

MULANJE MISSION HOSPITAL

FINANCIAL STATEMENTS

30 JUNE 2017

MULANJE MISSION HOSPITAL

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

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MULANJE MISSION HOSPITAL

BOARD MEMBERS REPORT FOR THE YEAR ENDED 30 JUNE 2017

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 2017.

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 2017 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
Mrs. Lindirabe Mazinyane	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 2018 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 2017**

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

26/3/2018
Date



MEDICAL DIRECTOR

26th March 2018
Date

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

**ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

Opinion

We have audited the annual financial statements of Mulanje Mission Hospital, which comprise the statement of financial position as at 30 June 2017, and the statement of surplus or deficit, 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 2017, 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.

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

**ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

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.

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

**ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

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

Signature in the name of the audit firm: Graham Carr

Signature of engagement partner: Dorothy

Date: 30 March 2018

MULANJE MISSION HOSPITAL

**STATEMENT OF SURPLUS OR DEFICIT
FOR THE YEAR ENDED 30 JUNE 2017**

	Note	2017 K	2016 K
Income			
Grants and donations	4	1,044,453,072	1,117,815,207
Hospital income	5	186,277,116	131,109,260
Other income	6	99,225,293	75,315,525
Total income		<u>1,329,955,480</u>	<u>1,324,239,992</u>
Expenditure			
Personnel costs	7	463,668,239	420,038,246
General administration	8	113,150,183	118,083,918
Hospital expenses	9	411,173,675	613,831,511
Transport and travelling	10	18,807,949	16,902,650
Repairs and maintenance	11	23,417,073	11,618,222
PHC expenditure	12	250,600,219	121,271,649
Total expenditure		<u>(1,280,817,339)</u>	<u>(1,301,746,196)</u>
Operating surplus		49,138,141	22,493,796
Exchange difference		8,007,144	31,412,985
Surplus for the year		<u><u>57,145,286</u></u>	<u><u>53,906,781</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 2017**

	Note	2017 K	2016 K
ASSETS			
Non-current assets			
Property, plant and equipment	13	<u>889,735,055</u>	<u>830,803,452</u>
Current assets			
Inventories	14	368,005,613	233,844,258
Receivables	15	47,174,457	17,276,065
Cash and cash equivalents	16	<u>242,659,803</u>	<u>181,831,697</u>
Total current assets		<u>657,839,873</u>	<u>432,952,020</u>
Total assets		<u><u>1,547,574,928</u></u>	<u><u>1,263,755,472</u></u>
FUNDS AND LIABILITIES			
Funds			
General fund		140,637,627	83,492,341
Capital fund		492,395,558	348,800,894
Capital fund - deferred assets		-	78,807,266
Revaluation reserve		<u>397,339,496</u>	<u>403,195,292</u>
Total funds		<u>1,030,372,680</u>	<u>914,295,793</u>
Non-current liabilities			
Severance pay provision	17	-	14,070,872
Deferred income	18	221,782,240	134,356,215
Deferred inventory grant	19	<u>238,697,668</u>	<u>154,832,066</u>
Total non-current liabilities		<u>460,479,908</u>	<u>303,259,153</u>
Current liabilities			
Bank overdraft	16	3,525,949	6,717,105
Payables	20	<u>53,196,391</u>	<u>39,483,421</u>
Total current liabilities		<u>56,722,340</u>	<u>46,200,526</u>
Total funds and liabilities		<u><u>1,547,574,928</u></u>	<u><u>1,263,755,472</u></u>

The financial statements were authorised for issue by the Blantyre Synod Health Board on 26/3/18.....2018 and signed on its behalf by :


CHAIRPERSON


MEDICAL DIRECTOR

MULANJE MISSION HOSPITAL

STATEMENTS OF CHANGES IN FUNDS AS AT 30 JUNE 2017

	General fund	Capital fund	Capital Deferred assets	Revaluation Reserve	Total
	K	K	K	K	K
Balance as at 1 July 2015	29 585 560	305 998 544	-	332 297 389	667 881 493
Surplus for the year	53 906 781	-	-	-	53 906 781
Revaluation	-	-	-	85 507 394	85 507 394
Fixed assets	-	-	-	-	-
-donations	-	74 932 731	78 807 266	-	153 739 997
Depreciation charge	-	(32 130 381)	-	(14 609 491)	(46 739 872)
Balance as at 30 June 2016	83 492 341	348 800 894	78 807 266	403 195 292	914 295 793
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 adjustment	-	7 813 512	-	-	7 813 512
Depreciation charge	-	(43 217 975)	-	(5 855 796)	(49 073 772)
Balance as at 30 June 2017	140 637 627	492 395 558	-	397 339 496	1 030 372 680

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 2017.

