

MULANJE MISSION HOSPITAL

FINANCIAL STATEMENTS

30 JUNE 2019

MULANJE MISSION HOSPITAL

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

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MULANJE MISSION HOSPITAL

BOARD MEMBERS REPORT FOR THE YEAR ENDED 30 JUNE 2019

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 2019.

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 income and expenditure, statement of financial position, statement of changes in funds, statement of cash flows and accounting policies and other explanatory information.

Trustees

The Directors of the hospital who served during the year 2019 are listed below:-

Name	Position
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 Rington 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 2020 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 2019

STATEMENT OF SYNOD HEALTH BOARD MEMBERS 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 board 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

29th February 2020

Date



MEDICAL DIRECTOR

29th February 2020

Date

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

**ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

Opinion

We have audited the annual financial statements of Mulanje Mission Hospital, which comprise the statement of financial position as at 30 June 2019, 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 2019, 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 hospital 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 board members for the Financial Statements

The board 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 the board 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, board 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 the board 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.

Audit . Tax . Accounting . Advisory

Partners: D.Ngwira (Mrs), C.M.C Banda

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

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**ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

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 the board.
- Conclude on the appropriateness of board'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 2019**

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: D. Ngwira

Date: 02 March 2020

Audit . Tax . Accounting . Advisory

Partners: D.Ngwira (Mrs), C.M.C Banda

MULANJE MISSION HOSPITAL

**STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2019**

	Note	2019 K	Restated 2018 K
Income			
Grants and donations	4	1,577,930,401	1,330,438,132
Hospital income	5	353,958,288	245,081,312
Other income	6	<u>112,107,018</u>	<u>106,457,892</u>
Total income		<u>2,043,995,707</u>	<u>1,681,977,336</u>
Expenditure			
Personnel costs	7	661,663,418	552,288,163
General administration	8	174,012,216	169,545,373
Hospital expenses	9	776,135,748	633,802,261
Transport and travelling	10	32,449,121	27,535,570
Repairs and maintenance	11	19,328,121	36,159,203
PHC expenditure	12	<u>378,618,674</u>	<u>257,833,763</u>
Total expenditure		<u>(2,042,207,297)</u>	<u>(1,677,164,334)</u>
Operating surplus		1,788,411	4,813,002
Exchange difference		<u>13,499,819</u>	<u>10,447,450</u>
Surplus for the year		<u><u>15,288,229</u></u>	<u><u>15,260,452</u></u>

*The notes on pages 10 to 33 form part of these financial statements
Auditor's Report - Pages 3-5*

MULANJE MISSION HOSPITAL

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019**

	Note	2019 K	Restated 2018 K
ASSETS			
Non-current assets			
Property, plant and equipment	13	<u>1,218,507,939</u>	<u>1,040,668,482</u>
Current assets			
Inventories	14	374,713,281	299,029,332
Receivables	15	97,731,924	86,076,725
Cash and cash equivalents	16	<u>189,243,310</u>	<u>198,181,822</u>
Total current assets		<u>661,688,515</u>	<u>583,287,879</u>
Total assets		<u><u>1,880,196,454</u></u>	<u><u>1,623,956,361</u></u>
FUNDS AND LIABILITIES			
Funds			
General fund		102,383,467	155,898,079
Capital fund		832,880,035	647,699,782
Capital fund - deferred assets		-	1,485,000
Revaluation reserve		<u>385,627,904</u>	<u>391,483,700</u>
Total funds		<u>1,320,891,406</u>	<u>1,196,566,561</u>
Non-current liabilities			
Deferred income	17	164,244,554	147,488,774
Deferred inventory grant	18	<u>322,692,431</u>	<u>223,247,022</u>
Total non-current liabilities		<u>486,936,984</u>	<u>370,735,796</u>
Current liabilities			
Bank overdraft	16	4,349,958	6,436,419
Payables	19	<u>68,018,106</u>	<u>50,217,584</u>
Total current liabilities		<u>72,368,064</u>	<u>56,654,003</u>
Total funds and liabilities		<u><u>1,880,196,454</u></u>	<u><u>1,623,956,361</u></u>

