MEDIC TO MEDIC LIMITED

FINANCIAL STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025

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MEDIC TO MEDIC LIMITED

DIRECTORS' REPORT
For the year ended 31 December 2025

Introduction
The Board of Directors is pleased to present the annual financial statement of Medic to Medic Ltd for the year ended 31 December 2025.

Main Business and Operations
Medic to Medic Ltd is a Malawi registered charity, dedicated to supporting financially disadvantaged healthcare students to complete their training. The organization provides tuition fees, semester allowances, medical equipment, textbooks, and mentorship to enable capable but under-resourced students to graduate and contribute to strengthening the local health workforce.

Operating primarily in Malawi, Medic to Medic Ltd partners with local universities and colleges to identify and support students in medicine, nursing, midwifery, pharmacy, physiotherapy, mental health, optometry, radiography, and other allied health professions. The charity's holistic approach not only ensures academic success but also promotes the personal and professional growth of future health professionals.

Vision and Mission
- **Vision:** A well-trained, motivated, and retained health workforce in Malawi capable of delivering quality healthcare for all.
- **Mission:** To support disadvantaged healthcare students to graduate as qualified health professionals, thereby strengthening the delivery of healthcare services and addressing skills shortages in Malawi.

Strategic Objectives
The overarching goal of Medic to Medic Ltd is to build and retain a skilled healthcare workforce in Malawi by enabling students from disadvantaged backgrounds to complete their education. To realize this mission, Medic to Medic Ltd pursues the following strategic objectives:

- Provide full or partial scholarships covering tuition, allowances, learning resources, and essential equipment.
- Support students' well-being through mentorship, psychosocial assistance, and peer networking.
- Partner with educational institutions and stakeholders to ensure high-quality training and professional readiness.
- Foster alumni engagement to encourage professional networking, mentoring, and reinvestment into the program.
- Promote equitable access to healthcare training opportunities, especially for rural, female, and marginalized students.
- Strengthen local fundraising and community engagement for long-term sustainability.

Events after the reporting period
The Directors are not aware of any matters or circumstances arising since the end of the financial year to the approval of the financial statement that may impact the financial statement.

Directors
The following Directors served during the financial year:

Names	**Duration**
Fiona Tamsin Newlyn Lille	Full year
Thokozire Phiri	Full year
Fanuel Bickton	Full year
Hawah Mbali	Full year
Alice Dwight Namanja	Full year
Jeremiah Christopher Kabaghe	Full year

MEDIC TO MEDIC LIMITED

DIRECTORS' REPORT
For the year ended 31 December 2025

Registered address
Office address:
Medic to Medic Ltd
PO Box 31717
Chichiri
Blantyre 3

Bankers
FDH Bank
Umoyo
House PO
Box 512
Blantyre

Independent auditors:
Area 4, Off Chilambula,
Road, Corporate Mall,
P. O. Box X286,
Lilongwe

KB Audit Co have expressed their willingness to continue in office as auditors in respect of the Organization's 31 December 2027 financial statement.

By order of the Board

____
Chief Executive Officer

Date: 16th June **2026**

MEDIC TO MEDIC LIMITED

DIRECTORS' RESPONSIBILITY STATEMENT

Directors are responsible for the preparation and fair presentation of the statement of income and expenditure for the year ended 31 December 2025 in accordance with the Modified Cash Basis of Accounting and for such internal control as management determine necessary to enable the preparation of statement of income and expenditure that is free from material misstatement, whether due to fraud or error.

Management is also required to ensure that proper accounting records which disclose with reasonable accuracy at any time the financial position of the Organization are kept. Management is also responsible for ensuring that the statement of income and with the financial agreements.

In preparing the statement of receipts and payments, management accept responsibility for the following:

a) Maintenance of the proper accounting records;
b) Selection of suitable accounting policies and applying them consistently;
c) Making judgement and estimates that are reasonable and prudent;
d) Compliance with applicable accounting standards when preparing the statement of receipts and payments, subject to any material departures being disclosed and explained in the statement of cash receipts and payments, and
e) Preparation of statement of income and expenditure on a going concern basis unless it is inappropriate to presume the Organization will continue in operation.

