



AUDITOR GENERAL

**UNIVERSITY OF MALAWI
COLLEGE OF MEDICINE**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

**National Audit Office
Lilongwe 3**

September, 2017

**UNIVERSITY OF MALAWI
COLLEGE OF MEDICINE**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

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**UNIVERSITY OF MALAWI
COLLEGE OF MEDICINE**

STATEMENT OF COUNCIL MEMBERS' RESPONSIBILITIES

The University of Malawi Act; requires Members of the Council to prepare financial statements for each year, which give a true and fair view of the state of the financial position of College of Medicine, a constituent college of the University of Malawi as at the end of the financial year and of the results for that year.

The Act also requires Members of the Council to ensure that the College keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the College and enable them to ensure that the financial statements comply with relevant legislation.

In preparing the financial statements, the Members of the Council accept responsibility for the following:-

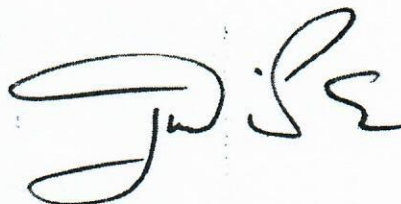
- Maintenance of proper accounting records;
- Selection of suitable accounting policies and applying them consistently;
- Making judgement and estimates that are reasonable and prudent;
- Compliance with applicable accounting standards, when preparing financial statements, subject to any material departures being disclosed and explained in the financial statements; and
- Preparation of financial statements on a going concern basis unless it is inappropriate to presume that the College will continue in business.

Members of the Council also accept responsibility for taking such steps as are reasonably open to them to safeguard the assets of the college and to maintain adequate systems of internal control to prevent and detect fraud and other irregularities.

Members of the Council are of the opinion that the financial statements present fairly, in all material respects, the financial affairs of the College and its operating results.



Prof. John D. Kalenga Saka



Dr. James H.A. Maida

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AUDITOR GENERAL

AUDITOR GENERAL'S REPORT TO THE COUNCIL OF THE UNIVERSITY OF MALAWI ON THE FINANCIAL STATEMENTS OF THE COLLEGE OF MEDICINE FOR THE YEAR ENDED 30TH JUNE, 2016

Opinion

I have audited the accompanying financial statements of the College of Medicine which comprise the Statement of Financial Position as at 30 June 2016 and the Statement of Comprehensive Income and Expenditure, Statement of Changes in Funds and Statement of Cash Flows for the year then ended as set out on pages 4 to 7, and related accounting policies and notes to the accounts presented on pages 8 to 37.

In my opinion, the financial statements present fairly, in all material respects, the financial position of College of Medicine as at 30 June 2016 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and best public sector accounting practice.

Basis for Opinion

I conducted my audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the College of Medicine in accordance with the International Standards of Supreme Audit Institutions 30- *Code of ethics* (ISSAI 30) as promulgated by the International Organisation of Supreme Audit Institutions (INTOSAI), and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have determined that there is no need to communicate key audit matters in my report due the nature of the audited entity.

The Council Members' Responsibility for the Financial Statements

The Council is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Report Standards (IFRS), Donor terms of agreement and financial provisions, and for such internal controls as they determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation of the financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the College's Financial Statements

My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs) will always detect a material misstatement when it exists. 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 College's Financial Statements.

As part of an audit in accordance with ISSAIs, I exercise professional judgment and maintain professional scepticism throughout the audit. I 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 my 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I 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. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances,

I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement auditor on the audit resulting in this independent Auditor General's report is:



**STEPHENSON KAMPHASA
AUDITOR GENERAL
NATIONAL AUDIT OFFICE
LILONGWE
MALAWI**

Date: 17th October, 2017



**UNIVERSITY OF MALAWI
COLLEGE OF MEDICINE**


**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016 K'000	2015 K'000
Revenue			
Subvention	3	3,676,060	3,580,654
Fees		1,276,290	862,701
Projects grants and research income	4	9,550,268	7,970,089
Other income	5	286,211	179,905
NAC Funds		-	13,905
Obs & Gynae/ Family Medicine Funds		-	24,436
Sports Complex Centre income		<u>169,447</u>	<u>128,882</u>
Total income		<u>14,958,276</u>	<u>12,760,572</u>
Expenditure			
Teaching and research	6	2,674,341	2,524,298
Student living	7	320,306	320,344
Administration	8	1,116,052	953,290
Maintenance	9	550,479	417,981
Transport and travelling	10	150,206	148,947
ICT Department	11	156,671	130,681
Common service / other charges	12	39,707	43,585
Sports Complex expenses	13	154,488	114,791
Guest House	14	32,043	27,035
Project and research expenses	15	<u>6,482,364</u>	<u>6,496,462</u>
Total expenditure		<u>(11,676,657)</u>	<u>(11,177,414)</u>
Surplus before designated funds		3,281,619	1,583,158
Designated funds		(3,067,903)	(1,473,625)
Capital expenditure (Note 16)		(539,681)	(153,211)
Release from capital fund		<u>652,420</u>	<u>363,018</u>
Surplus/(Deficit) for the year		<u>326,455</u>	<u>319,340</u>

**UNIVERSITY OF MALAWI
COLLEGE OF MEDICINE**

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE, 2016**

	Note	2016 K'000	2015 K'000
ASSETS			
Non-current assets			
Property, plant and equipment	16	<u>16,638,955</u>	<u>16,935,191</u>
Current assets			
Inventories	17	2,441	5,820
Receivables	18	1,595,200	1,759,381
Cash and cash equivalents	19	<u>4,720,891</u>	<u>2,555,829</u>
Total current assets		<u>6,318,532</u>	<u>4,321,030</u>
Total assets		<u>22,957,487</u>	<u>21,256,221</u>
FUNDS AND LIABILITIES			
Funds			
Capital funds	20	5,014,504	5,310,742
Revaluation reserves		11,624,449	11,624,449
General funds	21	820,409	493,954
Designated funds	22	<u>4,265,609</u>	<u>2,496,041</u>
Total funds		<u>21,724,971</u>	<u>19,925,186</u>
Current liabilities			
Bank overdraft	19	288,901	343,178
Payables	23	<u>943,615</u>	<u>987,858</u>
Total current liabilities		<u>1,232,516</u>	<u>1,331,035</u>
Total funds and liabilities		<u>22,957,487</u>	<u>21,256,221</u>



