



KAMUZU UNIVERSITY
OF HEALTH SCIENCES

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST MARCH, 2024

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CHAIRPERSON'S FOREWORD

For the year ended 31st March, 2024

On behalf of Council of the Kamuzu University of Health Sciences, I am pleased to present this Annual Report for the financial year 2023-24. This report highlights some of the key milestones achieved since the University became operational on 4th May 2021.

- The Executive Management of the University was recruited
- A Strategic Plan and organization structure were developed and approved by Council
- Council approved various Policies, Guidelines and Standard Operating Procedures
- A Functional review and placement of staff in the KUHeS organisational structure was undertaken
- Five Academic Schools and 25 departments were established
- The University has over 79 programmes on offer
- Two Special Purpose Vehicles (A Trust and a Commercial Holding company) were established to manage the University's commercial entities on sound commercial principles. Some entities have matured, broken even and have started making profits. These will help the University to be financially independent and sustainable in future.

The University is set on a solid foundation for growth thanks to various stakeholders including the Government of Malawi, Council members, various funders, students, Management and staff. The successes and milestones that were achieved were not without challenges but with the dedicated collaboration of the stated stakeholders, the challenges were surmounted.

CHAIRMAN OF COUNCIL



VICE CHANCELLOR'S REPORT

For the year ended 31st March, 2024

I have the pleasure to submit a report on the financial statements of the Kamuzu University of Health Sciences for the year ended 31st March, 2024.

Nature of Business

The Kamuzu University of Health Sciences was established under an Act of Parliament (Act no. 20 of 2019) by merging two delinked colleges of UNIMA namely Kamuzu College of Nursing (KCN) and College of Medicine (COM) to competitively impart knowledge, produce transferrable skills by engaging in teaching and learning, research, consultancy and application of knowledge, skills and aptitudes.

Vision

A world-class University and Centre of excellence in health education, research, and innovation.

Mission

To advance knowledge, professional competencies, skills and innovations in health sciences through high quality student-centered and innovative education and research that responds and influences to the national and global policies, health and development needs in an efficient, sustainable and result-oriented manner.

Achievements and Challenges

During the year the University achieved the following:

- Continued to train globally competent and locally relevant health care professionals
- Continued to train the first ever locally trained dental students
- Conducted cutting edge and impactful research that influences policy at national, regional and global level
- Attracted significant research grant funding and grew the research portfolio creating employment and generating foreign currency that supports various industries in Malawi
- Maintained the academic Calendar despite funding challenges.
- Commenced the construction of the Administration Block in Blantyre and the Skills laboratory in Lilongwe which will increase teaching and learning spaces

The major challenge faced by the University was shortage of funding required to support the teaching and learning segment of the University where uneconomic fees are charged to most generic undergraduate students who constitute over two thirds of the student enrolment.



Financial Highlights

The financial position and results of the University are set out in the accompanying statement of financial position, statement of comprehensive income, statement changes in funds and reserves, statement of cash flows and the related notes.

Total assets grew by 55% from K66.6 billion in 2023 to K103.4.0 billion in 2024 on account of revaluation and additional acquisition of non-current assets as well as growth in project cash. Fund and reserves grew by 59% due to fair value gains on revaluation of property, plant and equipment.

Total income grew by 20% from K54.1 billion in 2023 to K65.0 billion in 2024 attributable to grown in both own generated income and government subvention by 21% and 18% respectively. The proportion of own generated income was 63% in 2024 compared to 62% in 2023.

Total expenditure increased from K46.4 billion in 2023 to K57.4 billion in 2024 representing a 24% increase which was lower than the 2024 average inflation of 32.2%.

Professor MacPherson Mallewa

VICE CHANCELLOR



**STATEMENT OF COUNCIL MEMBERS' RESPONSIBILITIES
FOR THE YEAR ENDED 31ST MARCH, 2024**

The Kamuzu University of Health Sciences 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 Kamuzu University of Health Sciences 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 University keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the University 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 University 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 University and its operating results.

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VICE CHANCELLOR

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CHAIRMAN OF COUNCIL

DATE *2nd June 2025*

DATE *2nd June 2025*

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In reply, please quote No.

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P.O. Box 30045
Capital City
Lilongwe 3
Malawi

AUDITOR GENERAL

AUDITOR GENERAL'S REPORT

TO THE COUNCIL OF KAMUZU UNIVERSITY OF HEALTH SCIENCES
ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2024

Opinion

I have audited the accompanying consolidated financial statements of Kamuzu University of Health Sciences which comprise the Statement of Financial Position as at 31st March, 2024 and Statement of Comprehensive Income and Expenditure, Statement of Changes in Funds and Reserves and Statement of Cash Flows for the year then ended as set out on pages 5 to 8, and related accounting policies and notes to the accounts presented on pages 8 to 49.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Kamuzu University of Health Sciences as at 31st March, 2024 and its financial performance and 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 Kamuzu University of Health Sciences in accordance with the International Standards of Supreme Audit Institutions 130- *Code of ethics* (ISSAI 130) 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 Annual Appropriation Accounts 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 are no key audit matters to communicate in my report.