MULANJE MISSION HOSPITAL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

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)

New and revised IFRSs affecting presentation and disclosure only

Amendments to IAS 1 Disclosure Initiative The amendments were a response to comments that there were difficulties in applying the concept of materiality in practice as the wording of some of the requirements in IAS 1 had in some cases been read to prevent the use of judgment. Effective for annual periods beginning on or after 1 January 2016.

IAS 38 Intangible Assets The requirements of IAS 38 are amended to introduce a rebuttable presumption that a revenue-based amortization method for intangible assets is inappropriate for the same reasons as in IAS 16. Effective for annual periods beginning on or after 1 January 2016.

IFRS 5 Non-Current Assets Held for Sale and Discontinued Operations Issued in September 2014. Amended by Improvements to IFRSs 2014 (changes in methods of disposal). Effective for annual periods beginning on or after 1 January 2016.

IFRS 7 Financial instruments: Disclosures Issued in September 2014. Amended by Improvements to IFRSs 2014 (servicing contracts and applicability of the amendments to IFRS 7 to condensed interim financial statements). Effective for annual periods beginning on or after 1 January 2016.

IAS 19 Employee Benefits Issued in September 2014. Amended to clarify that the high quality corporate bonds used in estimating the discount rate for post-employment benefits should be denominated in the same currency as the benefits to be paid (thus, the depth of the market for high quality corporate bonds should be assessed at currency level). Effective for annual periods beginning on or after 1 January 2016.

IAS 34 Interim Financial Reporting Issued in September 2014. Amended by Improvements to IFRSs 2014 (disclosure of information 'elsewhere in the interim financial report'). Effective for annual periods beginning on or after 1 January 2016.

MULANJE MISSION HOSPITAL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

2.2 Standards and Interpretations in issue not yet adopted

IFRS 9 Financial Instruments (as revised in 2014)

Issued in July 2014, the IASB finalized the reform of financial instruments accounting and issued IFRS 9 (as revised in 2014), which contains the requirements for a) the classification and measurement of financial assets and financial liabilities, b) impairment methodology, and c) general hedge accounting. IFRS 9 (as revised in 2014) will supersede IAS 39 *Financial Instruments: Recognition and Measurement* upon its effective date. Effective for annual periods beginning on or after 1 January 2018.

IFRS 15 Revenue from Contracts with Customers

Issued in May 2014. Provides a single, principles based five-step model to be applied to all contracts with customers. Effective for annual periods beginning on or after 1 January 2018.

IFRS 16 Leases

Issued in January 2016. IFRS 16 specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. Effective for annual reporting periods beginning on or after 1 January 2019.

IAS 7 Statement of Cashflows

Issued in January 2016. The amendments in Disclosure Initiative (Amendments to IAS 7) come with the objective that entities shall provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities. Effective for annual periods beginning on or after 1 January 2017.

IAS 12 Income Taxes

Issued in January 2016. Amended to clarify when a deferred tax asset should be recognized for unrealized losses. Effective for annual periods beginning on or after 1 January 2017.

IAS 40 Investment Property

Issued in December 2016. Amendments to paragraph 57 to reinforce the principle for transfers into, or out of, investment property in IAS 40; to specify that such a transfer should only be made when there has been a change in use of the property. Effective for annual 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 Fund 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 2017

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, determination 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 2017

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 2017

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 2017

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 2017 (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 balance sheet 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 contribute 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

In terms of the current interpretation by the courts of Employment Act, severance allowance is payable in full to employees on termination of employment by mutual agreement, death, retirement, voluntary retirement, retrenchment or redundancy without allowing any set off of employer's pension scheme contributions against severance allowance due.