Dr. James H.A. Maida
CHAIRMAN OF COUNCIL
DATE: 10th October, 2017



Prof. John D. Kalenga Saka
VICE CHANCELLOR
DATE: 11th October, 2017

UNIVERSITY OF MALAWI
COLLEGE OF MEDICINE

STATEMENT OF CHANGES IN FUNDS AND RESERVES
FOR THE YEAR ENDED 30 JUNE 2016

	Capital fund K'000	Revaluation Surplus K'000	General funds K'000	Designated Funds K'000	Total K'000
Balance at 01 July 2014	4,770,802	1,443,874	174,615	3,008,453	9,397,744
Capital assets procured during the period (main & project)	902,958	-	-	-	902,958
Depreciation charge for the year (main & projects)	(363,018)	-	-	-	(363,018)
Revaluation surplus of buildings	-	9,798,523	-	-	9,798,523
Removal of Depreciation after revaluation	-	302,859	-	-	302,859
Adjusted depreciation on derecognized assets	-	79,193	-	-	79,193
Surplus/Deficit for the year	-	-	319,340	-	319,340
Net movement	-	-	-	(512,413)	(512,413)
Balance at 30 June 2015	5,310,742	11,624,449	493,955	2,496,040	19,925,186
Balance at 01 July 2015	5,310,742	11,624,449	493,955	2,496,040	19,925,186
Capital assets procured during the period main and project	539,681	-	-	-	539,681
Depreciation charge for the year main & projects	(652,420)	-	-	-	(652,420)
Adjustments due to projects assets transfers	(395,907)	-	-	-	(395,907)
Adjustment on depreciation due to transfer of assets	212,408	-	-	-	212,408
Surplus/(Deficit) for the year	-	-	326,455	-	326,455
Net movement	-	-	-	1,769,569	1,769,569
Balance at 30 June 2016	5,014,504	11,624,449	820,409	4,265,609	21,724,971

**UNIVERSITY OF MALAWI
COLLEGE OF MEDICINE**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE, 2016**

	2016	2015
	K'000	K'000
Cash flows from operating activities		
Operating cash flows before movements in working capital	326,455	319,340
Movements in working capital		
Decrease /(Increase) in inventories	3,378	(1,734)
Decrease in receivables	284,562	(716,031)
Project funds receivables	(120,380)	(52,077)
Increase in payables	<u>44,243</u>	<u>191,764</u>
Cash (used in)/generated from operations	538,258	(258,738)
Cash flow from investing activities		
Purchase of property, plant and equipment	<u>(539,680)</u>	<u>(902,959)</u>
Net cash used in investing activities	(539,680)	(902,959)
Net cash flow before financing	(1,422)	(1,161,697)
Cash flows from financing activities		
Designated funds	1,681,080	(512,413)
Capital fund	<u>539,680</u>	<u>902,959</u>
Net cash flow from financing activities	<u>2,220,760</u>	<u>390,546</u>
Net increase in cash and cash equivalents	2,219,338	(771,151)
Cash and cash equivalents at the beginning of the financial year	<u>2,212,652</u>	<u>2,983,803</u>
Cash and cash equivalents at the end of the financial year (note 19)	<u>4,431,990</u>	<u>2,212,652</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

1. PRESENTATION OF FINANCIAL STATEMENTS

The financial statements, presented in Malawi Kwacha, were prepared in accordance with the *International Financial Reporting Standards* (IFRSs). The financial statements were prepared using accounting policies which the University of Malawi adopted and consistently applied throughout the reporting period.

1.1 Basis of preparation

The financial statements have been prepared on the historical cost basis except for the revaluation of certain non-current assets. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

1.2 Presentation currency

The financial statements have been presented in Malawi Kwacha (MK). Figures presented in the financial statements have been rounded up to the nearest a thousand.

1.3 Accounting estimates

In preparing financial statements, management make estimates, judgments and assumptions which affect amounts presented in the financial statements and other financial information. Use of available information and application of judgment are inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS (*Continued*)
FOR THE YEAR ENDED 30 JUNE 2016**

2.0 SIGNIFICANT ACCOUNTING POLICIES

The University of Malawi adopted the accounting policies outlined in paragraphs 2.1 to 2.11. These policies were also applied consistently during the reporting period.

2.1 Property, Plant and Equipment (PPE)

2.2.1 Recognition and Initial measurement

The cost of an item of PPE is recognised as an asset when:

- It is probable that future economic benefits associated with the item will flow to the University; and
- The cost of the item can be measured reliably.

Item of PPE is initially measured at cost. Costs include costs incurred initially to acquire or construct an item of PPE and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

PPE is carried at cost less accumulated depreciation and any impairment losses except for property and motor vehicles which are carried at revalued amount being the fair value at the date of revaluation less any subsequent depreciation and subsequent accumulated impairment losses.

Assets acquired under finance leases are capitalised, outstanding balances are shown as part of lease payables.

2.2.2 Subsequent expenditure

Expenditure incurred to replace a component of an item of PPE is recognised in full when it is incurred and added to the carrying amount of the asset. It will be depreciated over its expected useful economic life, which may be different from the expected life of the other components of the asset. The carrying amount of the item being replaced is derecognised when the replacement takes place.

2.2.3 Depreciation

Depreciation is recognised so as to write off the cost of valuation of assets (other than freehold land and properties under construction) less their residual values over their useful economic lives using the straight-line method.

**NOTES TO THE FINANCIAL STATEMENTS (*Continued*)
FOR THE YEAR ENDED 30 JUNE 2016**

2.0 SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

2.2.3 Depreciation (*Continued*)

When an item of PPE is revalued, any accumulated depreciation at the date of the revaluation is restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount. The revaluation surplus in funds related to a specific item of PPE is transferred directly to general fund when the asset is de-recognized.

