
Staff free treatment - OPD	4,029,964	1,865,891
Staff free treatment - Admission	192,895	153,760
Gratuity	305,953	2,348,401
Total personnel costs	<u>552,288,163</u>	<u>463,668,238</u>

MULANJE MISSION HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018 (CONTINUED)

	2018	2017
	K	K
8 GENERAL ADMINISTRATION AND OVERHEADS		
Utilities		
Electricity	8,795,234	9,611,863
Water charges	526,000	5,583
Heating and lighting	2,006,157	1,399,166
Telephone and postage	10,222,108	3,240,646
Fees & Subscriptions		
CHAM fees	3,938,604	16,220
Audit fees - current year	3,327,250	3,412,884
Legal charges & penalties	3,387,820	-
Consultancy fees	1,127,565	2,076,355
Other subscriptions	2,432,712	1,585,004
Other overheads		
Office stationery	7,256,876	6,061,633
Management and other meetings	333,700	127,670
Hospitality	1,278,362	871,905
Advertising and recruitment	1,025,465	568,438
Insurance - buildings and other	6,727,452	1,900,840
Bank charges	3,202,938	2,806,560
General expenses	621,274	604,938
Casual labour third party	326,806	220,777
Social responsibility	22,516,267	344,150
Security	2,610,006	2,087,574
Donations	30,000	1,354,925
Taxation	1,803,643	895,806
Training & development		
Tuition fee & development cost	25,556,221	21,610,650
Bad debts		
Bad debts provision	3,470,968	11,086,338
Depreciation		
Depreciation - hospital buildings	8,418,985	5,954,638
Depreciation - staff houses	9,344,921	9,177,462
Depreciation - hospital equipment	25,829,561	11,809,923
Depreciation - motor vehicles	11,967,519	13,106,743
Depreciation - motor bikes	1,460,960	1,211,494
Total general administration and overheads	169,545,373	113,150,185

MULANJE MISSION HOSPITAL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018 (CONTINUED)**

	2018	2017
	K	K
9 HOSPITAL EXPENSES		
Sanitation & General Cleaning - Soap	8,221,335	5,479,455
Sanitation & General Cleaning - Material	8,731,344	4,825,998
Linen	3,433,739	2,134,702
Uniforms	2,074,462	2,003,538
Discounts allowed for cash	12,854,267	21,591,965
Drugs and clinical supplies - HIV drugs GOVT	341,533,911	136,885,254
Drugs and clinical supplies - Other GOVT	64,332,094	85,851,239
Drug and supplies-Women fund	1,432,914	1,461,052
Drugs and clinical supplies - General	191,188,195	150,940,472
Total hospital expenses	633,802,261	411,173,675
10 TRANSPORT AND TRAVELLING		
Motor vehicle maintenance & servicing	6,894,763	2,763,521
Motor vehicle fuel and oils	11,456,496	8,685,704
Motor vehicle insurance	4,735,202	3,476,624
Transport /travel cost -public	2,387,109	2,361,750
Transport and travel - subsistence allowance	2,048,500	1,032,350
Transport hire	13,500	488,000
Total transport and travelling	27,535,570	18,807,949
11 REPAIRS AND MAINTENANCE		
Equipment & Electrical - repairs & maintenance	17,659,307	13,510,718
Building - repairs & maintenance	9,981,965	5,779,880
Staff houses - repairs & maintenance	5,445,912	2,876,755
Water system - repairs & maintenance	2,116,064	1,180,836
Maintenance tools	955,955	68,886
Total repairs and maintenance	36,159,203	23,417,075

MULANJE MISSION HOSPITAL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018 (CONTINUED)**

