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CHARTERED ACCOUNTANTS

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Head office

Lilongwe: Area 4, Off Chilambula Road,
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Regional office

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

KB Accounting Services Limited P.O Box x286 Lilongwe . Head office - Lilongwe area 3, Corporate
mall office, Chilambula road

Blantyre Namiwawa Near Top Lodge, BlackFalcon Cres Road

MEDIC TO MEDIC LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

MEDIC TO MEDIC LIMITED

FOR THE YEAR ENDED 31 DECEMBER 2024

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DECEMBER 2024**

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MEDIC TO MEDIC LIMITED

DIRECTORS' REPORT

For the year ended 31 December 2024

Introduction

The Board of Directors is pleased to present the annual financial statements of Medic to Medic for the year ended 31 December 2024.

Main Business and Operations

Medic to Medic is a UK-registered charity with operations in Malawi, 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 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 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 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

DIRECTORS' REPORT

For the year ended 30 September 2024

The Directors are not aware of any matters or circumstances arising since the end of the financial year to the approval of the financial statements that may impact the financial statements.

Directors

Fiona Tamsin Newlyn Lille. Appointed on 19th September 2021
Thokozire Phiri. Appointed 19 September 2021
Fanuel Bickton. Appointed 19 September 2021
Hawah Mbali. Appointed 19 September 2021
Alice Dwight Namanja from 01 December 2021
Jeremiah Christopher Kabaghe from 01 December 2021

Registered address

Office address:

Medic to Medic
PO Box 31717
Chichiri
Blantyre 3

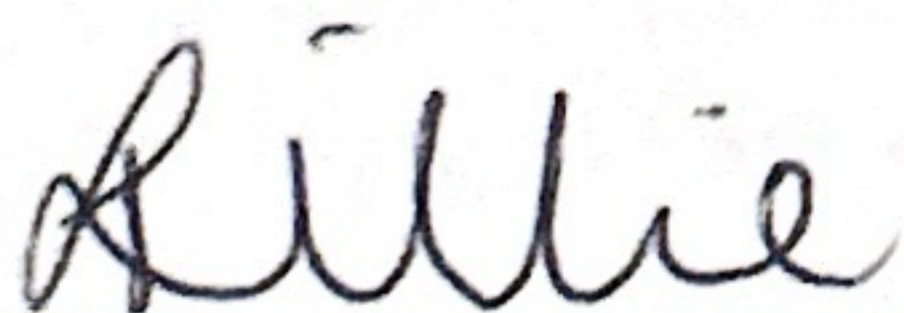
Bankers

FDH Bank
Umoyo House
Lilongwe

Independent auditors

KB Audit Co, have expressed their willingness to continue in office as auditors in respect of the Organisation's 31 December 2025 financial statements.

By order of the Board



Chief Executive Officer

Date 22/08/ 2025

MEDIC TO MEDIC LIMITED

DIRECTORS' RESPONSIBILITY STATEMENT

The directors are responsible for the preparation and fair presentation of the financial statements of Medic to Medic Limited, comprising the statement of financial position as at 30 September 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, which comprises a summary of significant accounting policies and other explanatory information in accordance with Generally Accepted Accounting Principles (GAAP), and in the manner required by the Companies Act, 2013.

The Act also requires the directors to ensure that the Organisation keeps proper accounting records which disclose, with reasonable accuracy, at any time, the financial position of the Organisation and enable them to ensure that the financial statements comply with the Companies Act, 2013.

In preparing the financial statements, the directors 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; and
- preparation of the financial statements on a going concern basis unless it is inappropriate to presume that the Organisation will continue in business

The directors are also responsible for such internal control as the director determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error and for maintaining adequate accounting records and an effective system of risk management.

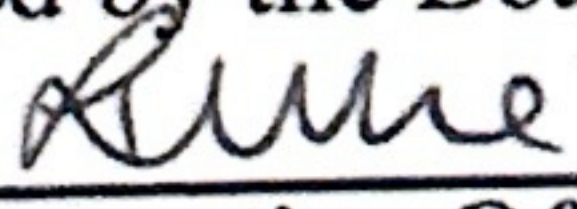
The directors' responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of these financial statements that are free from material misstatements, whether due to fraud or error.

The directors have made an assessment of the Organisation's ability to continue as a going concern and have a reasonable expectation that the Organisation has access to adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

The directors have made an assessment and they attest to the adequacy of accounting records and effectiveness of the systems of internal controls and effective risk management of the Organisation.

The auditor is responsible for reporting on whether the financial statements are fairly presented in accordance with Generally Accepted Accounting Principles, and in the manner the manner required by the Companies Act, 2013.

The financial statements set out on pages 4 to 19, which have been prepared on the going concern basis, were approved by the Board and were signed on its behalf by:-


Chief Executive Officer

.....22/08/2025



KB AUDITCO
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INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF MEDIC TO MEDIC

Opinion

We have audited the financial statements of MEDIC TO MEDIC set out on pages 7 to 19, which comprise the statements of financial position as at 31ST December 2024, and income statement, changes in reserves and cash flows for the period then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of MEDIC TO MEDIC as at 31 December 2024, and of its financial performance and cash flows for the then year then ended in accordance with Generally Accepted Accounting Principles, and in the manner required by the Companies Act, 2013.