The financial statements were authorised for issue by the Blantyre Synod Health Board on
29 February 2020 and signed on its behalf by:



 CHAIRPERSON



 MEDICAL DIRECTOR

The notes on pages 10 to 33 form part of these financial statements
 Auditor's Report - Pages 3-5

MULANJE MISSION HOSPITAL

STATEMENTS OF CHANGES IN FUNDS AS AT 30 JUNE 2019

	General fund K	Capital fund K	Capital Deferred assets K	Revaluation Reserve K	Total K
Balance as at 1 July 2017	140,637,627				
Surplus for the year	15,260,452	492,395,558	-	397,339,496	1,030,372,681
Fixed assets	-	-	-	-	15,260,452
-donations	-	206,470,374	-	-	-
Depreciation charge	-	(51,166,150)	1,485,000	-	207,955,374
Balance as at 30 June 2018 as restated	<u>155,898,079</u>	<u>647,699,782</u>	<u>1,485,000</u>	<u>(5,855,796)</u>	<u>(57,021,946)</u>
Balance as at 1 July 2018	155,898,079	647,699,782	1,485,000	391,483,700	1,196,566,561
Surplus for the year	15,288,229				
Fixed assets	-	1,485,000	(1,485,000)	-	1,196,566,561
-purchased	(68,802,842)	68,802,842	-	-	15,288,229
-donations	-	174,152,764	-	-	-
Depreciation charge	-	(59,260,352)	-	(5,855,796)	-
Balance as at 30 June 2019	<u>102,383,467</u>	<u>832,880,035</u>	<u>-</u>	<u>385,627,904</u>	<u>1,320,891,406</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 year end.

The notes on pages 10 to 33 form part of these financial statements

Auditor's Report - Page 3-5

MULANJE MISSION HOSPITAL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2019

		2019	Restated
	Notes	K	2019
			K
Cash flows from operating activities			
Surplus for the year		15,288,229	15,260,452
Depreciation	13	65,116,148	57,021,946
Interest received		(5,511,550)	(8,989,250)
		<u>74,892,828</u>	<u>63,293,148</u>
Movement in working capital			
(Increase)/decrease in inventories		(75,683,949)	68,976,281
Increase in receivables		(11,655,199)	(38,902,268)
Increase/(decrease) in payables		<u>17,800,522</u>	<u>(2,978,803)</u>
Cash generated by operations		<u>5,354,202</u>	<u>90,388,358</u>
Interest received		<u>5,511,550</u>	<u>8,989,250</u>
Net cash generated by operating activities		<u>10,865,751</u>	<u>99,377,608</u>
Cashflows from investing activities			
Purchase of property, plant and equipment	13	(242,955,606)	(207,955,374)
		<u>(242,955,606)</u>	<u>(207,955,374)</u>
Cashflows from financing activities			
Increase in capital and revaluation reserves		109,036,615	150,933,428
Increase in deferred income		16,755,779	(74,293,466)
Decrease in deferred inventory		<u>99,445,409</u>	<u>(15,450,646)</u>
Net cash generated from financing activities		<u>225,237,803</u>	<u>61,189,316</u>
Net decrease in cash and cash equivalents		<u>(6,852,051)</u>	<u>(47,388,450)</u>
Cash and cash equivalents at the beginning of financial year		<u>191,745,402</u>	<u>239,133,852</u>
Cash and cash equivalents at the end of the financial year	16	<u><u>184,893,351</u></u>	<u><u>191,745,402</u></u>

MULANJE MISSION HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

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 affecting figures reported and disclosed in the financial statements

In the current year, the hospital has initially applied IFRS 9 and IFRS 15 from 1st January 2018. The hospital has adopted the cumulative transition method in applying these standards. Accordingly, comparative information throughout these financial statements has not been restated to reflect the requirements of the new standard.

The adoption of these new and revised Standards did not have a significant impact on the financial statements of the hospital.