	2018	2017
	K	K
12 PHC EXPENDITURE		
Aids Prevention and Care Unit	7,029,473	37,038,615
Environmental Health Care (EHC)	43,169,900	97,380,590
ISABEL-EMMS	17,591,917	-
Mother Child Health (MCH)	10,220,090	27,962,602
Nutrition Rehabilitation Unit (NRU)	41,630,466	14,935,645
Martenal and Neonatal Health (MNCH)	88,570,865	47,958,747
Orphan Care Training Centre (OCTC)	22,680,161	22,918,763
Palliative care expenditure	26,940,890	2,405,258
Total PHC expenditure	<u>257,833,763</u>	<u>250,600,220</u>

MULANJE MISSION HOSPITAL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018 (CONTINUED)

13 PROPERTY, PLANT AND EQUIPMENT

	Land	Hospital buildings	Staff houses	Hospitals and household equipment	Motor vehicles	Motor cycles	Total
		K	K	K	K	K	K
Cost							
As at 1.07.2016	5,040,000	294,998,644	454,516,558	146,649,162	52,010,563	8,123,562	961,338,489
Additions	-	2,733,238	4,356,555	57,460,494	33,741,575	1,900,000	100,191,862
As at 30.06.2017	5,040,000	297,731,882	458,873,113	204,109,656	85,752,138	10,023,562	1,061,530,351
As at 1.07.2017	5,040,000	297,731,882	458,873,113	204,109,656	85,752,138	10,023,562	1,061,530,351
Additions	-	123,217,392	8,372,919	76,365,063	-	-	207,955,374
As at 30.06.2018	5,040,000	420,949,274	467,246,032	280,474,719	85,752,138	10,023,562	1,269,485,725
Depreciation							
As at 1.07.2016	-	11,424,159	22,306,754	63,914,608	27,415,319	5,474,197	130,535,037
Charge for the year	-	5,954,638	9,177,462	11,809,924	13,106,743	1,211,493	41,260,260
As at 30.06.2017	-	17,378,797	31,484,216	75,724,532	40,522,062	6,685,690	171,795,297
As at 1.07.2017	-	17,378,797	31,484,216	75,724,532	40,522,062	6,685,690	171,795,297
Charge for the year	-	8,418,985	9,344,921	25,829,561	11,967,519	1,460,960	57,021,946
As at 30.06.2018	-	25,797,782	40,829,137	101,554,093	52,489,581	8,146,650	228,817,243
Carrying amount							
As at 30.06.2018	5,040,000	395,151,492	426,416,895	178,920,626	33,262,557	1,876,912	1,040,668,482
As at 30.06.2017	5,040,000	280,353,085	427,388,897	128,385,124	45,230,076	3,337,872	889,735,054

The land on which the buildings are constructed, is in the name of Blantyre Synod of the Church of Central Africa Presbyterian (CCAP). Title deeds are maintained by the Synod.

The hospital's properties were revalued as at 31 December 2014 by Don Whyao, BSc, MRICS, MSIM, Chartered Valuation Surveyor of Knight Frank. The valuation which conforms to International Valuation Standards, was determined by reference to recent market transactions on arm's length term.

MULANJE MISSION HOSPITAL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
	K	K
14 INVENTORIES		
Pharmacy stocks	265,713,014	277,071,787
General stores	16,620,180	28,633,728
Nutrition Rehabilitation Stores	16,696,139	62,300,098
Total inventories	<u>299,029,332</u>	<u>368,005,613</u>
15 RECEIVABLES		
Trade receivables	119,046,471	84,336,794
Staff loans and advances	11,287,918	10,613,271
Other receivables	-	114,958
Prepayments	5,711,250	21,250
	136,045,639	95,086,273
Provision for doubtful debts	<u>(49,968,914)</u>	<u>(47,911,816)</u>
Total receivables	<u>86,076,725</u>	<u>47,174,457</u>
16 CASH AND CASH EQUIVALENTS		
Bank and cash balances		
Current account - local	40,241,293	57,650,537
Current account - FCDA	81,538,374	116,163,435
Investment account	76,127,048	63,987,418
Cash in hand	107,700	121,400
Fuel-Top up cards	167,407	4,737,013
Total bank and cash balances	198,181,822	242,659,803
Bank current account	<u>(6,436,419)</u>	<u>(3,525,949)</u>
Total cash and cash equivalents	<u>191,745,402</u>	<u>239,133,854</u>

The overdrawn account represent the cash book balance which comprise of unrepresented cheques.
The Hospital does not have overdraft facilities.