The estimated economic useful lives, residual values and depreciation method are reviewed at each year end with the effect of any changes in estimates accounted for on a prospective basis.

Categories	Average Useful lives
Land and building	40 years
Motor Vehicle	5 years
Furniture and equipment	5 years
Computers	4 years

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

The gain or loss arising from recognition of an item of PPE is included in surplus or deficit when the item is de-recognized. The gain or loss arising from de-recognition of an item of PPE is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

2.2.4 Impairment

The carrying amounts of PPE are reviewed at each financial reporting date to determine whether there is any indication of impairment. If such indication exists, assets recoverable amount is estimated. In impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in surplus or deficit.

**NOTES TO THE FINANCIAL STATEMENTS (*Continued*)
FOR THE YEAR ENDED 30 JUNE 2016**

2.0 SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

At each financial reporting date, carrying amounts of tangible assets are reviewed to determine whether there is any indication that those assets suffered an impaired loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognized as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of this recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized as income immediately, unless the relevant asset is carried as a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.3 Foreign currency transactions

Foreign currency transactions are translated into Malawi Kwacha at spot rate. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to Malawi Kwacha at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognized in the statement of comprehensive income. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to Malawi Kwacha at foreign exchange rates ruling at the date that values were determined.

2.4 Income

When the outcome of transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognized by reference to the stage of completion of transaction at the end of the reporting period.

**NOTES TO THE FINANCIAL STATEMENTS (*Continued*)
FOR THE YEAR ENDED 30 JUNE 2016**

2.0 SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

The outcome of transaction can be estimated reliably when all the following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the University;
- The stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognized only to the extent of the expenses recognized that are recoverable.

2.4.1 Government subvention

Government subvention is recognized in the statement of comprehensive income upon receipt of fund from Central Government.

2.4.1.1 Government grants

Government grants are recognized when there is reasonable assurance that;

- The University will comply with the conditions attaching to them; and
- The grants will be received.

Government grants are recognized as income over the periods necessary to match them with the related costs that they are intended to compensate.

A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs is recognized as income of the period in which it becomes receivable.

**NOTES TO THE FINANCIAL STATEMENTS (*Continued*)
FOR THE YEAR ENDED 30 JUNE 2016**

2.0 SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

Government grants related to assets, including non-monetary grants at fair value, are presented in the statement of financial position by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset. Grants related to income are deducted from the related expense.

Repayment of a grant related to income is applied first against any unamortized deferred credit set up in respect of the grant. To the extent that the repayment exceeds any such deferred credit, or where no deferred credit exists, the repayment is recognized immediately as an expense.

Repayment of a grant related to an asset is recorded by increasing the carrying amount of the asset or reducing the deferred income balance by the amount repayable. The cumulative additional depreciation that would have been recognized to date as an expense in the absence of the grant is recognized immediately as an expense.

2.4.2 Fees and financial contributions

Fees and financial contributions are recognized in the financial statements on an accruals basis.

2.4.3 Project grants and research income

Project grants and research income are funds received for specific purposes. These are recognized as income in the period they are received in order to match them with the related costs that they are intended to compensate.

2.4.4 Interest income

Interest income represents the interest earned and accrued for the year on investments and staff loans.

2.4.5 Income generating activities

Income from income generating activities is measured at the fair value of the consideration received or receivable.

**NOTES TO THE FINANCIAL STATEMENTS (*Continued*)
FOR THE YEAR ENDED 30 JUNE 2016**

2.0 SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

2.5 Financial instruments

The University groups financial assets and financial liabilities into the following categories,

- Financial assets at fair value through profit or loss held for trading;
- Loans and receivables;
- Available for sale financial assets; and
- Financial liabilities measured at a mortised cost.

Classification depends on the purpose for which the financial instruments were obtained or incurred and takes place at initial recognition. Classification is re-assessed on an annual basis.

2.5.1 Initial recognition and measurement

Financial instruments are recognized initially when the University becomes a party to the contractual provisions of the instruments. The University classifies financial instruments or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial instruments are measured initially at fair value, except for equity investments for which a fair value is not determine, which are measured at cost and classified as available- for financial assets. For financial instruments which are not at fair value, through statement of comprehensive income, transaction costs are included in the initial measurement of the instrument.

NOTES TO THE FINANCIAL STATEMENTS (*Continued*)
FOR THE YEAR ENDED 30 JUNE 2016

2.0 SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

2.5.2 Subsequent measurement

Financial instruments at fair value through or loss are subsequently measured at fair value, with gains and losses arising from changes in fair value being included in surplus or deficit for period.

Loans and receivables are subsequently measured at amortized cost, using the effective interest method, less accumulated impairment losses.

Available-for-sale financial assets are subsequently measured at fair value. This excludes equity investments for which a fair value is not determinable, which are measured at cost less accumulated impairment losses.

Gains and losses arising from changes in fair value are recognized in other comprehensive income and accumulated in funds until the asset is disposed of or determined to be impaired. Interest on available-for-sale financial assets calculated using the effective interest method is recognized in statement of comprehensive income as part of other income. Dividends received on available-for-sale equity instruments are recognized in statement of comprehensive income as part of other income when the University's right to receive is established.

Changes in fair value of available-for-sale financial assets denominated in a foreign currency are analyzed between translation differences resulting from changes in amortized cost and other changes in the carrying amount. Translation differences on monetary items are recognized in surplus or deficit, while translation differences on non-monetary items are recognized in other comprehensive income and accumulated in funds.

Financial liabilities at amortized cost are subsequently measured at amortized cost, using the effective interest method.

2.6 Receivables

Receivables comprise of student receivables, staff receivables, prepayment, staff advances, and sundry non-trade receivables. These are measured at amortized cost. An impairment loss is recognized in statement of income, where there is objective evidence that it is impaired.