New and revised IFRSs adopted

<i>IFRS 9 Financial Instruments(as revised in 2014)</i>	<p>The hospital has recognized impairment loss allowances on trade receivables (Note 15) equal to Expected Credit Loss (ECL). ECL was calculated based on possible recoverable amount and probability of default of the balance.</p> <p>Trade receivables were assessed individually for probability of default, based on the assessment of increase in credit risk.</p>
<i>IFRS 15 Revenue from Contracts with Customers</i>	<p>Under IFRS 15, revenue is recognized when a customer obtains control of goods or services. The hospital used judgement to determine the timing of the transfer of control.</p>
<i>IAS 7 Statement of Cash flows</i>	<p>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.</p>
<i>IAS 12 Income Taxes</i>	<p>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.</p>
<i>IAS 40 Investment Property</i>	<p>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.</p>

**2 ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs)
(CONTINUED)****New and revised IFRSs adopted**

<i>IFRIC 22 Foreign Currency Transactions and Advance Consideration</i>	Issued in December 2016. The interpretation addresses foreign currency transactions or parts of transactions where: there is consideration that is denominated or priced in a foreign currency; the entity recognises a prepayment asset or a deferred income liability in respect of that consideration, in advance of the recognition of the related asset, expense or income; and the prepayment asset or deferred income liability is non-monetary. Effective for annual periods beginning on or after 1 January 2018.
<i>IFRS 16 Leases</i>	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.
<i>IFRS 23 Uncertainty over Income Tax Treatments</i>	Issued in June 2017. The interpretation addresses the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12. Effective for annual reporting periods beginning on or after 1 January 2019.
<i>IAS 23 Borrowing costs</i>	Issued in December 2017. The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. Effective for annual periods beginning on or after 1 January 2019.

New and revised IFRSs in issue but not yet effective

<i>Conceptual framework in IFRS Standards</i>	Issued in March 2018. There are amendments to IFRS 2, IFRS 3, IFRS 6, IFRS 14, IAS 1, IAS 8, IAS 34, IAS 37, IAS 38, IFRIC 12, IFRIC 19, IFRIC 20, IFRIC 22, and SIC-32. Effective for annual periods beginning on or after 1 January 2020.
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2.2 New and revised IFRSs in issue but not yet effective

<i>IFRS 17 Insurance contracts</i>	The new standard establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes IFRS 4 <i>Insurance contract</i> . The standard is effective for annual reporting periods beginning on or after 1 January 2022 with early application permitted.
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The directors of the hospital anticipate that the new standards, amendments and interpretations will be adopted in the hospital 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

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

The hospital derives its revenue from contracts with customers for the transfer of goods and services over time and at a point in time in the following service lines.

Patient income

Revenue is recognized upon delivery of applicable services.

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.

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 statement of financial position 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

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. The hospital measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019 (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 funds.

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 2019 (CONTINUED)**

4 GRANTS AND DONATIONS	Page	2019	Restated 2018
		K	K
CHAM grants	29	527,533,304	443,925,040
Cash donations *	30	473,691,432	394,173,228
Donations in kind	31	576,705,665	492,339,863
Total grants and donations		<u>1,577,930,401</u>	<u>1,330,438,132</u>
5 HOSPITAL INCOME			
General	32	113,497,813	99,826,348
Private	32	57,905,152	48,985,054
Service level agreement	33	177,584,268	91,456,551
Staff treatment	33	4,971,055	4,813,359
Total hospital income		<u>353,958,288</u>	<u>245,081,312</u>
6 OTHER INCOME			
House rent – Blantyre house		4,225,500	3,000,000
House rent (staff houses & buildings)		14,734,575	16,248,806
Interest on savings		5,511,550	8,989,250
Hire of vehicle		564,616	1,819,448
Health booklets		413,962	304,584
Students affiliation fee		9,132,307	10,397,271
Disposal proceeds		3,294,050	398,500
Depreciation recovery		65,116,149	57,021,946
Sundry income		7,712,645	6,775,441
PHC sundry income		946,415	82,110
Sales of current assets		443,250	-
Bad debt recovery		-	1,420,536
Profit on sale of internet cards		12,000	-
Total other income		<u>112,107,018</u>	<u>106,457,892</u>

***NOTE**

Deferred donations amounting to K60million were incorrectly included as donations for the year ended 30 June 2018. The financial statements of 2018 have been restated to correct this error. The effect of the restatement on the financial statements is deferred income for 2018 has increased by K60 million and surplus decreased by K60 million.