Management also accept responsibility to safeguard Organization assets and maintain a system of internal controls to prevent and detect fraud and other irregularities.

Management is of the opinion that the statement of income and expenditure present fairly, in all material respects, the state of the financial affairs of the Organization and of its operating results.

The auditor is responsible for reporting on whether the statement of income and expenditure is fairly presented in accordance with Modified Cash Basis of Accounting.

Approval of statement of cash receipts and payments

The statement of income and expenditure for the Organization as stated above was approved for issue by the management on 16th June **2026** and was signed on their behalf by:

Chief Executive Officer

KB AUDITCO
CHARTERED ACCOUNTANTS
P. O. Box X286, Lilongwe, Malawi
+265 888 295 137 / +265 999 761 500
+265 997 241 351 / +265 884 833 051
Email: info@kbaccountingmw.com

Head office
Lilongwe: Area 4, Off Chilambula Road, Corporate Mall, Near Road Traffic, First Floor, Wing A, Office 11

Regional office
Blantyre: Off Masauko Chipembere Highway, Opposite Old UDF Office, City Plaza Building, Business & Communication Centre, Second Floor, Office 33

INDEPENDENT AUDITOR'S REPORT
TO THE REGISTERED DIRECTORS OF MEDIC TO MEDIC LIMITED

Opinion

We have audited the financial statement of Medic-to-Medic Limited set out on pages 5 to 14 which comprise the statement of income and expenditure for the year ended 31st December 2025, and the notes to the financial statement, including a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statement presents fairly, in all material respects, the financial position of of Medic-to-Medic Limited for year ended 31st December 2025, and of its financial performance and its cash receipts and disbursements for the period then ended in accordance with the Modified Cash Basis of Accounting and in the manner required by the NGO Act 2022.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial statement* section of our report. We are independent of the Organization 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 the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Directors are responsible for the other information. The other information comprises General Information and the Statement of Directors' Responsibilities but does not include the financial statement and our auditor's report there on.

Our opinion on the financial statement does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statement, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statement, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report on in this regard.

Responsibilities of Directors for the financial statement

The Directors are responsible for the preparation of the financial statement that give a true and fair view in accordance with the Modified Cash Basis of Accounting and in the manner required by the NGO Act 2022, and for such internal control as the Directors determine is necessary to enable the preparation of financial statement that are free from material misstatement, whether due to fraud or error.

In preparing the financial statement, the Directors are responsible for assessing the Organization'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 Directors either intend to liquidate the Organization or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statement

Our objectives are to obtain reasonable assurance about whether the financial statement 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. 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 statement.

MEDIC TO MEDIC LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Auditor's responsibilities for the audit of the financial statement (continued)

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

- Identify and assess the risks of material misstatement of the financial statement, 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 Organization's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' 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 Organization'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 statement 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 Organization's to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the financial statement, including the disclosures, and whether the financial statement represent the underlying transactions and events in a manner that achieves fair presentation.

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.

KBA

KB Chartered Accountants and Business Advisors
Chartered Accountants

CA. EMMANUEL NYIRENDA
CPA, FCCA, MBA
CERTIFICATE NO CA/RPI092

Emmanuel Nyirenda Chartered Accountant (Malawi) Partner

Lilongwe, Malawi

Date: 17 June 2026

MEDIC TO MEDIC LIMITED
Statement of Income and Expenditure
For the year ended 31 December 2025
In Malawi Kwacha

	Notes	2025	2024
INCOME			
Grants received	**3**	**348,180,207**	199,076,278
Other income	**4**	**-**	6,361,048
Total income		**348,180,207**	205,437,326
EXPENDITURE			
Programs and administration expenses	**5**	**348,099,412**	180,367,946
Total expenditure		**348,099,412**	180,367,946
Surplus for the year		**2,080,795**	25,069,380
Represented by			
Bank balance	**6**	**2,080,795**	25,069,380

The financial statement were authorized by Board of Directors of Medic to Medic Ltd on 16th June 2026 and signed on its behalf by:

Lillie

Fiona Tamsin Newlyn Lille
Chief Executive Officer

1. GENERAL INFORMATION

1.1 Nature of business
Medic to Medic Ltd is a Malawi registered charity that supports financially disadvantaged healthcare students in Malawi to complete their training, providing tuition fees, allowances, medical equipment, textbooks, and mentorship to build the local health workforce. The Malawi office is located in Blantyre, Malawi.