**NOTES TO THE FINANCIAL STATEMENTS (*Continued*)
FOR THE YEAR ENDED 30 JUNE 2016**

2.0 SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

2.7 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

2.8 Inventories

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

2.9 Provisions and contingencies

Provisions are recognized when:

- The University has a present obligation as a result of a past event;
- It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- Reliable estimates can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation. Provisions are not recognized for future operating losses.

If the University has a contract that is onerous, the present obligation under the contract is recognized and measured as a provision. Contingent assets and liabilities are not recognized. Contingencies are disclosed in notes to the financial statements.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period 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.

NOTES TO THE FINANCIAL STATEMENTS (*Continued*)
FOR THE YEAR ENDED 30 JUNE 2016

2.0 SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

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

2.10 Superannuation

The University contributes to a defined contribution scheme for employees. Contributions are charged to the statement of income.

UNIVERSITY OF MALAWI
COLLEGE OF MEDICINE

NOTES TO THE FINANCIAL STATEMENTS (*Continued*)
FOR THE YEAR ENDED 30 JUNE 2016

3 GOVERNMENT SUBVENTION

	2016	2015
	MK'000	MK'000
Annual operations	<u>3,676,060</u>	<u>3,580,654</u>
Total subvention	<u>3,676,060</u>	<u>3,580,654</u>

4 PROJECT GRANTS AND RESEARCH INCOME

Unspent funds from previous years	1,473,625	1,997,526
Grants received (note 24)	6,647,642	5,127,816
Research projects - processing and administration fees	9,655	9,137
Interest received	52,708	17,580
RSC administration fees	22,174	14,056
Income from building	5,447	15,244
Other income	127,840	204,243
Exchange gain	<u>1,211,177</u>	<u>584,487</u>
Total project grants and research income	<u>9,550,268</u>	<u>7,970,089</u>

5 OTHER INCOME

Interest earned	18,662	26,236
Catering sales	7,854	21,161
Conferences/workshops	17,397	-
Donations & grants	52,668	26,674
Profit on disposal	-	8027
Exchange gain	93,622	54,982
Sundry income	<u>96,007</u>	<u>42,825</u>
Total other income	<u>286,211</u>	<u>179,905</u>

UNIVERSITY OF MALAWI
COLLEGE OF MEDICINE

NOTES TO THE FINANCIAL STATEMENTS (*Continued*)
FOR THE YEAR ENDED 30 JUNE 2016

6. TEACHING AND RESEARCH

	2016 K'000	2015 K'000
Salaries	1,869,150	1,704,608
Tevet Levy	20,041	15,374
Telephone	22,840	4,464
Stationery	33,851	22,918
Staff training & development	15,997	16,561
Postgraduate programmers – training	4,356	55,576
Repairs - other equipment	3,225	2,553
Postage/document delivery	745	419
Perks	80,795	75,104
Passages	6,293	1,469
Meeting expenses	28,033	35,115
Rental Expenses	-	2,891
Security Services	2,046	1,113
Gratuity	46,927	28,528
<u>General expenses</u>		
Examination expenses	27,863	6,462
Advertising	-	858
Maintenance -property & premises	1,768	1,734
Electricity	4,113	2,200
Water	757	142
Allowances - acting/resp./duty/warden's	24,333	27,074
Consumables/cleaning	78	1,745
Teaching materials	11,811	50,280
Student attachments	6,125	13,587
Conferences & workshops	219	1,698
Fuels & oils	1,840	2,842
Mileage claim	4,024	3,555
Subsistence Allowance	28,102	24,144
Finance charges	2,380	10,259
Medical expenses	25,218	19,253
Superannuation costs	254,342	222,866
Furniture and fittings	184	1,083
Hiring of vehicles	-	282
Exchange loss	3,006	30,945
Subscriptions	143	65

UNIVERSITY OF MALAWI
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NOTES TO THE FINANCIAL STATEMENTS (*Continued*)
FOR THE YEAR ENDED 30 JUNE 2016

6. **TEACHING AND RESEARCH** (*Continued*)

Library

	2016	2015
	K'000	K'000
Salaries	93,434	80,904
Tevet Levy	1,129	893
Perks	15,399	15,365
Superannuation costs	21,505	18,327
Subsistence allowance	1,625	3,336
<u>General expenses</u>		
Books	173	432
Stationery	1,025	3,098
Subscriptions	4,370	9,470
Conferences & workshops	-	574
Advertising	-	422
Masm/medical expenses	2,721	2,041
Consumables and cleaning	287	484
Mileage refund	51	-
Meetings	1,420	874
Phone/fax/e-mail	104	92
Professional charges	493	-
Repairs – buildings	-	220
Total teaching and research	<u>2,674,341</u>	<u>2,524,298</u>

7. **STUDENT LIVING**

Wages	13,978	11,163
Tevet Levy	151	122
Superannuation costs	-	510
<u>General expenses</u>		
Meals & meal coupon	265,267	302,344
Allowances - acting/resp./duty/warden's	8,602	4,227
Phone/fax/e-mail	29	1,467
Repairs – other equipment	5,518	-
Mileage Refund- Subsistence allowances	198	-
MASM/medical expenses	23,049	251
Student Welfare	(7)	60
Student Union activities	3,521	200
Total student living expenses	<u>320,306</u>	<u>320,344</u>

UNIVERSITY OF MALAWI
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NOTES TO THE FINANCIAL STATEMENTS (*Continued*)
FOR THE YEAR ENDED 30 JUNE 2016