In preparing the financial statements, the trustees have considered the matter and have applied the wider perspective which requires that all emoluments be considered in making the provision.

MULANJE MISSION HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017 (CONTINUED)

4 GRANTS AND DONATIONS	Page	2017 K	2016 K
CHAM grants	29	454 227 776	358 719 968
Cash donations	31	311 965 836	202 546 544
Donations in kind	32	278 259 460	556 548 695
Total grants and donations		<u>1 044 453 072</u>	<u>1 117 815 207</u>
5 HOSPITAL INCOME			
General	33	82 605 012	65 694 362
Private	33	37 531 371	27 708 526
Service level agreement	34	63 228 449	33 795 753
Staff treatment	34	2 912 285	3 910 619
Total hospital income		<u>186 277 116</u>	<u>131 109 260</u>
6 OTHER INCOME			
House rent – Blantyre house		2 577 000	2 000 000
House rent (staff houses & Buildings)		11 832 501	8 229 396
Interest on savings		6 442 023	4 437 903
Hire of vehicle		1 591 277	1 612 616
Health booklets		263 611	230 343
Students affiliation fee		6 172 950	8 887 862
Disposal proceeds		4 749 850	536 700
Sundry Income		65 596 081	49 380 705
Total other income		<u>99 225 293</u>	<u>75 315 525</u>

MULANJE MISSION HOSPITAL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017 (CONTINUED)**

	2017	2016
	K	K
7 PERSONNEL COSTS		
Salaries and wages	296,283,234	258,834,018
Swap top up allowance	79,845,081	70,780,846
Professional allowance	2,108,764	2,067,491
Special Medical allowance	2,131,428	2,090,255
Pension contributions	25,759,043	25,965,129
Leave grants	6,563,135	6,508,646
Incentive allowance	30,463,590	29,378,081
Incentive in kind - nurses meals	1,985,372	1,661,347
Casual wages/locum	9,568,874	8,877,500
Overtime	1,349,642	1,032,057
Commutated leave	655,327	998,506
School fund-bursary	81,000	57,600
Staff welfare	245,696	736,761
Bonus	2,260,000	-
Staff free treatment - OPD	1,865,891	4,873,659
Staff free treatment - Admission	153,760	1,294,410
Gratuity	2,348,401	-
Severance provision	-	4,881,940
Total personnel costs	463,668,239	420,038,246

MULANJE MISSION HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017 (CONTINUED)

	2017 K	2016 K
8 GENERAL ADMINISTRATION AND OVERHEADS		
Utilities		
Electricity	9 611 863	14 693 403
Water charges	5 583	517 803
Heating and lighting	1 399 166	1 607 939
Telephone and postage	3 240 646	8 481 661
Fees & Subscriptions		
CHAM fees	16 220	2 294 744
Audit fees - current year	3 412 884	3 282 445
Legal charges & penalties	-	289 600
Consultancy fees	2 076 355	363 189
Other subscriptions and donations	1 585 004	1 021 980
Other overheads		
Office stationery	6 061 633	4 549 696
Discount received for cash	-	99 866
Management and other meetings	127 670	546 790
Hospitality	871 905	444 100
Advertising and recruitment	568 438	426 563
Insurance - buildings and other	1 900 840	2 328 274
Bank charges	2 806 560	1 721 177
General expenses	604 938	363 951
Casual labour third party	220 777	469 200
Social responsibility	344 150	6 000
Security	2 087 574	414 550
Donations	1 354 925	-
Taxation	895 806	437 559
Training & development		
Tuition fee & development cost	21 610 650	10 790 873
Bad debts		
Bad debts provision	11 086 338	16 192 683
Depreciation		
Depreciation - hospital buildings	5 954 638	5 244 873
Depreciation - staff houses	9 177 462	15 551 788
Depreciation - hospital equipment	11 809 923	20 693 269
Depreciation - motor vehicles	13 106 743	4 038 448
Depreciation - motor bikes	1 211 494	1 211 494
Total general administration and overheads	<u>113 150 183</u>	<u>118 083 918</u>

MULANJE MISSION HOSPITAL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017 (CONTINUED)**