MULANJE MISSION HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (CONTINUED)

	2018 K	2017 K
17 DEFERRED INCOME		
Good Little Company - IRS	-	15,573,950
Blackburgh Presbyterian Church - primary health care activities	5,869,743	5,318,153
Church of Scotland - HIV nutrition	11,928,696	2,939,859
EMMS - Method	1,956,550	2,734,337
EMMS EC- ISABEL	14,603,978	6,344,355
EMMS - ACC	-	4,230,106
Beit trust	7,567,939	1,302,008
English Reformed Church - Amsterdam - Capacity building	9,028,284	5,267,241
Malawi Work Group	7,935,509	23,670,018
Good Little Company	10,103,431	33,898,599
Dunblane for School Nursing	2,336,153	2,588,325
Colchester Quakers	-	2,789,144
PWS&D Canada - MMCH	9,863,439	63,972,728
Plan International - Malawi	-	19,519,121
Trutex	-	552,250
Presbyterian church - USA	570,014	2,849,273
PWS&D Canada - primary health care activities	-	11,696,720
St George and St Andrew West	994,086	2,774,937
Various Donors	4,730,953	13,761,115
Total deferred income	87,488,774	221,782,239

This represents unspent foreign donations represented by funds in bank accounts at 30 June 2018.

19 DEFERRED INVENTORY GRANT

Balance at 30 June 2018	223,247,022	238,697,688
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This represents donated inventories not yet utilised at 30 June 2018.

MULANJE MISSION HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (CONTINUED)

19 PAYABLES	2018	2017
	K	K
Trade payables	34,310,674	43,651,040
Accrued expenses	7,833,973	6,426,770
Withholding tax and other PAYE	8,072,937	2,020,412
	-	1,098,168
Total payables	50,217,584	53,196,390

20 RELATED PARTY TRANSACTIONS

The hospital had the following related party transactions with the entities that were established by the Blantyre Central African Presbyterian (CCAP)

Related party balances

	2018	2017
Receivables	K	K
Mulanje Mission CCAP	56,928	31,128
Mulanje mission Likuni Phala Production Unit	54,450	-
Mulanje Mission College of Nursing	6,151,436	4,111,586
Mulanje Mission Community Day Sec. Sch	2,900	-
CCAP Blantyre Synod	-	351,856

Related party receivables have been included in trade receivables note 15.

21 FINANCIAL RISK MANAGEMENT

a) Introduction and overview

The Hospital has exposure to credit risk from its use of financial instruments.

This note presents information about the Hospital's exposure to credit risk and the Hospital's objectives, policies and processes for measuring and managing the risk.

The Board has overall responsibility for the establishment and oversight of the Hospital's risk management framework. The Board is responsible for developing and monitoring Hospital's risk management policies in their specified areas.

MULANJE MISSION HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (CONTINUED)

21 FINANCIAL RISK MANAGEMENT (continued)

b) Risk management framework

The Hospital's risk management policies are established to identify and analyse the risk faced by the Hospital, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and services offered. The Hospital through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

The Board is responsible for monitoring compliance with the Hospital's management policies and procedures, and for reviewing the adequacy of the risk management framework in relation to the risks faced by the Hospital.

c) Credit risk

Credit risk is the risk of financial loss to the Hospital if a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Hospital's trade receivables.

The credit risk on liquid funds is limited because the counterparties are banks with good reputation.

d) Liquidity risk

Liquidity risk is the risk that cash may not be available to pay obligations when due at reasonable cost.

