MAYANJA MEMORIAL HOSPITAL FOUNDATION (MMHF)

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th SEPTEMBER 2024

Prepared by:
BMR Associates
Certified Public Accountants
P.O. Box 33455
Kampala, Uganda

Mayanja Memorial Hospital Foundation (MMHF)
Annual Report and Financial Statements
For the Year ended 30th September 2024

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Acronyms

MMHF	Mayanja Memorial Hospital Foundation
PHC	Primary Health Care
PMTCT	Prevention of Mother to Child Transmission
M&E	Monitoring and Evaluation
NGO	Non Governmental Organisation
OVC	Orphaned and Vulnerable Children
HCT	HIV Testing and Counciling
PHAs	People Having AIDS
Ushs	Uganda Shillings
NSSF	National Social Security Fund
ABC	Abstinence, Be faithful, and Condom
SDA	Safari Day Allowance

Organizational Information

Board Committee	Mr. Atwijukye Augustine	Chairperson
	Prof. Jerome Kabakyenga	Vice Chairperson
	Dr. Mugerwa Bernard	Secretary.
	Prof. Kazooba Charles	Member
	Mrs. Barbra Mugerwa	Member
	Mrs. Mary K.Katushabe	Member
	Ms. Maureen Kahima	Member
	Mr. Matsiko Micheal	Member
	Dr. Kyamanywa Patrick	Member
	Mr. Ben Byambabazi	Member

Registered Office and Address

Mayanja MHL
PO.Box 920
Mbarara
Plot 10 Bishop Links, Kakyeka

Bankers

Bank Of Africa
Mbarara Branch

Centenary Bank Ltd
Mbarara Branch

Auditors

BMR Associates
Amadinda House, 2nd Floor
Rm 2, Parliament Avenue
P.O.Box 33455
Kampala, Uganda.

1.0 Introduction

1.1 Background

Mayanja Memorial Hospital Foundation (MMHF) was registered as an Non Governmental Organization on 23rd May 2008 under NGO registration statute 1989 with Certificate No.S 5914/5038.

1.2 MMHF's Major Activities

- To promote Safe Motherhood and strengthen child survival
- To promote early child hood and nutrition programs
- To promote voluntary HIV/AIDS counceling and testing.
- To Intensify the prevention and control of HIV/AIDS epidemic through HCT and care, PMTCT and ABC strategy.
- To Mobilize and empower communities to participate in health programs through community outreach activities.

2.0 Audit Scope and Objectives

The scope of work, as set out in the contract of engagement is to report to the Trustees of Mayanja Memorial Hospital Foundation (MMHF), whether in our opinion the financial statements of the entiy (MMHF) give a true and fair view of the state of its affairs.

To achieve the audit objectives, we carried out audit in accordance with the International standards on Auditing. Those standards require that we plan and perform Audit to obtain reasonable assurance that accounts are free from material misstatements. The review included examination on a test basis of evidence supporting amounts, and disclosures in the financial statements. It also included an assessment of the internal controls effectiveness, as well as an evaluation of overall performance of the project in meeting its' objectives. This specifically included;

* Reviewing governance process of the organization including reviewing compliance with the constitution and registration status and the relationship between the Board and secretariat.

* Reviewing the systems and confirm the strength of internal controls (finance, stores, HR, procurement, & payroll).

* Reviewing the posting of books of account and agree them to financial statements.

* Finding out the extent to which the expected output from the signed agreements and budgets are being achieved.

* Collaborating programme reports with financial management.

* Reviewing expenditure in relation to the approved budgets and programme components.

* Tests relating to the existence, recording and use of Assets

3.0 Statement of Management's Responsibilities

It is the responsibility of MMHF management to prepare financial statements for grants disbursed by the Donors, which give a true and fair view of the state of affairs of the entity as at the end of the financial year. In preparing those financial statements, management is required to:

* Select suitable accounting policies and then apply them consistently;
* Make judgments and estimates that are reasonable and prudent; and
* State whether applicable accounting standards and guidelines have been followed;

MMHF Management is responsible for keeping proper accounting records, which disclose with reasonable accuracy, the financial position of the Project, and to enable them to ensure that the financial statements comply with the Laws of Uganda and MMHF guidelines and sponsorship objectives. They are also responsible for safeguarding the assets of the Project and hence forth taking reasonable steps for the prevention and detection of fraud and other irregularities in case they occur.