	2017 K	2016 K
9 HOSPITAL EXPENSES		
Sanitation & General Cleaning - Soap	5,479,455	5,717,384
Sanitation & General Cleaning - Material	4,825,998	3,631,208
Linen	2,134,702	1,593,066
Uniforms	2,003,538	1,333,274
Discounts allowed for cash	21,591,965	9,133,952
Drugs and clinical supplies - HIV drugs GOVT	136,885,254	425,431,914
Drugs and clinical supplies - Other GOVT	85,851,239	38,798,684
Drug and supplies-Women fund	1,461,052	-
Drugs and clinical supplies - Donation	-	123,246
Drugs and clinical supplies - General	150,940,472	128,068,783
Total hospital expenses	<u>411,173,675</u>	<u>613,831,511</u>
10 TRANSPORT AND TRAVELLING		
Motor vehicle maintenance & servicing	2,763,521	4,131,415
Motor vehicle fuel and oils	8,685,704	8,189,970
Motor vehicle insurance	3,476,624	1,901,428
Transport /travel cost -public	2,361,750	1,637,787
Transport and travel - subsistence allowance	1,032,350	1,042,050
Transport hire	488,000	-
Total transport and travelling	<u>18,807,949</u>	<u>16,902,650</u>
11 REPAIRS AND MAINTENANCE		
Equipment & Electrical - repairs & maintenance	13,510,718	6,334,527
Building - repairs & maintenance	5,779,880	2,801,750
Staff houses - repairs & maintenance	2,876,755	1,832,696
Water system - repairs & maintenance	1,180,836	451,260
Maintenance tools	68,886	197,989
Total repairs and maintenance	<u>23,417,073</u>	<u>11,618,222</u>

MULANJE MISSION HOSPITAL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017 (CONTINUED)**

	2017	2016
	K	K
12 PHC EXPENDITURE		
Aids Prevention and Care Unit	37,038,615	26,651,621
Environmental Health Care (EHC)	97,380,590	35,091,037
Mother Child Health (MCH)	27,962,602	7,321,739
Nutrition Rehabilitation Unit (NRU)	14,935,645	6,137,253
MNCH	47,958,747	-
Orphan Care Training Centre (OCTC)	22,918,763	33,407,939
Palliative care expenditure	2,405,258	12,662,060
Total PHC expenditure	<u>250,600,219</u>	<u>121,271,649</u>

MULANJE MISSION HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017 (CONTINUED)

13 PROPERTY, PLANT AND EQUIPMENT

	Land	Hospital buildings K	Staff houses K	Hospitals and household equipment K	Motor vehicles K	Motor cycles K	Total K
Cost							
As at 1.07.2015	5,040,000	253,885,438	307,943,223	112,384,331	34,714,544	8,123,562	722,091,098
Additions	-	41,113,206	61,065,941	34,264,831	17,296,019	-	153,739,997
Revaluation	-	-	85,507,394	-	-	-	85,507,394
As at 30.06.2016	5,040,000	294,998,644	454,516,558	146,649,162	52,010,563	8,123,562	961,338,489
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	100,191,863
As at 30.06.2017	5,040,000	297,731,882	458,873,113	204,109,656	85,752,138	10,023,562	1,061,530,352
Depreciation							
As at 1.07.2015	-	6,179,286	6,754,966	43,221,339	23,376,871	4,262,703	83,795,165
Charge for the year	-	5,244,873	15,551,788	20,693,269	4,038,448	1,211,494	46,739,872
As at 30.06.2016	-	11,424,159	22,306,754	63,914,608	27,415,319	5,474,197	130,535,037
As at 1.07.2016	-	11,424,159	22,306,754	63,914,608	27,415,319	5,474,197	130,535,037
Prior year adjustment	-	-	-	(7,813,512)	-	-	(7,813,512)
Charge for the year	-	5,954,638	9,177,462	19,623,436	13,106,743	1,211,493	49,073,772
As at 30.06.2017	-	17,378,797	31,484,216	75,724,532	40,522,062	6,685,690	171,795,297
Carrying amount							
As at 30.06.2017	5,040,000	280,353,085	427,388,897	128,385,124	45,230,076	3,337,872	889,735,055
As at 30.06.2016	5,040,000	283,574,485	432,209,804	82,734,554	24,595,244	2,649,365	830,803,452