MULANJE MISSION HOSPITAL**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019 (CONTINUED)**

7 PERSONNEL COSTS	2019 K	2018 K
Salaries and wages	426,868,261	348,018,424
Swap top up allowance	88,373,045	85,060,860
Professional allowance	2,207,994	2,157,644
Special medical allowance	2,267,114	2,190,638
Pension contributions	41,417,276	28,750,892
Leave grants	6,658,200	6,551,500
Incentive allowance	60,134,132	52,397,809
Incentive in kind - nurses meals	3,086,133	3,264,534
Casual wages/locum	17,635,370	12,199,727
Overtime	1,276,199	969,794
Commuted leave	1,942,523	2,185,477
School fund-bursary	156,000	263,000
Staff welfare	505,000	1,061,020
Bonus	3,754,280	2,688,031
Staff free treatment - OPD	2,916,338	4,029,964
Staff free treatment - Admission	704,169	192,895
Gratuity	1,761,384	305,953
Total personnel costs	661,663,418	552,288,163

MULANJE MISSION HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019 (CONTINUED)

8 GENERAL ADMINISTRATION AND OVERHEADS	2019 K	2018 K
Utilities		
Electricity	13,265,304	8,795,234
Water charges	2,979,859	526,000
Heating and lighting	663,065	2,006,157
Telephone and postage	7,456,970	10,222,108
Fees & Subscriptions		
CHAM fees	5,824,985	3,938,604
Audit fees - current year	2,367,850	3,327,250
Legal charges & penalties	412,750	3,387,820
Consultancy fees	1,665,962	1,127,565
Other subscriptions	1,518,600	2,432,712
Other overheads		
Office stationery	6,880,335	7,256,876
Management and other meetings	442,490	333,700
Hospitality	415,240	1,278,362
Advertising and recruitment	1,265,760	1,025,465
Insurance - buildings and other	5,444,851	6,727,452
Bank charges	3,879,025	3,202,938
General expenses	2,863,159	621,274
Casual labour third party	83,000	326,806
Social responsibility	18,233,862	22,516,267
Security	2,832,270	2,610,006
Donations	-	30,000
Taxation	981,936	1,803,643
Training & development		
Tuition fee & development cost	28,550,716	25,556,221
Bad debts		
Bad debts provision	868,078	3,470,968
Depreciation		
Depreciation - hospital buildings	8,574,160	8,418,985
Depreciation - staff houses	9,344,921	9,344,921
Depreciation - hospital equipment	33,768,589	25,829,561
Depreciation - motor vehicles	11,967,519	11,967,519
Depreciation - motor bikes	1,460,960	1,460,960
Total general administration and overheads	174,012,216	169,545,373

MULANJE MISSION HOSPITAL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019 (CONTINUED)**