Signed on 30/12/ 2024

.....
Board Chairperson

.....
Executive Director

BMR associates
Certified Public Accountants

Partners
- Bigirwa Arthur
- Muhereza Yason
- Rwera Patrick

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Independent Auditor's Report

To The Trustees of Mayanja Memorial Hospital Foundation (MMHF) for the Year ended 30th September 2024

Opinion

We have audited the accompanying financial statements of **Mayanja Memorial Hospital Foundation (MMHF)**, which comprise the statement of Financial position as at **30th September 2024**, the statement of Income & Expenditure & Accumulated fund, and statement of Cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Mayanja Memorial Hospital Foundation (MMHF) as at 30th September 2024 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) for SME and adhere to the applicable recommendations of the Companion Guide to Not for profit organisation for SME and the Companies Act, 2012.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and Guidelines issued by the Institute of Certified Public Accountants of Uganda. 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 Mayanja Memorial Hospital Foundation (MMHF) in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Uganda, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. No Key audit matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and so we do not provide a separate opinion on these matters.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines 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, management is responsible for assessing the Organisation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organisation or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Organisation'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.

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 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 Organisation's internal control.

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

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organisation'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 Organisation 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 fair presentation.

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 interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies Act, 2012, we report to you based on our audit, that:

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
2. In our opinion, proper books of account have been kept by the organisation so far as appears from our examination of those books; and
3. The Organisation's statement of financial position and statement of Income & Accumulated fund are in agreement with the books of account.

The Engagement Partner on the audit resulting in this Independent Auditor's report is CPA Muhereza Yason - No. P0222.

BMR ASSOCIATES
Certified Public Accountants
27 DEC 2024
P.O. Box 33455, Kampala Uganda

BMR Associates
Certified Public Accountants (Uganda)
P.O Box 33455, Kampala

5.0 Statement of Income and Expenditure

	Notes	2024 Ushs	2023 Ushs
Income			
Donor Grants	**8.3**	1,677,215,091	3,918,150,624
Local and Other Contribution	**8.4**	34,185,241	43,298,891
Total		**1,711,400,332**	**3,961,449,515**
Expenditure			
Capital Expenditure	**8.5**	5,247,360	27,292,500
Consultancy Costs	**8.5**	6,904,000	3,625,000
Personnel Costs	**8.5**	632,281,206	899,688,487
Travel Costs	**8.5**	955,361,267	2,481,378,734
Advocacy Costs	**8.5**	7,936,126	8,353,000
Administration Costs	**8.5**	186,689,528	337,914,457
Training, Workshops and Meetings	**8.5**	352,937,859	773,784,662
Total Expenditure		**2,147,357,346**	**4,532,036,840**
Surplus/ (Deficit) for the year		**(435,957,014)**	**(570,587,325)**
Accumulated Fund b/f		639,361,199	1,209,948,524
Accumulated Fund b/d		**203,404,185**	**639,361,199**

6.0 Statement of Fund Balance

	Notes	2024 Ushs	2023 Ushs
Assets			
Cash and Bank Balances	**8.6a**	201,536,255	631,212,140
Advances	**8.6b**	8,146,000	12,649,059
		209,682,255	**643,861,199**
Represented By			
Accumulated Fund	**8.7**	204,682,255	639,361,199
Payables	**8.8**	5,000,000	4,500,000
		209,682,255	**643,861,199**

The financial statements on pages 10 to 16 were approved by MMHF Management on ...30/12/2024.... 2024 and signed on its behalf by:

.....	.....	.....
Board Chairperson	**Treasurer**	**Secretary**

7.0 Statement of Cash Flows

	2024 Ushs	2023 Ushs
Surplus/ (Deficit) for the year	(435,957,014)	(570,587,325)
Adjustments for:	-	-
Prior year adjustment	1,278,070	-
Operating Cash flows		
Changes in Accounts receivable	4,503,059	(7,119,059)
Changes in Accounts payable	500,000	-
Net cash generated from/(used in) operating activities	**(429,675,885)**	**(577,706,384)**
Net Increase in Cash and Cash equivalent	(429,675,885)	(577,706,384)
Cash and cash equivalent at 1st October	631,212,140	1,208,918,524
As at 30th September	**201,536,255**	**631,212,140**
Statement of Reconciliation of cash and cash equivalent		
Closing Cash and Bank balances	**201,536,255**	**631,212,140**

8.0 Notes to the Financial Statements

8.1 Accounting Entity

Mayanja Memorial Hospital Foundation (MMMF) is a National NGO established in 2008 and is currently operating in the 13 districts of South Western Uganda (Kabale, Kisoro, Kanungu, Rukungiri, Ntungamo, Bushenyi, Mitooma, Rubirizi, Buhweju, Ibanda, Kiruhura, Mbarara and Isingiro). MMHF activities are majorly funded by Donor agencies.