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

The hospital's properties were revalued as at 31 December 2014 by Don Whayo, 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 2017

	2017 K	2016 K
14 INVENTORIES		
Pharmacy stocks	277 071 787	198 825 837
General store	28 633 728	27 442 548
WFP store	62 300 098	7 575 873
Total inventories	<u>368 005 613</u>	<u>233 844 258</u>
15 RECEIVABLES		
Trade receivables	84 336 794	40 787 973
Staff loans and advances	10 613 271	8 403 306
Other receivables	114 958	114 958
Prepayments	21 250	5 473 702
	95 086 273	54 779 939
Provision for doubtful debts	<u>(47 911 816)</u>	<u>(37 503 874)</u>
Total receivables	<u>47 174 457</u>	<u>17 276 065</u>
16 CASH AND CASH EQUIVALENTS		
Current account - local	57 650 537	17 338 821
Current account - FCDA	116 163 435	135 701 247
Investment account	63 987 418	28 198 391
Cash in hand	121 400	59 545
Fuel-Top up cards	4 737 013	533 693
	242 659 803	181 831 697
Bank overdraft	<u>(3 525 949)</u>	<u>(6 717 105)</u>
Total cash and cash equivalents	<u>239 133 854</u>	<u>175 114 592</u>

The overdrawn account represent the cash book balance and not the actual overdrawn bank account.

MULANJE MISSION HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017 (CONTINUED)

	2017 K	2016 K
17 SEVERANCE PAY		
Balance at 01 June 2016	14,070,872	14,070,872
Amount written back	(14,070,872)	-
Balance at 30 June 2017	-	14,070,872

Following the enactment of the Pension Act 2011, Severance allowance was calculated and compared against pension balances. The balance has not yet been paid to the pension fund.

18 DEFERRED INCOME

Good Little Company - IRS	15,573,950	-
Blackburgh Presbyterian Church - primary health care activities	5,318,153	1,982,390
Church of Scotland - HIV nutrition	2,939,859	4,637,001
EMMS - Method	2,734,337	5,529,600
EMMS - EU	6,344,355	7,186,189
EMMS - ACC	4,230,106	-
Beit trust	1,302,008	-
English Reformed Church - Amsterdam - Capacity building	5,267,241	12,575,727
Malawi Work Group	23,670,018	-
Good Little Company	33,898,599	24,273,914
Lindsay Brown	-	31,063
Dunblane for School Nursing	2,588,325	-
Colchester Quakers	2,789,144	-
PWS&D Canada - MMCH	63,972,728	-
Pittsburg	-	691,204
Plan International - Malawi	19,519,121	2,066,152
Trutex	552,250	-
Presbyterian church - USA	2,849,273	3,502,395
PWS&D Canada - primary health care activities	11,696,720	63,139,363
St George and St Andrew West	2,774,937	4,071,086
Various Donors	13,761,115	4,670,131
	<u>221,782,240</u>	<u>134,356,215</u>

This represents unspent foreign donations represented by funds in foreign denominated bank accounts at 30 June 2017.

19 DEFERRED INVENTORY GRANT

Balance at 30 June 2017	<u>238,697,668</u>	<u>154,832,066</u>
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This represents donated inventories not yet utilised at 30 June 2017.

MULANJE MISSION HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017 (CONTINUED)

20 PAYABLES	2017	2016
	K	K
Trade payables	43,651,040	27,587,437
Accrued expenses	6,426,771	8,343,784
Withholding tax and other	2,020,412	1,870,432
PAYE	1,098,168	1,681,768
Total payables	53,196,390	39,483,421

21 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 transactions

	2017	2016
	K	K
Medical services provided		
Mulanje Mission Palliative Care	-	1,067,620
Receivables		
Mulanje Mission CCAP	31,128	31,120
Mulanje Mission College of Nursing	4,111,586	4,161,924
Mulanje Mission Community Day Sec. Sch	-	1,020
CCAP Blantyre Synod	351,856	334,231

Transactions were carried out at arms length.