8. ADMINISTRATION

	2016 K'000	2015 K'000
Salaries	291,222	271,829
Staff benefits outside payroll	8,414	10,642
Staff benefits	46,372	42,398
Superannuation costs	51,677	51,078
<u>General expenses</u>		
Advertising	15,254	16,923
Fuels and oils	636	1,002
Ceremonies/graduation/open	2,097	60
TEVETA Levy	3,262	2,679
Postgraduate programmes	1,973	2,522
Conferences & workshops	6,913	5,090
Stationery	51,296	49,946
Telephone	18,952	14,601
Repairs - office equipment	668	1,121
Repairs - Property and Premises	-	8,432
Consumables/cleaning	4,869	4,028
Meeting expenses	13,293	10,235
Postage/document delivery	3,937	2,491
Tools and other equipment	409	313
Council expenses	126	-
Staff training & development	14,027	6,186
Staff and students welfare	457	171
Meals and meal coupons	550	1,881
City and Rent Expenses	17,692	23,236
Examination expenses	8,179	1,199
Hospitality	1,998	176
Finance charges	10,329	-
MASM/medical expenses	11,637	6,235
Mileage claim	123	807
Gratuity	10,089	93
Subscriptions	5,398	971
Subsistence allowance	32,775	20,764
Student Union activities	-	2,139

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NOTES TO THE FINANCIAL STATEMENTS (*Continued*)
FOR THE YEAR ENDED 30 JUNE 2016

8. ADMINISTRATION (*continued*)

	2016 K'000	2015 K'000
Office equipment	720	-
Professional charges	20,477	25,985
Penalties	-	650
Exchange loss	39,222	4,391
Depreciation Charge-Land & Buildings	342,848	3,558
Depreciation Charge- Motor Vehicle	-	3,779
Depreciation Charge-Laboratory Equipment	41,192	53,565
Depreciation other assets	36,969	302,117
Total administration expenses	<u>1,116,052</u>	<u>953,290</u>

9. MAINTENANCE

General expenses

Electricity	89,226	85,193
Water	154,743	144,081
Repairs – buildings	31,273	38,496
Repairs - property and premises	2,364	1,145
Repairs - office equipment	-	2,369
Cleaning Services and Consumables	60,853	61,616
Subsistence allowance	24	714
Security services	211,188	82,906
Furniture & fittings	808	1,461
Total maintenance expenses	<u>550,479</u>	<u>417,981</u>

UNIVERSITY OF MALAWI
COLLEGE OF MEDICINE

NOTES TO THE FINANCIAL STATEMENTS (*Continued*)
FOR THE YEAR ENDED 30 JUNE 2016

10. TRANSPORT AND TRAVELING

	2016	2015
	K'000	K'000
Wages	45,179	33,044
TEVET/Levy	462	345
MASM/medical expenses	577	335
Superannuation costs	8,660	7,413
General expenses		
Mileage claim	103	381
Fuel and oils	38,848	41,850
Subsistence allowance	10,188	13,242
Allowances Acting/Resp./Duty/Warden's	-	6,108
Motor repairs and maintenance	33,117	32,616
Motor licensing	12,572	11,917
Consumables and cleaning vehicles	423	1,129
Stationery	-	227
Tools and other equipment	-	244
Phone/fax/e-mail	77	96
Total transport and traveling	<u>150,206</u>	<u>148,947</u>

11 ICT DEPARMENT

Salaries	46,786	43,196
TEVET/Levy	553	455
Perks/Staff Benefits	7,745	7,896
Superannuation costs	1,464	1,582
MASM/Medical expenses	903	807
<u>General expenses</u>		
Telephone	87,512	67,457
Stationery	107	157
Training and staff development	-	130
Repairs - office equipment	4,922	162
Consumables & cleaning materials	11	159
Mileage Refund	60	32
Meetings	172	115
Postage & stationery	4	49
Subsistence allowance	1,569	1,982
Gratuity	4,863	6,502
Total for ICT Department	<u>156,671</u>	<u>130,681</u>

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NOTES TO THE FINANCIAL STATEMENTS (*Continued*)
FOR THE YEAR ENDED 30 JUNE 2016

12 COMMON SERVICE/OTHER CHARGES

	2016	2015
	K'000	K'000
Student sports expenses	5,133	11,468
Students union activities	-	200
Staff & students welfare	-	437
General insurance	23,079	4,533
MASM/medical expenses	1,711	20,469
Fringe Benefits Tax	7,812	4,953
HIV/AIDS activities	-	1,100
Students attachments	25	225
Ceremonies/graduation/open days	<u>1,947</u>	<u>200</u>
Total common service and other charges	<u>39,707</u>	<u>43,585</u>

13 SPORTS COMPLEX CENTRE

TEVET/Levy - Sports Complex Centre	180	178
MASM/Medical expense	331	77
Operation expenses	<u>153,977</u>	<u>114,536</u>
Total Sports Complex Centre expenses	<u>154,488</u>	<u>114,791</u>

14 GUEST HOUSE - MOUNT PLEASANT

Salaries and wages	12,073	11,097
TEVET/Levy	150	123
Gratuity/ Staff Benefits	7,020	1,862
Phone/fax/e-mail	86	77
Electricity	1,318	560
Water	1,516	1,993
Meetings	90	863
Maintenance and repairs – equipment	171	-
Maintenance and repairs – building	171	82
Maintenance - property and premises	150	-
Consumables and cleaning materials	98	161
Tools and other equipment	-	494
Meals and meal coupon	8,595	7,688
Subscriptions	-	879
Finance charges	157	217
Security Services	146	684
MASM/Medical expenses	<u>302</u>	<u>255</u>
Total Guest House expenses	<u>32,043</u>	<u>27,035</u>

**UNIVERSITY OF MALAWI
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**NOTES TO THE FINANCIAL STATEMENTS (*Continued*)
FOR THE YEAR ENDED 30 JUNE 2016**