8.2 Significant Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements are set out below:

a) Basis of Accounting

The financial statements are prepared in accordance with the Generally Accepted Accounting Principles and comply with the organisation's policies and procedures. These financial statements are prepared using a modified cash basis.

b) Recognition of Income and Expenditure

Income represents total transfers made by donors and local contributions. Receipts from mentioned sources are recognised when funds are remitted to MMHF's Projects' Bank accounts. Local contributions represent cash contributed by local stakeholders to the organisation's activities.

Expenditure is recognised when money is paid for either goods or Services.

c) Property, Plant and Equipment

Fixed assets are expensed in full in the year of purchase. Fixed assets, both purchased and donated, held at the year-end are not recognized in the statement of fund balances but rather a separate attachment.

d) Taxation

The Institution is exempt from Income Tax under Section 2.(bb) of the Income Tax Act. However, other statutory obligations like PAYE & NSSF are fully paid.

e) Accounts Payable

Provision is made for Short-term deposits and accrued audit fees pending future payments but relating to the current accounting year.

f) Foreign Currency Translation

Receipts and expenditure in foreign currencies are converted into Ugandan Shillings at the exchange rates ruling at the dates of the transactions. Cash balances held in foreign currency at the end of the financial year are converted into Uganda Shillings at the exchange rates ruling on that day.

g) Budget

Budget figures are those approved by MMHF Board of directors.

h) Comparatives

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

Notes to the Financial Statements (cont'd)	Budget Estimates 2023/ 2024 Ushs	Actual 2023/ 2024 Ushs	Actual 2022/ 2023 Ushs
8.3 Donor Grants			
Global Giving Project	3,160,000	1,767,914	1,776,023
USAID UHA PROJECT	278,197,820	136,152,000	-
UGA-M-TASO-C7-Malaria Project	1,950,514,905	860,978,047	-
UGA-C-TASO-C7-TB PROJECT	476,217,400	148,869,680	-
UGA-M-TASO PROJECT	529,447,450	529,447,450	3,581,819,288
UGA-C-TASO PROJECT		-	197,534,005
DoD URC Ug.(Mubende)		-	59,659,059
DoD URC Ug.(Mbarara & Ibanda)		-	77,362,249
	3,237,537,575	**1,677,215,091**	**3,918,150,624**
8.4 Local and other Contributions			
Other Local Collections	36,000,000	28,756,063	27,809,395
Director's Contribution	500,000	-	-
Support by MMH Ltd	500,000	-	-
Sundry income	-	-	15,489,496
Bank interest	-	5,429,178	-
	37,000,000	**34,185,241**	**43,298,891**
Grand total	**3,274,537,575**	**1,711,400,332**	**3,961,449,515**

8.5 Detailed Functional Expenditures	Budget Estmates 2023/ 2024 Ushs	Actual 2023/ 2024 Ushs	Actual 2022/ 2023 Ushs
Capital Expenditure			
Computers	-	676,500	-
Printers	-	-	15,500,000
Other Equipment/ tools	-	4,570,860	11,792,500
	-	**5,247,360**	**27,292,500**
Consultancy Costs			
Professional Fees	4,200,000	5,000,000	2,920,000
Reimbursables	400,000	1,904,000	705,000
	4,600,000	**6,904,000**	**3,625,000**
Personnel Costs			
Salaries & Wages	553,886,402	571,761,637	796,722,850
10% NSSF Employer	55,388,640	57,536,703	96,556,652
Medical Insurance premiums	3,036,000	-	-
Group Accident Insurance premiu	7,397,496	2,316,866	-
Stipend to Other Staff	15,294,000	666,000	6,408,985
	635,002,538	**632,281,206**	**899,688,487**
Travel Costs			
Accomodation	210,892,500	123,840,376	178,575,500
Fuel	88,245,567	19,728,718	60,264,211
SDA	302,480,774	164,917,678	385,039,980
Public Transport	1,013,613,895	619,930,578	1,755,365,993
Vehicle & Motorcycle Hire	84,873,360	6,476,052	56,936,000
Airtime	30,424,396	20,467,865	45,197,050
	1,730,530,492	**955,361,267**	**2,481,378,734**