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

22 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.

MULANJE MISSION HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017 (CONTINUED)

22 FINANCIAL RISK MANAGEMENT (continued)

b) Risk management framework

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.

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 2016.

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 2017 (CONTINUED)

23 CAPITAL COMMITMENTS

There were capital commitments of K254,926,667 as at 30 June 2017 (June 2016 : K75,140,000) as follows: -

	2017 K	2016 K
Lab refurbishment and new laboratory equipment	17,000,000	-
GYM Equipment for Youth centre	-	1,200,000
Move Dental treatment room to OPD	2,000,000	1,500,000
Separate Pharmacy Store from Donated and Purchased Drugs	4,000,000	4,000,000
Bed Screens	-	720,000
Provision of Water supplies to Staff houses	27,300,000	10,000,000
Refurbishment of Post Natal ward	9,000,000	8,000,000
Water Heater for Nursery Ward	-	640,000
New Ultra - Sound Scanner Maternity	5,620,000	5,100,000
New Photo therapy Machine	1,300,000	1,300,000
Development of HDU	9,500,000	8,000,000
Renovation of Private OPD	16,866,667	9,360,000
Examination Coaches	-	280,000
Youth centre-Renovation of Basket ball Court	-	2,500,000
Youth Centre GYM	-	4,000,000
Renovation - MMH ,34,31,68	6,000,000	6,000,000
Improvements to NRU/Stores	8,000,000	-
Computer equipment/IT replacement programme	-	3,200,000
New Land Cruiser vehicle	39,500,000	-
Drug trolleys	-	1,500,000
Motor bike	-	2,500,000
Irrigation	70,000,000	-
Beds and mattresses	-	3,340,000
Replacement of laundry machine	-	2,000,000
Storage heaters for nursery	640,000	-
IT replacement programme/UPS (5)	3,200,000	-
Additional 2 staff houses	35,000,000	-
	<u>254,926,667</u>	<u>75,140,000</u>

24 CONTINGENT LIABILITIES

The hospital had no contingent liabilities at 30 June 2017. (2016 : Nil)

MULANJE MISSION HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017 (CONTINUED)

25 SUBSEQUENT EVENTS

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

26 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.

	2017	2016
	K	K
Kwacha/GBP	946.42	949.63
Kwacha/Euro	825.70	785.23
Kwacha/USD	729.27	721.15
Inflation Rate	11.30%	22.60%

MULANJE MISSION HOSPITAL

DETAILED INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2017 (CONTINUED)

GRANTS AND DONATIONS	2017	2016
	K	K
CHAM		
CHAM salaries and wages	292,187,356	251,082,979
CHAM SWAP top up allowances	125,254,213	72,700,801
CHAM professional allowance	2,098,582	2,100,900
CHAM Special medical allowance	2,195,582	2,181,900
CHAM pension	25,928,043	24,551,388
CHAM leave grant	6,564,000	6,102,000
Total CHAM grants	454,227,776	358,719,968
DONATIONS IN CASH		
Allan Davidson	-	862,900
Astrid Thorsten Konig	-	106,590
Belfast Royal Academy	-	431,112
Bristol Academy	6,417,879	-
Bio-Clinical Partners	-	50,000
Blacksburg Presbyterian Church - USA	7,461,753	12,394,923
Chimwemwe Soko	1,171,000	-
C H Edin	-	397,402
Camelia Foundation	-	8,628,902
CCAP BT Synod - Bed sponsor	-	667,067
CCAP BT Synod - John Mcmillan	-	22,250
CDH Investment Bank	100,000	-
Chisambo Tea Estate Ltd	-	100,000
Ceiling and Partitions Ltd	30,000	-
Church of Scotland	15,842,506	17,184,014
Clement Chilingulo	-	50,000
Craig Lockhart	-	40,000
Deekay Suppliers	51,000	-
DR Sue Makin	100,000	-
Dr Isobel King	2,500	-
Dr Ruth Shakespeare	-	20,000
EMMS International -Isabel- EC	14,429,307	8,210,864
EMMS International	28,644,242	-
English Reformed Church - Amsterdam	14,175,727	19,848,587
Estate of late Khimji	1,500,000	500,000
Eastern Produce Mw	100,000	-
F. Bowen Rees & Samantha	-	672,278
FFA	13,650,000	-
Farmers Organisation Limited	-	50,000
Balance carried forward	103,675,914	70,236,889