Liquidity risk arises mainly from the Hospital's trade payables.

e) Capital risk management

The hospital's objectives when managing capital are to safeguard the hospital's ability to continue as a going concern in order to provide benefits for its stakeholders and to maintain an optimal capital structure. The hospital's overall strategy remains unchanged from 2017.

The hospital's objectives in managing its capital are:

- to match the profile of its assets and liabilities, taking account of the risks inherent in its operations,
- to maintain financial strength to support new business growth,
- to satisfy the requirements of its stakeholders,
- to retain financial flexibility by maintaining strong liquidity and access to a range of capital markets,
- to allocate funds efficiently to support growth, and to minimise exposures to movements in exchange rates.

In order to maintain or adjust the capital structure, the hospital may adjust its level of operations to put in check on expenditure.

MULANJE MISSION HOSPITAL**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018 (CONTINUED)****22 CAPITAL COMMITMENTS**

There were capital commitments of MK 190,824,680 as at 30 June 2018 (June 2017 : K254,926,667) as follows: -

	2018	2017
	K	K
Lab refurbishment and new laboratory equipment	-	17,000,000
Renocation of MMH houses 45,27	6,000,000	-
Move Dental treatment room to OPD	2,000,000	2,000,000
Separate Pharmacy Store from Donated and Purchased Drugs	-	4,000,000
Additional room for MMH House 1	5,500,000	-
Provision of Water supplies to Staff houses	-	27,300,000
Refurbishment of Post Natal ward	-	9,000,000
New lockers for male ward (10)	2,200,000	-
New Ultra - Sound Scanner Maternity	-	5,620,000
New Photo therapy Machine	-	1,300,000
Development of HDU	-	9,500,000
Renovation of Private OPD	17,599,680	16,866,667
Private maternity rooms	5,000,000	-
Additional VCT room at Chidyang'ombe	7,300,000	-
Internal telephone networks replacement	6,000,000	-
Renovation - MMH ,34,31,68	-	6,000,000
Improvements to NRU/Stores	-	8,000,000
New Land Cruiser vehicle	-	39,500,000
New health post	15,000,000	-
Irrigation	30,000,000	70,000,000
Replacement of X-ray equipment	54,525,000	-
Storage heaters for nursery	-	640,000
IT replacement programme/UPS (5)	3,700,000	3,200,000
Additional 2 staff houses	36,000,000	35,000,000
	<u>190,824,680</u>	<u>254,926,667</u>

23 CONTINGENT LIABILITIES

The hospital had no contingent liabilities at 30 June 2018. (2017 : Knil)

MULANJE MISSION HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018 (CONTINUED)

24 SUBSEQUENT EVENTS

Subsequent to the reporting date, no events have occurred necessitating adjustments to or disclosures in the financial statements.

25 EXCHANGE RATES AND INFLATION

The average of the year end buying and selling rates of foreign currencies most affecting the performance of the Board are stated below, together with the increase in the National Consumer Price Index which represents an official measure of inflation.

	2018	2017
	K	K
Kwacha/GBP	956.98	946.42
Kwacha/Euro	847.01	825.70
Kwacha/USD	730.73	729.27
Inflation Rate	8.60%	11.30%