15 PROJECT AND RESEARCH EXPENSES

	2016	2015
	K'000	K'000
ACCORDIA	-	3,582
ADAPT Project	16,907	133,430
AMARI	26,020	-
Antibiotic in Miscarriage Surgery	43,141	38,273
Antimicrobial Stewardship & Cons in Africa	-	21,279
ARCADE project	2,881	7,807
Beanish Project	49,536	30,208
BMFG Xenomonitoring Project	16,067	6,518
BONEP	-	1,318
Breitch Project	18,067	2,080
BSc Int. Med, Gyenae & Anaesthesia	80,903	54,561
Capacity Build in Research Grants	1,443	11,012
Care for development project	6,022	4,781
CBM Project	9,588	42,633
CDC HIV Fellowship	7,629	100,766
CDC IMEM	314,452	-
CDC Partnership project	180,419	424,492
CDCC	52,932	67,687
Centre for Bioethics	5,542	5,378
Centre for Reproductive Health	44,069	12,942
Centre For Reproductive Health- Salaries Invest	-	113
CHPI project	884	(765)
CHRAIC	25	-
Clinical Trial Management	266	250
COM CAPACITY	112	-
Connecting Health Research in Africa	-	77
COST Africa	102,382	32,629
CORDAID Project	264	143
COSYST Project	35,325	36,892
CRH NAC Project	6,527	25,316
Dept Zero-to be reallocated	11,661	-
Diabetic child	197	2,678
Duke University	857	1,776
ELMA CPAP	47	-
EMTCT Project	315,958	200,003
EU Develop. Countries Clinical Trials	585	6,900

**UNIVERSITY OF MALAWI
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**NOTES TO THE FINANCIAL STATEMENTS (*Continued*)
FOR THE YEAR ENDED 30 JUNE 2016**

15 PROJECT AND RESEARCH EXPENSES (*Continued*)

	2016	2015
	K'000	K'000
ETATMBA Project	8,178	1,384
F75 Study	28,859	17,661
Family Federation of Finland	-	586
FANTA 2 Illins Project	161,912	34,390
Fanta MiTrack Project	61,601	-
Gates Malaria	507,665	127,918
Global Health Project	69,451	28,281
Guttmacher Abortion Study	36,635	-
Health Management Unit	516	89
Health Systems Strengthening Project	-	19,253
Helse TB Project	244,626	138,688
HISP	-	737
HIV EHPSA MSM Project	170,822	-
HIV Implementation Research Training	17,385	-
Human Africa Trypanomiasis	111	-
ICMER	532,554	433,976
Ilins Project	160,571	255,022
IMMPAQKT Project	23,869	-
Infectious Disease	5,909	1,878
Life Long Project	2,007	9,916
Lungwena Umoyo Project	14,972	-
MAC ENTO Studies Project	42,021	15,921
MAC Laboratory	10,686	8,990
Majete Malaria Project	171,550	195,007
Malaria Decision Support System	86,909	123,284
Malaria In Pregnancy (PREGACT)	-	36,679
Malarid	6,932	65,764
Malarid PMC	121,332	1,616
MaRCH Study	(887)	11,762
Maternal Child Health	49,195	36,552
MCDC PHD Fellowship	27,062	36,266
Mental Health Departmental Project	25,745	21,517
MIEHCAP Project	20,309	-
MIP Anthropology Study	-	3,263
MLW Research Programme	31,952	31
Molecular Surveillance	1,065	1,222

**UNIVERSITY OF MALAWI
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**NOTES TO THE FINANCIAL STATEMENTS (*Continued*)
FOR THE YEAR ENDED 30 JUNE 2016**

15 PROJECT AND RESEARCH EXPENSES (*Continued*)

	2016 K'000	2015 K'000
MORDOR Study	88,440	4,576
NAC BDS Study	28	-
NACCAP	77,184	78,406
Norad Program for Masters	731	2,843
NORHED ASCA Project	70,708	-
NORHED Surgery	101,004	101,578
Norway/SIDA Phase 4	60,945	106,377
PANBIOME	231	185
PEPFAR project loma linda	-	365,268
PEPFAR project main	(6,424)	738,858
PEPFAR project UNC	-	408,938
PEPFAR Welcome Trust	-	37,233
Performance Based Project	96,387	142,504
PK-PD Models Study	1,074	108
Pregat Study	2,410	1,648
Premier Postgraduate	11,326	26,933
QAAM Project	14,373	5,597
QMMP Project	4,153	-
Research Ethics Committee	36,886	21,327
Research Support Centre	67,134	64,313
SACORE Grant	919,964	457,052
SAVE Project	-	1,414
Save the children survival	12,871	27,202
Savings Brains/Pamaned Project	8,690	57,572
Sayana Press Study Project	64,013	270
Scottish Collaboration	12,092	678
Securing Water Resources in Rural	146	280
Small grants	202,465	88,132
St. Louis Nutrition	340,605	54,837
Tampere University	659	464
TESA	5,547	1,072
Thin Layer Agar	-	83
THRU Project	27,928	12,866
THRU/Pfizer Project	(10,291)	-
Traypanogen Project	35,121	15,292

UNIVERSITY OF MALAWI
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NOTES TO THE FINANCIAL STATEMENTS (*Continued*)
FOR THE YEAR ENDED 30 JUNE 2016

15. PROJECT AND RESEARCH EXPENSES (*Continued*)

	2016 K'000	2015 K'000
UBFR Project	-	90
Umbrella Fund CRH	52	9
UNC Project	152	338
United Front for Body Rights	113	-
Universal financial risk	-	555
Urban Malaria	4	11
WHO Long Project	-	183
World Child Cancer Foundation	12,010	13,695
World diabetes foundation	-	5,515
Capital Expenditure	231,411	749,748
Project and research expenses total	<u>6,482,364</u>	<u>6,496,462</u>