	2019 K	2018 K
9 HOSPITAL EXPENSES		
Sanitation & General Cleaning - Soap	8,058,037	8,221,335
Sanitation & General Cleaning - Material	8,989,148	8,731,344
Linen	1,489,535	3,433,739
Uniforms	1,617,796	2,074,462
Discounts allowed for cash	50,421,363	12,854,267
Drugs and clinical supplies - HIV drugs GOVT	517,344,975	341,533,911
Drugs and clinical supplies - Other GOVT	51,298,416	64,332,094
Drug and supplies-Women fund	576,327	1,432,914
Drugs and supplies-diabetic/asthma/hypertension	2,032,090	-
Drugs and clinical supplies - General	134,308,062	191,188,195
Total hospital expenses	<u>776,135,748</u>	<u>633,802,261</u>
10 TRANSPORT AND TRAVELLING		
Motor vehicle maintenance & servicing	9,108,113	6,894,763
Motor vehicle fuel and oils	11,991,642	11,456,496
Motor vehicle insurance	5,419,250	4,735,202
Transport /travel cost -public	3,719,880	2,387,109
Transport and travel - subsistence allowance	2,188,340	2,048,500
Transport hire	21,896	13,500
Total transport and travelling	<u>32,449,121</u>	<u>27,535,570</u>
11 REPAIRS AND MAINTENANCE		
Equipment & Electrical - repairs & maintenance	8,822,258	17,659,307
Building - repairs & maintenance	4,639,922	9,981,965
Staff houses - repairs & maintenance	2,073,020	5,445,912
Water system - repairs & maintenance	3,638,222	2,116,064
Maintenance tools	154,699	955,955
Total repairs and maintenance	<u>19,328,121</u>	<u>36,159,203</u>

MULANJE MISSION HOSPITAL**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019 (CONTINUED)**

	2019	2018
	K	K
12 PHC EXPENDITURE		
Aids Prevention and Care Unit	1,353,436	7,029,473
Environmental Health Care (EHC)	90,495,265	43,169,900
ISABEL-EMMS	27,035,162	17,591,917
Mother Child Health (MCH)	8,142,568	10,220,090
Nutrition Rehabilitation Unit (NRU)	130,368	41,630,466
Martenal and Neonatal Health (MNCH)	97,999,403	88,570,865
Orphan Care Training Centre (OCTC)	51,114,931	22,680,161
Sustainable Livelihood	98,176,110	-
Palliative care expenditure	<u>4,171,431</u>	<u>26,940,890</u>
Total PHC expenditure	<u><u>378,618,674</u></u>	<u><u>257,833,763</u></u>

MULANJE MISSION HOSPITAL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019 (CONTINUED)

13 PROPERTY, PLANT AND EQUIPMENT

	Land	Hospital buildings	Staff houses	Hospitals and household equipment	Motor vehicles	Motor cycles	Total
Cost		K	K	K	K	K	K
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
As at 1.07.2018	5,040,000	420,949,274	467,246,032	280,474,719	85,752,138	10,023,562	1,269,485,725
Additions	-	25,374,251	52,903,500	164,677,855	-	-	242,955,606
Disposals	-	-	-	-	(3,796,260)	(680,000)	(4,476,260)
As at 30.06.2019	5,040,000	446,323,525	520,149,532	445,152,574	81,955,878	9,343,562	1,507,965,071
Depreciation							
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
As at 1.07.2018	-	25,797,782	40,829,137	101,554,093	52,489,581	8,146,650	228,817,243
Charge for the year	-	8,574,159	9,344,921	33,768,589	11,967,519	1,460,960	65,116,148
As at 30.06.2019	-	34,371,941	50,174,058	135,322,682	60,660,840	8,927,610	289,457,131
Carrying amount							
As at 30.06.2019	5,040,000	411,951,584	469,975,474	309,829,892	21,295,038	415,952	1,218,507,939
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

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 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 2019**

	2019	2018
	K	K
14 INVENTORIES		
Pharmacy stocks	353,766,071	265,713,014
General stores	8,517,410	16,620,180
Nutrition Rehabilitation Stores	12,429,800	16,696,139
Total inventories	<u>374,713,281</u>	<u>299,029,332</u>
15 RECEIVABLES		
Trade receivables	127,794,647	119,046,471
Staff loans and advances	12,512,158	11,287,918
Prepayments	6,090,000	5,711,250
	146,396,805	136,045,639
Provision for doubtful debts	(48,664,881)	(49,968,914)
Total receivables	<u>97,731,924</u>	<u>86,076,725</u>
16 CASH AND CASH EQUIVALENTS		
Bank and cash balances		
Current account - local	41,871,338	40,241,293
Current account - FCDA	145,912,726	81,538,374
Investment account	1,167,977	76,127,048
Cash in hand	230,968	107,700
Fuel-Top up cards	60,300	167,407
Total bank and cash balances	189,243,310	198,181,822
Bank current account	(4,349,958)	(6,436,419)
Total cash and cash equivalents	<u>184,893,351</u>	<u>191,745,402</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 2019 (CONTINUED)