MULANJE MISSION HOSPITAL

DETAILED INCOME

FOR THE YEAR ENDED 30 JUNE 2017 (CONTINUED)

	2017	2016
	K	K
DONATIONS IN CASH (CONTINUED)		
Balance brought forward	103,675,914	70,236,889
Formby Reformed Church - United Kingdom	1,195,471	1,198,483
Fortrose Academy	-	715,340
Good Little Company	25,871,059	-
Graham Carr	-	50,000
Health Checks	27,800	-
INDE Trust Ltd	-	200,000
JTI	560,000	-
James Robertson	-	419,086
Kara O Mula	115,000	-
Ken Steel Engineering	200,000	-
Kingfisher Associates	100,000	50,000
Knight Frank	100,000	-
Lenzie Academy	300,000	-
Little Horkel - PCC	-	1,074,622
Lujeri Tea Estate	100,000	-
Lynn Country Foods /GLC	-	22,193,365
Marsh Ltd	100,000	-
Malawi Revenue Authority	100,000	-
Makande Tea and Coffee Estate	-	50,000
Marion Medical Mission - USA	1,428,000	1,270,000
Medisurge Ltd	-	50,000
Mergan Cowrie - for Palliative	-	80,000
METHOD (EMMS)	-	22,259,700
MMCN- sewer contribution	-	500,000
Morava Family	-	82,702
Mr & Mrs David Manning	-	1,020,000
Mr & Mrs Dyer	-	297,566
Mr J A Melrose	-	50,000
Mr O J B Mpando	45,000	-
Mrs Rita Davidson	-	614,255
NACOHUSO(Damson)	-	50,000
Natalie Mann	-	34,367
National Bank of Malawi	-	50,500
NICO Holdings	100,000	-
Nkhamenya Hospital	946,000	-
Balance carried forward	134,964,243	122,546,875

MULANJE MISSION HOSPITAL

DETAILED INCOME

FOR THE YEAR ENDED 30 JUNE 2017 (CONTINUED)

	2017 K	2016 K
DONATIONS IN CASH (CONTINUED)		
Balance brought forward	134,964,243	122,546,875
Old Mutual	100,000	-
Pharmanova Ltd	-	50,000
Pittsburg Presbyterian Church	-	747,116
PLAN Malawi	32,274,059	24,078,318
Presbyterian Church - United States of America	1,741,831	5,788,221
Press Corporation Ltd	200,000	-
Presbyterian Church of Canada	-	28,010,650
Presybterian World Service - Canada	108,830,714	-
Real General Insurance Co Ltd	-	100,000
Rajani Supplies	100,000	-
Rev Dr. B. Gama	-	50,000
Rev. Glynis Williams - for Palliative	-	10,000
Rice-Institute for Global Health	957,085	-
St Columba CCAP	100,000	-
Schwartz	1,276,977	-
St Andrews and St Georges West Church	4,071,086	-
T Chiwaya (T.J. Enterprises)	-	50,000
Telkom Networks Mw - TNM	-	100,000
Tidzalerana/ Tikondane - PHC	-	2,797,014
Trutex	26,794,842	8,475,491
Unknown \$11131.53 @ 542.3914	-	6,037,648
Unknown deposit cheque	355,000	709,723
Unknown \$1000 @554.199	-	554,199
Unknown \$185 @505.56	-	93,529
Unknown £1780 @ 963.6968 (Solar Proj)	-	1,715,380
United General Insurance	100,000	-
Valmore Paints	100,000	-
Van Purchase - (contribution)	-	500,000
Vernon	-	32,380
Vijay Kotecha	-	50,000
Balance carried forward	311,965,836	202,496,544

MULANJE MISSION HOSPITAL

DETAILED INCOME

FOR THE YEAR ENDED 30 JUNE 2017 (CONTINUED)