**UNIVERSITY OF MALAWI
COLLEGE OF MEDICINE**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2016**

16 PROPERTY, PLANT AND EQUIPMENT

	Land K'000	Buildings K'000	Work in Progress Buildings K'000	Motor Vehicles K'000	Furniture, Fittings & equipment K'000	Total K'000
Cost						
At 01 July 2014	248,430	3,825,066	1,872,989	459,858	1,218,576	7,624,919
Transfer of buildings from WIP	-	1,872,988	(1,872,988)	-	-	-
Revaluation	209,178	9,589,345	-	-	-	9,798,523
Additions of assets		11,910	61,985	185,375	643,689	902,959
At 30 June 2015	<u>457,608</u>	<u>15,299,309</u>	<u>61,986</u>	<u>645,233</u>	<u>1,862,265</u>	<u>18,326,401</u>
At 01 July 2015	457,608	15,299,309	61,986	645,233	1,862,265	18,326,401
Transfer of buildings from WIP	-	40,196	(40,196)	-	-	-
Projects assets transfers	-	-	-	(53,041)	(424,839)	(477,880)
Additions of assets (main)	-	-	31,017	-	93,717	124,734
Donations received	-	-	-	-	81,973	81,973
Additions of assets (project)	-	34,202	89,007	141,076	150,662	414,947
At 30 June 2016	<u>457,608</u>	<u>15,373,707</u>	<u>141,814</u>	<u>733,268</u>	<u>1,763,778</u>	<u>18,470,175</u>
Depreciation						
At 01 July 2014	-	299,302	-	359,345	751,597	1,410,244
Charge for the year projects	-	-	-	89,121	212,996	302,117
Charge for the year main	-	3,558	-	3,779	53,565	60,902
Adjustment of depreciation	-	-	-	(9,455)	(69,738)	(79,193)
Removal of depreciation after						
Revaluation	-	(302,860)	-	-	-	(302,860)
At 30 June 2015	<u>-</u>	<u>-</u>	<u>-</u>	<u>442,789</u>	<u>948,420</u>	<u>1,391,210</u>
At 01 July 2015	-	-	-	442,789	948,420	1,391,209
Charge for the year projects	-	15,365	-	67,705	148,341	231,411
Charge for the year main	-	342,848	-	-	78,161	421,009
Adjustment of depreciation due						
to transfers & write off	-	-	-	(21,300)	(191,108)	(212,408)
At 30 June 2016	<u>-</u>	<u>358,213</u>	<u>-</u>	<u>489,194</u>	<u>983,814</u>	<u>1,831,221</u>
Carrying amount						
At 30 June 2016	<u>457,608</u>	<u>15,015,495</u>	<u>141,814</u>	<u>244,074</u>	<u>779,964</u>	<u>16,638,955</u>
At 30 June 2015	<u>457,608</u>	<u>15,299,309</u>	<u>61,986</u>	<u>202,444</u>	<u>913,846</u>	<u>16,935,191</u>

NOTES TO THE FINANCIAL STATEMENTS (*Continued*)
FOR THE YEAR ENDED 30 JUNE 2016

17 INVENTORY

	2015 MK'000	2016 MK'000
Consumables	1,114	1,747
Stationery	1,327	3,833
Fuel	-	240
Project inventories	-	-
Total inventories	<u>2,441</u>	<u>5,820</u>

Note briefly: Inventory related to stores which was purchased but not used during the reporting period

18 RECEIVABLES

Staff advances	93,621	96,223
Inter-colleges	513	513
Student receivables	446,829	354,993
Other receivables	229,293	132,862
Subvention grant	-	286,643
Cash imprests	59,356	48,664
Project funds receivables	446,498	326,118
Project receivables	319,090	513,365
	<u>1,595,200</u>	<u>1,759,381</u>

**NOTES TO THE FINANCIAL STATEMENTS (*Continued*)
FOR THE YEAR ENDED 30 JUNE 2016**

19 CASH AND CASH EQUIVALENTS

	2016	2015
	MK'000	MK'000
NAC funds balances	81,711	68,347
Sports complex funds	48,328	9,217
School of pharmacy funds	11,011	2,094
Foreign currency denominated accounts	211,095	284,513
Current accounts	1,025,180	186,681
Deposit accounts	58,437	87,865
Project accounts	<u>3,285,130</u>	<u>1,917,112</u>
Sub-total	<u>4,720,891</u>	<u>2,555,829</u>
Bank overdrafts – Other	(183,025)	(234,166)
Bank overdrafts – Projects	<u>(105,876)</u>	<u>(109,011)</u>
Sub-total	<u>(288,901)</u>	<u>(343,178)</u>
Cash and cash equivalents as at 30 June 2016	<u><u>4,431,990</u></u>	<u><u>2,212,652</u></u>

20 CAPITAL FUND

Capital fund represents the total expenditure incurred to procure or otherwise construct all items of Plant, Property and Equipment.

21 GENERAL FUND

General fund represents an accumulation of surpluses or losses over the past reported financial periods.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2016

22 FUNDS FOR SPECIFIC PURPOSE

	2016	2015
	K'000	K'000
ADAPT-RSC (ADJUST)	2,229	2,229
African Malaria Network Trust (AMANET)	211	211
AIMS Project	4,939	4,444
ARCADE project	289	289
Build Mental Health	3,121	3,121
Burkitts Project	194	194
CAPGAN Conference	249	249
Care for Child Development	28	28
CDC IMEM	101	-
CDC Partnership	-	14,219
CEBESA	191	191
Centre for Reproductive Health	1,463	6,841
Chawel Plands Limited (project)	278	278
COM Breicht Study	3,687	3,687
COM Laptop Scheme Fund	-	310
COM MDICP	1,445	1,445
COM Medical Outreach	25	25
COM Research Projects (COMREC)	-	264,383
Bill & Melinda Gates (BMGF Xenomonitoring Project)	15	-
COM – Sucoma Charlet	103	103
Continued Diabetes Care Capacity (CDCC)	20,456	7,795
David Livingstone Scholarships	-	2,112
Department funds – Admin fee projects	24,403	24,403
Dept Funds – Malaria research	152	152
Dept Funds – Obs/Gynae	1,398	2,468
Dept Funds – Anaesthesia	902	667
Dept Funds – Anatomy	35,765	11,210
Dept Funds – Biochemistry	46,213	42,301
Dept Funds – Bsc Degree In Laboratory Technician	2,315	2,315
Dept Funds - Community health	1,252	1,252
MIEHCAP	47	-
Dept Funds – Haematology	1,006	1,006

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**NOTES TO THE FINANCIAL STATEMENTS (*Continued*)
FOR THE YEAR ENDED 30 JUNE 2016**