	2019	Restated
17 DEFERRED INCOME	K	2018 K
MBF	16,057,674	-
Blackburgh Presbyterian Church - primary health care activities	4,727,598	5,869,743
Church of Scotland	20,631,667	11,928,696
EMMS - Method	-	1,956,550
EMMS Chifundo	6,679,265	14,603,978
DK Plus	1,015,254	-
CGK Emmerlor	102,995	-
Aansbach	1,636,455	-
Boghall Parish Church	833,517	-
Lambert	1,427,142	-
F. Antonides	184,377	-
Beit trust	-	7,567,939
English Reformed Church - Amsterdam - Capacity building	16,053,739	9,028,284
Malawi Work Group	8,786,542	7,935,509
Good Little Company	9,181,919	10,103,431
Dunblane for School Nursing	-	2,336,153
Formby	488,848	-
PWS&D Canada *	74,700,615	69,863,439
Stockbridge Church	391,919	-
Elizabeth Rathbon	91,085	-
Presybterian church - USA	115,602	570,014
Collete Rijk	28,629	-
St George and St Andrew West	-	994,086
V Glass	1,109,713	4,730,953
Total deferred income	164,244,554	147,488,774

This represents unspent foreign donations represented by funds in bank accounts at 30 June 2019.

*Deferred donations amounting to K60million were incorrectly included as donations for the year ended 30 June 2018. The financial statements of 2018 have been restated to correct this error. The effect of the restatement on the financial statements is deferred income for 2018 has increased by K60 million and surplus decreased by K60 million.

19 DEFERRED INVENTORY GRANT

Balance at 30 June 2019	322,692,431	223,247,022
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This represents donated inventories not yet utilised at 30 June 2019.

MULANJE MISSION HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019 (CONTINUED)

19 PAYABLES

	2019	2018
	K	K
Trade payables	48,836,966	34,310,674
Accrued expenses	11,109,481	7,833,973
Withholding tax and other PAYE	5,650,546	8,072,937
	<u>2,421,113</u>	<u>-</u>
Total payables	<u>68,018,106</u>	<u>50,217,584</u>

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 transactions

	2019	2018
	K	K
Medical services provided		
Mulanje Mission CCAP	15,240	-
Mulanje Mission Likuni Phala Production Unit	99,000	80,000
Mulanje Mission College of Nursing	8,032,620	4,539,850
CCAP Blantyre Synod	260,975	241,190
Receivables		
Mulanje Mission CCAP	72,168	56,928
Mulanje mission Likuni Phala Production Unit	153,450	54,450
Mulanje Mission College of Nursing	7,700,671	6,151,436
Mulanje Mission Community Day Sec. Sch	2,900	2,900
CCAP Blantyre Synod	<u>553,356</u>	<u>-</u>

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019 (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

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 2018.

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 2019 (CONTINUED)****22 CAPITAL COMMITMENTS**

There were capital commitments of MK91,350,000 as at 30 June 2019 (June 2018 : K190,824,680) as follows: -

	2019	2018
	K	K
Redecoration of labour ward and pvt PNW	9,000,000	-
Renovation of MMH houses 45,27	8,200,000	6,000,000
Move Dental treatment room to OPD	-	2,000,000
Children ward refurbishment	10,000,000	-
Additional room for MMH House 1	5,500,000	5,500,000
Oxygen concentrators	3,500,000	-
Walk ways renovations	2,500,000	-
New lockers for male ward (10)	2,200,000	2,200,000
Maintenance equipment	450,000	-
Other hospital general renovations	2,500,000	-
Renovation of Private OPD	-	17,599,680
Private maternity rooms	-	5,000,000
Additional VCT room at Chidyang'ombe	-	7,300,000
Internal telephone networks replacement	6,000,000	6,000,000
New health post	18,000,000	15,000,000
Irrigation	-	30,000,000
Replacement of X-ray equipment	-	54,525,000
IT replacement programme/UPS (5)	1,500,000	3,700,000
Additional 2 staff houses	22,000,000	36,000,000
	<u>91,350,000</u>	<u>190,824,680</u>