Notes to the Financial Statements (cont'd)	Budget Estimates 2023/ 2024	Actual 2023/ 2024	Actual 2022/ 2023
Administration Costs	**Ushs**	**Ushs**	**Ushs**
Rent	3,640,000	2,100,000	8,400,000
Stationery & office sundries	37,804,940	50,955,908	50,324,498
Internet	10,251,500	7,017,354	7,307,725
Admin Airtime	1,650,000	2,806,250	8,335,750
Electricity	1,800,000	1,335,070	1,962,676
Telephone expenses	1,360,000	-	-
Water	1,400,000	639,585	905,762
Office Equip Maintenance	2,309,440	4,922,640	11,468,843
Vehicle Maintenance & Repairs	2,736,240	17,062,028	21,781,200
Building Repairs & Maintenance	-	185,258	-
Motorcycle Repair & maintenance	1,360,000	-	3,512,400
Bank Charges	2,160,000	3,656,339	4,672,519
Printing & Photocopying	17,877,500	14,052,107	6,956,600
Staff Welfare	34,650,000	23,761,100	25,608,819
Adverts & publishing expenses	-	-	900,000
News Papers	240,000	86,000	264,000
Insurance expenses	3,600,000	1,507,240	1,406,838
Other Operational expenses	1,385,000	54,818	1,431,437
Mobile Money Cash out charges	45,027,567	43,857,881	164,665,741
Office security expenses	6,000,000	11,640,792	16,521,937
Dispensable drinking water	1,404,800	1,049,158	1,487,712
	176,656,987	**186,689,528**	**337,914,457**
Training/ Study/ Workshops/ Meetings			
Scholastic/ meetings Materials	-	300,000	2,614,300
Participants Refreshments/Meals	520,704,909	322,109,675	599,749,442
Venue Hire	74,930,000	3,595,500	21,844,500
Tuition/Bursary expenses	3,000,000	5,421,684	-
Hire of equipment	8,898,649	419,000	5,467,420
Meetings' Facilitation Allowance	31,984,000	21,092,000	144,109,000
	639,517,558	**352,937,859**	**773,784,662**
Advocacy Costs			
Advocacy & Lobbying	100,000	-	-
IEC Materials	2,630,000	-	8,253,000
Small Seed Grants to CBOs	85,500,000	-	-
Refunds to the Donor	-	7,936,126	-
Advocacy Other	-	-	100,000
	88,230,000	**7,936,126**	**8,353,000**
Total	**3,274,537,575**	**2,147,357,346**	**4,532,036,840**

Notes to the Financial Statements (continued)

		2023/24 Ushs	2022/23 Ushs
8.6 a	**Cash and Bank Balances**		
	UGA-M-TASO(Malaria) Mobile money A/C	-	358,847,652
	UGA-M-TASO(Malaria)A/C	-	216,111,118
	UGA-M-TASO -C7-MALARIA A/C	59,247,171	-
	UGA-C-TASO -C7-TB A/C	14,823,892	-
	UGA-M-TASO -C7-MALARIA- Mobile Money A/C	53,779,511	-
	UGA-C-TASO -C7-TB- Mobile Money A/C	50,753,279	-
	USAID UHA A/c	2,445,126	-
	USAID UHA- Mobile Money A/C	13,330,046	-
	Global Giving project A/C	1,787,528	5,922,078
	UGA-C-TASO (COVID-19) A/C	-	5,810,563
	DoD URC Uganda Project A/C	-	12,774,590
	UGA-C-TASO MOBILE MONEY A/C	-	1,430,238
	Staff welfare a/c	5,179,892	239,412
	DoD URC(Mba-Iba) Project Mobile Money a/c	189,810	4,413,660
	DoD URC(Mubende) Project Bank a/c	-	8,902,218
	DoD URC(Mubende) Project Mobile Money a/c	-	42,475
	UGA-M-TASO Project Bank a/c deposit receivable	-	16,168,250
	Staff welfare fund advances	-	549,886
	TOTAL	**201,536,255**	**631,212,140**
8.6 b	**Advances**		
	Fuel Advances at Fuel station	8,146,000	10,479,059
	Staff Perdiem Advances	-	2,170,000
		8,146,000	**12,649,059**
8.7	**Fund Balances**		
	Accumulated Fund as at 1st October	639,361,199	1,209,948,524
	Prior year adjustment	1,278,070	-
	Surplus for the year	(435,957,014)	(570,587,325)
	Accumulated Fund as at 30th September	**204,682,255**	**639,361,199**
8.8	**Payables**		
	Short term deposits payable - Staff Salaries	-	-
	Audit fees payable	5,000,000	4,500,000
		5,000,000	**4,500,000**