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 *Auditors' responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the International Ethics Standard Board for Accountants' *Code for Ethics for Professional Accountants* (IESBA Code) and we have fulfilled our ethical responsibilities in accordance 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 the Directors' report which we obtained prior to the date of this auditor's report. The other information does not include the financial statements and our auditor's report thereon.

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

Responsibilities of directors for the financial statements

The directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SME's) and in the manner required by the Companies Act, 2013 of Malawi and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company'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 Company or to cease operations, or have no realistic alternative but to do so.

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. 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 judgement and maintain professional scepticism 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 Company'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 Company'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 Company 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 fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company 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.

We 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 we identify during our audit.

We also provide those charged with governance with a statement that we 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 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 internal benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Emmanuel Nyirenda
– Malawi Accountants Board Registration # CA/RP/092

**Chartered Accountants and Business Advisors
LILONGWE**

Signed by:
CA, Emmanuel Nyirenda (CPA, FCCA, MBA)
Managing Partner
Lilongwe
Malawi

Date : 15/08/2025

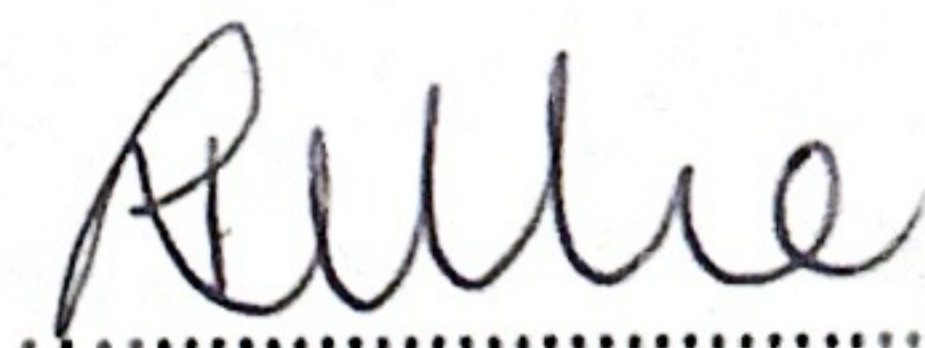
CA EMMANUEL NYIRENDA
CPA, FCCA, MBA
CERTIFICATE NO. CA/RP/092

MEDIC TO MEDIC LIMITED

STATEMENT OF INCOME AND EXPENDITURE
for the year ended 31 December 2024

	Notes	2024 MWK	2023 MWK
INCOME			
Grants received	3	199,076,278	152,937,868
Sales revenue	4	6,084,202	-
Other income	5	276,846	-
Total income		<u>205,437,326</u>	<u>152,937,868</u>
EXPENDITURE			
Programs and adminstration expense	6	<u>180,367,946</u>	<u>144,464,597</u>
		<u>180,367,946</u>	<u>144,464,597</u>
Surplus for the year		<u>25,069,380</u>	<u>8,473,271</u>
Represented by			
Bank balance	7	<u>25,069,380</u>	<u>8,473,271</u>
		<u>25,069,380</u>	<u>8,473,271</u>

The financial statements were authorised by Board of Directors of Medic to Medic on 22/08/2025
and signed on its behalf by:


.....
Fiona Tamsin Newlyn Lille
Chief Executive Officer

1. GENERAL INFORMATION

1.1 Nature of business

Medic to Medic is a UK-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 organisation functional and presentation currency is Malawi Kwacha (MWK).

2. 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 recognised on receipt basis.

2.3 Expenditure

Expenditure is recognised 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 can not 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 organisation's functional and presentation currencies. Transactions entered into by the organisation 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 organisation's accounting policies

In preparing the financial statements, management is required to make estimates and assumptions that affect the amounts presented in the financial statements 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 statements.

2.7 Income tax

The organisation 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 2024

	2024 MWK	2023 MWK
3 GRANTS RECEIVED		
UK Grants	182,077,446	152,937,868
Elective Funding	16,887,331	-
Alumni Contribution	111,500	-
	<u>199,076,278</u>	<u>152,937,868</u>
4 OTHER INCOME		
Sales	6,084,202	-
	<u>6,084,202</u>	<u>-</u>
5 OTHER INCOME		
Interest	276,846	-
	<u>276,846</u>	<u>-</u>
6 EXPENDITURE		
Tuition fees, Allowances and study sport tools	106,846,762	89,624,443
Bank Charges	390,886	161,849
Office Expenses	18,050,452	16,569,347
Equipment	8,826,176	15,206,560
Elective Expenses	23,791,854	2,637,400
Salaries and Stipend	22,461,816	14,104,998
Cyclone Fleddy	-	6,160,000
	<u>180,367,946</u>	<u>144,464,597</u>
7 BANK BALANCE		
Cash and Bank	25,069,380	8,473,271
	<u>25,069,380</u>	<u>8,473,271</u>

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

	2024 MWK	2023 MWK
Exchange rates:		
Kwacha / USD	1,751.00	1,026.43
Inflation rate %	31.80%	25.90%

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

Kwacha / USD	1,751.00	1,734.01
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1 EVENTS AFTER THE REPORTING DATE

1.1 Approval of the statement of income and expenditure

The statement of income and expenditure was approved by the Board of Directors on 22/08/2025.