23 CONTINGENT LIABILITIES

The hospital had no contingent liabilities at 30 June 2019. (2018 : Nil)

MULANJE MISSION HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019 (CONTINUED)

24 EVENTS AFTER THE REPORTING DATE

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 hospital are stated below, together with the increase in the National Consumer Price Index which represents an official measure of inflation.

	2019	2018
	K	K
Kwacha/GBP	990.35	956.98
Kwacha/Euro	823.30	847.01
Kwacha/USD	751.09	730.73
Inflation Rate	6.00%	8.60%

MULANJE MISSION HOSPITAL
**DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019**

GRANTS AND DONATIONS	2019	Restated 2018
	K	K
CHAM		
CHAM salaries and wages	394,031,121	327,982,456
CHAM SWAP top up allowances	81,565,600	76,767,893
CHAM professional allowance	2,009,400	1,982,400
CHAM Special medical allowance	2,126,900	2,081,400
CHAM pension	41,417,283	28,750,891
CHAM leave grant	6,383,000	6,360,000
Total CHAM grants	527,533,304	443,925,040
CASH DONATIONS (Note 4)		
Ansbach for Malawi	-	1,502,773
Beit Trust	7,567,940	31,062,137
Bioclinical Partners	200,000	-
Bristol Academy	-	5,145,690
Britam	200,000	150,000
Blacksburg Presbyterian Church - USA	14,636,639	12,684,390
Blantyre Synod-Beclo/Metro	433,200	-
Chisambo Tea Estate Ltd	200,000	150,000
CFAO	200,000	-
Church of Scotland	18,600,936	11,335,851
Colchester quakers	-	1,649,435
Copper Creek WATSAN	-	3,621,592
Deekay Suppliers	101,000	-
D. Chilewani	100,000	-
Dr Isabel King	-	144,079
Dr Ruth Shakespeare	-	223,110
DK Plus	2,467,768	-
Dunblane School of Nursing	2,336,153	268,513
E Robert & E Chloe	-	50,000
EMMS International -Isabel & Chifundo	57,618,838	26,708,119
EMMS International - Solar project	32,931,045	38,219,542
English Reformed Church - Amsterdam	3,422,566	24,520,812
Estate of late Khimji	1,500,000	-
Farmers Organisation Limited	-	150,000
Formby Reformed Church - United Kingdom	2,222,861	-
Fane Valley	20,930,335	24,641,411
FDH bank	-	300,000
Formby URC	-	1,280,726
Fortress Academy	-	5,000,000
Frank Stewart	42,821	-
Balance carried forward	165,712,101	188,808,180