MULANJE MISSION HOSPITAL**DETAILED INCOME STATEMENT****FOR THE YEAR ENDED 30 JUNE 2018 (CONTINUED)**

GRANTS AND DONATIONS	2018	2017
	K	K
CHAM		
CHAM salaries and wages	327,982,456	292,187,356
CHAM SWAP top up allowances	76,767,893	125,254,213
CHAM professional allowance	1,982,400	2,098,582
CHAM Special medical allowance	2,081,400	2,195,582
CHAM pension	28,750,891	25,928,043
CHAM leave grant	6,360,000	6,564,000
Total CHAM grants	443,925,040	454,227,776
DONATIONS IN CASH		
Ansbach for Malawi	1,502,773	-
Beit Trust	31,062,137	-
Bristol Academy	5,145,690	6,417,879
Britam	150,000	-
Blacksburg Presbyterian Church - USA	12,684,390	7,461,753
Chimwemwe Soko	-	1,171,000
CDH Investment Bank	-	100,000
Chisambo Tea Estate Ltd	150,000	-
Ceiling and Partitions Ltd	-	30,000
Church of Scotland	11,335,851	15,842,506
Colchester quakers	1,649,435	-
Copper Creek WATSAN	3,621,592	-
Deekay Suppliers	-	51,000
DR Sue Makin	-	100,000
Dr Isabel King	144,079	2,500
Dr Ruth Shakespeare	223,110	-
Dunblane School of Nursing	268,513	-
E Robert & E Chloe	50,000	-
EMMS International -Isabel- EC	26,708,119	14,429,307
EMMS International	38,219,542	28,644,242
English Reformed Church - Amsterdam	24,520,812	14,175,727
Estate of late Khimji	-	1,500,000
Eastern Produce Mw	-	100,000
Friends For Africa	-	13,650,000
Farmers Organisation Limited	150,000	-
Formby Reformed Church - United Kingdom	-	1,195,471
Fane Valley	24,641,411	-
FDH bank	300,000	-
Formby URC	1,280,726	-
Fortress Academy	5,000,000	-
FFA	4,149,884	-
Balance carried forward	192,958,063	104,871,385

MULANJE MISSION HOSPITAL**DETAILED INCOME STATEMENT****FOR THE YEAR ENDED 30 JUNE 2018 (CONTINUED)**

DONATIONS IN CASH (CONTINUED)	2018	2017
	K	K
Balance brought forward	192,958,063	104,871,385
Good Little Sausage Company	118,549,011	25,871,059
Hamiton Presbyterian Church - Bt Synod	694,797	-
Health Checks	-	27,800
J A Merlrose	70,000	-
JTI	-	560,000
Joe & Natie	50,000	-
Kara O Mula	150,000	115,000
Ken Knox	1,093,698	-
Ken Steel Engineering	-	200,000
Kingfisher Associates	100,000	100,000
Knight Frank	-	100,000
Lenzie Academy	-	300,000
Lujeri Tea Estate	-	100,000
Marsh Ltd	-	100,000
Malawi Revenue Authority	150,000	100,000
Malawi Werkgroep	43,356,720	-
Makande Tea and Coffee Estate	150,000	-
Marion Medical Mission - USA	1,428,000	1,428,000
MASM	150,000	-
Mr O J B Mpando	-	45,000
NICO Holdings	150,000	100,000
Nkhamenya Hospital	-	946,000
Old Mutual	-	100,000
PLAN Malawi	19,440,444	32,274,059
Presbyterian Church - United States of America	2,281,086	1,741,831
Press Corporation Ltd	-	200,000
Presbyterian Church of Canada	931,964	-
Presbyterian World Service - Canada	58,668,964	108,830,714
Rajani Supplies	-	100,000
Rice-Institute for Global Health	-	957,085
St Columba CCAP	-	100,000
Schwartz	1,041,305	1,276,977
STA & G	2,297,600	4,071,086
Toyota Malawi	400,000	-
Trutex	9,911,577	26,794,842
Unknown deposit cheque	150,000	355,000
United General Insurance	-	100,000
Valmore Paints	-	100,000
Balance carried forward	454,173,228	311,965,838

MULANJE MISSION HOSPITAL

DETAILED INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2018 (CONTINUED)

	2018	2017
	K	K
DONATIONS IN CASH (CONTINUED)		
Balance brought forward	454,173,228	311,965,838
Toyota Malawi	400,000	-
Trutex	9,911,577	-
Unknown deposit cheque	150,000	-
Total donations in cash	<u>464,634,805</u>	<u>311,965,838</u>