	2017 K	2016 K
DONATIONS IN KIND		
Brother Brothers -Beds/ Mattress,Fabrics, drip stand, mattresses, sunction	-	4,979,500
Card Mac Allister	-	7,100
CHAM - Drugs & Medical supplies	99,950	19,600
Chiladzulo DHO	-	192,275
Central Medical Stores Trust	4,669,672	-
Debbie Maclean	-	12,100
Dignitas	395,054	-
Dream	188,891	-
Dr. Ruth Shakespeare	111,960	250,000
EMMS - (IRS funds)	-	1,071,000
Edythe Gills	6,200	-
Grey Mambelera	3,000	-
FOMO	-	8,100
Holy Family Hospital	-	389,447
Joan Richardson	17,200	-
Light House	1,713,649	-
Limbe Leaf Tobacco	239,911	-
Mangunda Health Centre	-	87,975
Margret Potter and Mary Bowman - baby dolls, boots, vests, showe	92,100	19,250
MOH-Imperial Health Sciences	3,799,390	-
Mulanje DHO & Malawi Government- drugs, food and assorted items	795,205	295,995
One Community	580,000	-
Pharmacare Pharmaceuticals	-	22,500
PSI Malawi	609,163	-
QECH- Assorted drugs .	-	211,400
Robert & Frances Parks	1,400	-
Southern Shore Atlantic Mission	-	1,200
SSDI	-	111,900
St Michael & All Angels	176,900	-
Thyolo DHO	-	410,302
Unicef - Ministry of Health - MG - Food/nutrition supplies	5,209,896	2,668,988
Unicef /USAID/JSI via Ministry of Health - MG - HIV drugs and medic	249,716,013	538,243,702
Viola M Gillis	-	7,100
WFP via Ministry of Health - MG - foodstuffs and drugs	9,833,905	7,539,263
Total donation in kind	<u>278,259,460</u>	<u>556,548,697</u>

MULANJE MISSION HOSPITAL**DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2017**

	2017 K	2016 K
HOSPITAL INCOME		
General patients		
Consultation	9,219,440	5,889,705
Laboratory	10,130,745	7,727,825
Drugs & Supplies	43,247,117	38,432,337
Radiology/X-ray	5,995,240	2,815,060
Hospital Days	4,996,590	4,358,240
Martenity Services	2,825,655	1,649,880
Procedures	5,798,525	4,292,960
Dental	391,700	528,355
Total general patients income	<u>82,605,012</u>	<u>65,694,362</u>
Private patients		
Consultation Private	5,996,553	15,633,619
Chest xray	-	4,714
Laboratory - Private	1,691,465	1,248,525
Drugs & Supplies - Private	5,208,470	5,488,395
Radiology/X-ray - Private	1,145,250	767,625
Hospital days - Private	2,508,550	2,598,740
Martenity Services - Private	1,088,000	738,200
Procedures - Private	787,000	953,600
Occupational health EPM/Lujeri	19,006,888	-
Dental - Private	99,195	275,108
Total private patients income	<u>37,531,371</u>	<u>27,708,526</u>

MULANJE MISSION HOSPITAL

**DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2017**

	2017 K	2016 K
HOSPITAL INCOME (CONTINUED)		
Service level agreement		
Antenatal Clinic Fee - SLA	4,237,815	2,914,925
Mother & Neonatal Health - SLA	37,889,377	8,492,911
Malaria	14,029,517	7,168,522
Acute Respiratory Infections	4,032,524	999,701
Acute Diarrhoea Diseases	485,333	71,855
Malnutrition	49,842	15,441
Fracture & Wound Treatment	151,229	57,359
Abcess	580,409	228,082
Blood Transfusion	833,035	161,796
Refferals to QECH	175,340	210,399
Overheads hospital	-	12,943,800
Outreach	760,385	530,962
Chest x-ray	3,643	-
Total service level agreement income	63,228,449	33,795,753
Staff treatment		
Laboratory	35,900	143,200
Drugs and supplies	2,777,385	3,565,184
Radiology	22,500	60,375
Hospital days	13,500	73,360
Maternity services	25,000	30,000
Procedures	20,000	34,000
Dental	18,000	4,500
Total staff treatment income	2,912,285	3,910,619