MULANJE MISSION HOSPITAL**DETAILED INCOME STATEMENT****FOR THE YEAR ENDED 30 JUNE 2019 (CONTINUED)**

CASH DONATIONS(CONTINUED)	2019	Restated 2018
	K	K
Balance brought forward	165,712,101	188,808,180
FFA	-	4,149,884
Good Little Sausage Company	135,494,114	77,989,454
GPY Investments	200,000	-
Hamiton Presbyterian Church - Bt Synod	-	694,797
Hon K Nankhumwa	500,000	-
J A Merlrose	-	70,000
Jack Leah	357,923	-
Jackie Taylor	810,000	-
Joe & Natie	-	50,000
Kara O Mula	-	150,000
Ken Knox	-	1,093,698
Kingfisher Associates	100,000	100,000
Lujeri Tea Estate	200,000	-
Martien and Willemien	417,000	-
Malawi Revenue Authority	-	150,000
Malawi Werkgroep	13,373,318	43,356,720
Makande Tea and Coffee Estate	200,000	150,000
Marion Medical Mission - USA	1,440,000	1,428,000
MASM	-	150,000
National Bank	200,000	-
NICO Holdings	-	150,000
Neil Brent	93,254	-
NGK	2,653,243	-
Presbyterian Church - United States of America	865,462	2,281,086
Presbyterian Church of Canada	-	931,964
Presybterian World Service & Development - Canada	112,879,449	58,668,964
Rotary Club of Limbe	18,388,433	-
Rabecca Butler	808,035	-
Schwartz	-	1,041,305
Stockbridge Church	500,645	-
Saint A & W	3,521,708	2,297,600
Toyota Malawi	400,000	400,000
TJ Enterprises	200,000	-
Trutex	14,376,748	9,911,577
Unknown deposit cheque	-	150,000
Total donations in cash	473,691,432	394,173,228

MULANJE MISSION HOSPITAL**DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019 (CONTINUED)**

	2019	2018
	K	K
DONATIONS IN KIND (Note 5)		
Brother Brothers -Beds/ Mattress,Fabrics, drip stand, mattresses, sunction machine,wheel chair, hand wash soap		43,500
MOH-Imperial Health Sciences	41,095,533	-
Telecom Network Malawi	-	3,100,000
Unicef - Ministry of Health - MG - Food/nutrition supplies	19,288,602	-
Ministry of Health - MG - HIV drugs and medical supplies & drugs	312,288,410	476,985,119
WFP via Ministry of Health - MG - foodstuffs and drugs	197,859,448	9,718,275
Various palliative care drugs	6,173,672	2,492,969
Total donations in kind	576,705,665	492,339,863

MULANJE MISSION HOSPITAL**DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019**

	2019 K	2018 K
HOSPITAL INCOME		
General patients		
Consultation	14,296,595	8,301,965
Laboratory	16,810,635	14,823,575
Drugs & Supplies	40,523,883	44,130,498
Radiology/X-ray	17,964,030	14,799,730
Hospital Days	6,530,775	5,373,925
Maternity Services	10,169,760	6,906,125
Procedures	6,679,205	4,860,840
Dental	522,930	629,690
Total general patients income	113,497,813	99,826,348
Private patients		
Consultation Private	5,783,800	5,075,590
Laboratory - Private	4,085,655	3,317,300
Drugs & Supplies - Private	6,768,363	5,194,810
Radiology/X-ray - Private	1,962,800	1,009,600
Hospital days - Private	3,326,290	2,474,900
Maternity Services - Private	3,085,500	1,290,700
Procedures - Private	1,433,300	1,109,450
Occupational health EPM/Lujeri	31,331,084	29,369,704
Dental - Private	128,360	143,000
Total private patients income	57,905,152	48,985,054

MULANJE MISSION HOSPITAL**DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019**

	2019 K	2018 K
HOSPITAL INCOME (CONTINUED)		
Service level agreement		
Antenatal Clinic Fee - SLA	98,147,008	-
Mother & Neonatal Health - SLA	-	36,377,123
Malaria		6,422,529
Acute Respiratory Infections	-	1,179,588
Acute Diarrhoea Diseases	-	1,574,005
Adult diagnosis and treatment	17,506,398	-
Malnutrition	-	96,687
Fracture & Wound Treatment	-	204,909
Abcess	-	188,357
Blood Transfusion	-	50,811
Under 5 other diagnosis	48,921,320	1,932,745
Refferals to QECH		1,930,191
Other interventions	13,009,542	-
Overheads hospital	-	29,039,524
Outreach	-	8,215,884
Chest x-ray	-	4,244,199
Total service level agreement income	177,584,268	91,456,551
Staff treatment		
Laboratory	647,410	213,200
Drugs and supplies	3,598,190	4,354,449
Radiology	133,800	20,000
Hospital days	67,500	8,000
Maternity services	59,000	87,610
Procedures	101,000	4,500
Dental	364,155	125,600
Total staff treatment income	4,971,055	4,813,359