MULANJE MISSION HOSPITAL**DETAILED INCOME STATEMENT****FOR THE YEAR ENDED 30 JUNE 2018 (CONTINUED)**

	2018	2017
DONATIONS IN KIND	K	K
Brother Brothers -Beds/ Mattress,Fabrics, drip stand, mattresses, sunction	43,500	-
CHAM - Drugs & Medical supplies	-	99,950
Central Medical Stores Trust	-	4,669,672
Dignitas	-	395,054
Dream	-	188,891
Dr. Ruth Shakespeare	-	111,960
Edythe Gills	-	6,200
Grey Mambelera	-	3,000
Joan Richardson	-	17,200
Light House	-	1,713,649
Limbe Leaf Tobacco	-	239,911
Margret Potter and Mary Bowman - baby dolls, boots, vests, showe	-	92,100
MOH-Imperial Health Sciences	-	3,799,390
Mulanje DHO & Malawi Government- drugs, food and assorted items	-	795,205
One Community	-	580,000
PSI Malawi	-	609,163
Robert & Frances Parks	-	1,400
St Michael & All Angels	-	176,900
Telecom Network Malawi	3,100,000	-
Unicef - Ministry of Health - MG - Food/nutrition supplies	-	5,209,896
Ministry of Health - MG - HIV drugs and medical supplies & drugs	476,985,119	249,716,013
WFP via Ministry of Health - MG - foodstuffs and drugs	9,718,275	9,833,905
Various palliative care drugs	2,492,969	-
Total donations in kind	492,339,863	278,259,459

MULANJE MISSION HOSPITAL**DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
	K	K
HOSPITAL INCOME		
General patients		
Consultation	8,301,965	9,219,440
Laboratory	14,823,575	10,130,745
Drugs & Supplies	44,130,498	43,247,117
Radiology/X-ray	14,799,730	5,995,240
Hospital Days	5,373,925	4,996,590
Martenity Services	6,906,125	2,825,655
Procedures	4,860,840	5,798,525
Dental	629,690	391,700
Total general patients income	99,826,348	82,605,012
Private patients		
Consultation Private	5,075,590	5,996,553
Laboratory - Private	3,317,300	1,691,465
Drugs & Supplies - Private	5,194,810	5,208,470
Radiology/X-ray - Private	1,009,600	1,145,250
Hospital days - Private	2,474,900	2,508,550
Martenity Services - Private	1,290,700	1,088,000
Procedures - Private	1,109,450	787,000
Occupational health EPM/Lujeri	29,369,704	19,006,888
Dental - Private	143,000	99,195
Total private patients income	48,985,054	37,531,371

MULANJE MISSION HOSPITAL**DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018**

	2018 K	2017 K
HOSPITAL INCOME (CONTINUED)		
Service level agreement		
Antenatal Clinic Fee - SLA	-	4,237,815
Mother & Neonatal Health - SLA	36,377,123	37,889,377
Malaria	6,422,529	14,029,517
Acute Respiratory Infections	1,179,588	4,032,524
Acute Diarrhoea Diseases	1,574,005	485,333
Malnutrition	96,687	49,842
Fracture & Wound Treatment	204,909	151,229
Abcess	188,357	580,409
Blood Transfusion	50,811	833,035
Under 5 other diagnosis	1,932,745	-
Refferals to QECH	1,930,191	175,340
Overheads hospital	29,039,524	-
Outreach	8,215,884	760,385
Chest x-ray	4,244,199	3,643.00
Total service level agreement income	91,456,551	63,228,449
Staff treatment		
Laboratory	213,200	35,900
Drugs and supplies	4,354,449	2,777,385
Radiology	20,000	22,500
Hospital days	8,000	13,500
Maternity services	87,610	25,000
Procedures	4,500	20,000
Dental	125,600	18,000
Total staff treatment income	4,813,359	2,912,285