22 FUNDS FOR SPECIFIC PURPOSE (*Continued*)

	2016 K'000	2015 K'000
Dept Funds – Histopathology	9,678	9,771
Dept Funds – IT Department	6,583	5,873
Dept Funds – Library	6,943	6,039
Dept Funds – Medicine	3,999	3,628
Dept Funds – Microbiology	14,612	13,798
Dept Funds – Physiology	549	-
Dept Funds – Paeds	9,133	8,989
Dept Funds – Surgery	2,937	2,469
Dept Funds – Undergraduate Deans Office	6,553	5,835
Dept Funds Psychiatry	47	47
Eanett	310	310
EMTCT Project	2,660	2,661
Gates Malaria Project	18,030	843
Glycerol Project	21	21
Grant for Promotion of Optimum Feeding	532	532
H3Africa Project-Welcome Trust	292	473
Guest House - Clearing account	-	1,360
HBC Diana Fund	1,625	1,471
HIV Policy Development	385	385
HIV Prevention Strategy	36	36
HIV Staging	76	76
Human Subjects Protection	2,133	2,133
Inaugural Lecturer	2,433	2,692
Mmed Opthamology	20,704	-
Guest House - Clearing account	-	1,360
H H Study Department of Medicine Foundation	-	-

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**NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2016**

22 FUNDS FOR SPECIFIC PURPOSE (Continued)

	2016 K'000	2015 K'000
Beanish Project/HBC Project/ SAFHI Grant-Queen Margret	2,167	-
CIPHER Project	2,042	-
COM Research Account – Admin Fees	364,656	-
GEAS	145	-
Icemr	-	8,926
ILINS-TUMCHIP Project	68,460	5,399
Informatics account	34,037	3,070
John Hopkins Project	2,535	2,535
Life Long Medical Education Project	8	8
Liverpool grant	327	327
London school funds for medical students	376	376
Medical Council of Malawi-Index fees	28	28
MEPI-MMED	118,171	99,800
MORDOR Study	4,007	3,353
Motivation Project	1,203	1,203
MOVE Project(Duke University)	2,074	2,074
NAC Funds	18,910	89,637
NACCAP/ILINIS Project	7,669	-
NACCAP Advance	87	-
Nankumba Safe Motherhood Research	490	490
NOHRED ANTIMICROBIAL	7,637	-
OBS & Gyna MMED Fellowship/Family Medicine MMED	-	8,612
Orthopaedic Drug Account	33	33
Paedriatrics Fellowship MMED Programme	29,475	19,385
Performance Based Project	-	2,393
COMED Alumni Association	24	-
Principals Discretionary Fund	693	693
Quality of Antimalarial & Antibiotic Medicine in Malawi	1,005	-
Research Support Centre	-	4,369
Rota Vaccine Project	2,563	8,442
Schistomiasis survey Project	9	9
Small Grants	8,382	6,987
ST Andrews University Scotland-BMSHP Workshop	6,741	6,741
St Louis Nutrition SF HIV project	981	972

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NOTES TO THE FINANCIAL STATEMENTS *(Continued)*
FOR THE YEAR ENDED 30 JUNE 2016

22 FUNDS FOR SPECIFIC PURPOSES *(Continued)*

	2016	2015
	MK'000	MK'000
Stale cheques	4,200	18,264
Sundry deposits	27	27
UMSU	69	69
UNC Project	5,168	5,168
United general insurance claims for construction	30	30
University Entrance Examinations	1,740	1,665
University of Malawi Staff Sports Association	28	28
WHO Long Term Institutional Grant	683	683
UNIMA @ 50	529	-
World diabetes fund	843	843
	961,004	770,009
Other project funds for specific purposes	<u>236,702</u>	<u>252,407</u>
Funds for specific purposes before unspent funds for project	1,197,706	1,022,416
Unspent funds for projects as at 30 June	<u>3,067,903</u>	<u>1,473,625</u>
Total funds for specific purposes	<u>4,265,609</u>	<u>2,496,041</u>

23 PAYABLES

	2016	2015
	MK'000	MK'000
Trade	182,014	24,792
Other	4,744	40,139
Accruals	16,151	10,736
Prepaid Income	35,030	2,500
PAYE	103,737	97,019
Withholding tax	15,022	13,627
Projects	<u>586,917</u>	<u>799,044</u>
Total payables	<u>943,615</u>	<u>987,858</u>

UNIVERSITY OF MALAWI
COLLEGE OF MEDICINE
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2016

24 GRANTS RECEIVED

	2016	2015
	MK'000	MK'000
Antibiotic in Miscarriage Surgery	64,202	6,714
ARCADE project	5,658	7,956
BMFG Xenomonitoring Project	11,579	-
BSc Ibt. Med, Gyenae & Anaesthesia	63,424	64,431
Capacity Building in Research Grants Administration	-	28,522
CBM project	14,563	42,903
CDC HIV Fellowship	-	121,192
CDC Partnership Project	215,055	410,134
CDCC	55,478	66,623
Centre for bioethics	-	2,496
Centre For Reproductive Health	16,242	-
COST AFRICA Project	102,904	45,367
EMTCT Project	306,785	88,372
ETATMBA project	12,816	16,704
EU Beanish Project	44,086	32,090
EU Develop. Countries Clinical Trials Partnership	11,920	-
F75 STUDY	23,303	28,036
Gates Malaria Project	514,330	80,350
Global Health	43,131	25,889
Helse TB Project	248,650	125,423
ICMER	668,085	451,511
ILINS FANTA Project	166,301	6,786
ILINS Project	286,456	60,492
Lifelong Project	-	9,418
MAC ENTO Studies Project	36,442	21,572
MAC Laboratory	-	8,763
Majete Malaria Project	8,727	179,823
Malaria Decision Support System	119,376	133,087
Malarid	-	62,379
Malarid PMC	384,570	148,505
Martenal Child Health	39,362	59,097
MCDC PhD Fellowship	1,829	23,810
Mental Health Project	-	16,520
MIP Anthropology	-	36,452
MORDOR Project	136,802	30,467
NAC CRH Project	1,099	21,240
NACCAP	129,875	49,858
NORHED ASCA	66,848	-
NORHED Surgery	8,228	152,317
Norway/Sida Support Project Phase 4	-	81,657