1.2 Currency
The organization functional and presentation currency is Malawi Kwacha (MWK).

2. MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation
The statement of income and expenditure is prepared on cash basis with disclosure of any major prepayments and liabilities and in accordance with the requirements of the financing agreement.

2.2 Grants and donations
Grants and donations are recognized on receipt basis.

2.3 Other Income
These consist of interest received from the bank as at the period end.

2.4 Cash and bank balances
These represent the funds remaining in the bank accounts as at the period end.

2.5 Expenditure
Expenditure is recognized when payment has been made in accordance with the conditions of the financing agreement and the corresponding separate agreements. Expenditure include Value Added Tax (VAT) which cannot be recovered.

2.4 Property and equipment
Property and equipment purchased are expensed in full in the year of acquisition. Property and equipment purchased remain the property of the donor and are subject to donor requirements.

2.5 Foreign currencies
The statement of income and expenditure is presented in Malawi Kwacha, which is the organization's functional and presentation currencies. Transactions entered into by the organization in a currency other than the Malawi Kwacha are recorded at the rates ruling when the transactions occur.

2.6 Critical judgements in applying the organization's accounting policies
In preparing the financial statement, management is required to make estimates and assumptions that affect the amounts presented in the financial statement and related disclosures. Use of available information and the application of judgment is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the financial statement.

2.7 Income tax
The organization is exempt from income tax in terms of paragraph (ix) of the First Schedule to the Taxation Act (Chapter 41:01).

MEDIC TO MEDIC LIMITED

NOTES TO THE STATEMENT OF INCOME AND EXPENDITURE
for the year ended 31 December 2025
In Malawi Kwacha

3. GRANTS RECEIVED

	2025	2024
Opening balance	**25,069,379**	-
UK Grants	**298,876,576**	182,077,446
Elective Funding	**-**	16,887,331
Grant Income New Zealand	**21,797,965**	-
Alumni Contribution	**-**	111,500
Malawi Fund Raising	**2,436,287**	-
	348,180,207	199,076,278

4. OTHER INCOME

	2025	2024
Interest	**-**	276,846
Sales	**-**	6,084,202
	-	6,361,148

5. EXPENDITURE

	2025	2024
Marathon Event Expenditure	**5,776,403**	-
Tuition fees, Allowances and study sport tools	**167,660,182**	106,846,762
Bank Charges	**464,512**	390,886
Office Expenses	**31,641,176**	18,050,452
Computer and Medical Equipment	**32,971,300**	8,826,176
Mentoring and Guardian Visit	**18,594,420**	-
Elective Expenses	**57,746,732**	23,791,854
Salaries and Stipend	**29,031,730**	22,461,816
Monitoring and evaluation	**2,212,957**	-
	346,099,412	180,367,946

6. BANK BALANCE

	2025	2024
Cash and bank balances	**2,080,796**	25,069,380
	2,080,796	25,069,380

7. EXCHANGE RATES AND INFLATION

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

	2025	2024
Exchange rates:		
Kwacha / USD	**1,751.00**	1,751.00
Inflation rate %	**26.00%**	28.10%

At the time of signing the financial statement the exchange rates were as follows:-

Kwacha / USD	**1,751.00**	1,751.00
	24.30%	27.70%

8 EVENTS AFTER THE REPORTING DATE

8.1 Approval of the statement of income and expenditure

The statement of income and expenditure was approved by the Board of Directors on 16th June 2026.