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 Reporting 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 Kamuzu University of Health Sciences

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Kamuzu University of Health Science'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 controls.
- 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:

.....
THOMAS K.B. MAKIWA
NATIONAL AUDIT OFFICE
LILONGWE
MALAWI

DATE: 04/06/2025





STATEMENT OF FINANCIAL POSITION

AS AT 31ST MARCH, 2024

	Note	2024 K'000	2023 K'000
ASSETS			
Non-current assets			
Property, plant and equipment	3	<u>73,001,297</u>	<u>47,113,716</u>
Current assets			
Inventories	4	177,179	262,955
Receivables	5	11,665,052	7,759,098
Cash and cash equivalents	6	<u>18,529,786</u>	<u>11,492,916</u>
Total current assets		30,372,017	19,514,969
Total assets		<u>103,373,314</u>	<u>66,628,685</u>
FUNDS AND LIABILITIES			
Funds			
Capital funds	7	73,001,297	47,113,716
General funds	8	(24,304,042)	(16,882,831)
Designated funds	9	<u>17,162,452</u>	<u>11,288,684</u>
Total funds		<u>65,859,708</u>	<u>41,519,569</u>
Current liabilities			
Payables	10a	22,785,542	14,872,241
Estimated Service Gratuity	10b	<u>14,728,065</u>	<u>10,236,875</u>
Total current liabilities		<u>37,513,606</u>	<u>25,109,116</u>
Total funds and liabilities		<u>103,373,314</u>	<u>66,628,685</u>

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VICE CHANCELLOR

S. S. S.

CHAIRMAN OF THE COUNCIL

DATE *2nd June 2025*

DATE *2nd June 2025*



**STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31ST MARCH, 2024**

		2024	2023
		K'000	K'000
Government Subvention	11	24,172,050	20,512,551
Fees	12	4,587,985	3,592,780
Projects / Grants and Research	13	32,824,638	27,291,482
Other income	14a	1,254,175	1,177,031
KUHeS SBUs	14b	2,174,716	1,573,367
Total income		<u>65,013,565</u>	<u>54,147,211</u>
Expenditure			
Teaching and Research	15	15,528,806	12,728,260
Maintenance & Student Living	16	2,685,388	2,652,514
Administration	17	14,051,960	9,368,079
Transport and travelling	18	1,534,985	1,149,228
ICT Department	19	671,089	371,277
Common service / Other IGA charges	20	598,942	282,207
KUHeS SBUs Expenses	21	1,904,549	1,557,606
Project and research expenses	22	20,451,936	18,161,352
Total expenditure		<u>57,427,654</u>	<u>46,270,523</u>
Surplus before Designated Funds		7,585,911	7,876,688
Designated Funds		(12,372,703)	(9,130,129)
Capital expenditure (Note 3)		(3,884,923)	(6,166,915)
Release from Capital Fund		1,250,504	1,662,956
Surplus/(Deficit) for the year		<u>(7,421,211)</u>	<u>(5,757,400)</u>

**STATEMENT OF CHANGES IN FUNDS AND RESERVES
FOR THE YEAR ENDED 31ST MARCH, 2024**

	Capital fund K'000	General funds K'000	Designated Funds K'000	Total K'000
Balance at 1 April 2022	42,712,085	(9,530,848)	10,438,960	43,620,197
Capital assets procured during the period	6,166,915	-	-	6,166,915
Depreciation charge for the year	(1,662,957)	-	-	(1,662,957)
Revaluation Surplus / (loss)	(133,167)	-	-	(133,167)
Disposal of fixed assets	(46,682)	-	-	(46,682)
Depreciation write-off on revaluation	71,508	-	-	71,508
Depreciation write-off on disposal	6,014	-	-	6,014
Prior Year Adjustment	-	(1,594,583)	-	(1,594,583)
Surplus/(Deficit) for the year	-	(5,757,400)	-	(5,757,400)
Net movement	-	-	849,724	849,724
Balance at 31 March 2023	47,113,716	(16,882,831)	11,288,684	41,519,569
Balance at 1 April 2023	47,113,716	(16,882,831)	11,288,684	41,519,569
Capital assets procured during the period	3,884,923	-	-	3,884,923
Depreciation charge for the year	(1,250,504)	-	-	(1,250,504)
Revaluation Surplus / (loss)	17,141,429	-	-	17,141,429
Disposal of fixed assets	(136,593)	-	-	(136,593)
Depreciation write-off on revaluation	2,834,603	-	-	2,834,603
Prior Year Adjustment	3,413,722	-	-	3,413,723
Surplus/(Deficit) for the year	-	(7,421,211)	-	(7,421,211)
Net movement	-	-	5,873,768	5,873,768
Balance at 31 March 2024	73,001,296	(24,304,042)	17,162,452	65,859,707



STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH, 2024

	2024	2023
Cash flows from operating activities	K'000	K'000
Operating cash flows before movements in working capital	(7,421,211)	(5,757,400)
Movements in working capital		
Decrease /(Increase) in inventories	85,776	18,616
Decrease/(Increase) in receivables	(3,905,954)	(476,599)
Increase/(Decrease) in payables	12,404,489	7,327,504
Cash (used in)/generated from operations	1,163,100	1,112,119
Cash flow from investing activities		
Purchase of property, plant and equipment	(3,884,923)	(6,166,915)
Net cash used in investing activities	(3,884,923)	(6,166,915)
Net cash flow before financing	(2,721,823)	(5,054,796)
Cash flows from financing activities		
Designated funds	5,873,768	849,724
General fund	-	(1,594,583)
Capital fund	3,884,923	6,166,915
Net cash flow from financing activities	9,758,691	5,422,056
Net increase in cash and cash equivalents	7,036,868	367,260
Cash and cash equivalents at the beginning of the financial year	11,492,917	11,125,657
Cash and cash equivalents at the end of the financial year (Note 6)	18,529,786	11,492,916

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2024****1. PRESENTATION OF FINANCIAL STATEMENTS**

The financial statements, presented in Malawi Kwacha, were prepared in accordance with the *International Financial Reporting Standards* (IFRSs) and the Financial Regulations of the Kamuzu University of Health Sciences and Accounting procedures of the University of Malawi. The financial statements were prepared using accounting policies, which the Kamuzu University of Health Sciences adopted and consistently applied throughout the reporting period starting from 1st April, 2023 to 31st March, 2024.

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 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.

2. SIGNIFICANT ACCOUNTING POLICIES

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

2.1. Properties, Plant and Equipment (PPE)**2.1.1. Recognition and Initial Measurement**

The cost of an item of PPE is recognized 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 recognized in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognized.

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 capitalized, outstanding balances are shown as part of lease payables.

2.1.2. Subsequent Expenditure

Expenditure incurred to replace a component of an item of PPE is recognized 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 derecognized when the replacement takes place.

2.1.3. Depreciation

Depreciation is recognized 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.

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.

NOTES TO THE FINANCIAL STATEMENTS**FOR THE YEAR ENDED 31ST MARCH, 2024 *Continued*.....**

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.

2.1.4. Impairment and Valuation

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.

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.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2024 *Continued*.....

2.1.5. Valuation of Land and Buildings

Buildings were revalued by Chartered Surveyors from the Malawi University of Science & Technology (MUBAS)) as at 31 March, 2024. Land was valued by the same Chartered Surveyors as at 31 March, 2024, and those values have been recognized.

2.2. Foreign Currency Transactions

Foreign currency transactions are translated into Malawi Kwacha at middle 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.

2.3. 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.

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.

NOTES TO THE FINANCIAL STATEMENTS**FOR THE YEAR ENDED 31ST MARCH, 2024 *Continued*.....****2.3.1. Government Subvention**

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

2.3.2. 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.

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.

2.3.3. Fees and Financial Contributions

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



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2024 *Continued*.....

2.3.4. 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.

2.3.5. Interest Income

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

2.3.6. Income Generating Activities

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

2.4. 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.

2.4.1. 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

NOTES TO THE FINANCIAL STATEMENTS**FOR THE YEAR ENDED 31ST MARCH, 2024 *Continued*.....**

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.

2.4.2. 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.

2.5. Receivables

Receivables comprise of student receivables, staff receivables, prepayment, staff advances, and sundry non-trade receivables. These are measured at amortized cost. An

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2024 *Continued*.....

impairment loss is recognized in statement of income, where there is objective evidence that it is impaired.

2.6. 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.

2.7. 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.

2.8. 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

FOR THE YEAR ENDED 31ST MARCH, 2024 *Continued*.....

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

2.9. Superannuation

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2024 *Continued*.....
3. Property, Plant and Equipment

	Land Buildings K'000	Work in Progress Buildings K'000	Motor Vehicles K'000	Intangible Assets K'000	Furniture, Fittings & Equipment K'000	Total K'000
Cost						
At 01 April 2022	39,460,636	1,290,840	792,985	27,389	2,424,685	43,996,535
Additions	31,693	5,314,609	151,989	34,717	633,907	6,166,915
Disposal	-	-	(16,613)	-	(30,069)	(46,682)
Revaluation	-	-	(133,168)	-	-	(133,168)
At 31 March 2023	39,492,329	6,605,449	795,193	62,106	3,028,523	49,983,600
At 01 April 2023	39,492,329	6,605,449	795,193	62,106	3,028,523	49,983,600
Additions	554,114	2,971,721	142,981	-	216,107	3,884,923
Disposal	-	-	(136,593)	-	-	(136,593)
Revaluations	13,960,362	1,897,071	(133,118)	-	1,417,113	17,141,429
Prior Year Adjustments	-	-	-	-	3,413,723	3,413,723
At 31 March 2024	54,006,806	11,474,241	668,463	62,106	8,075,466	74,287,081
Depreciation & Impairment Losses						
At 01 April 2022	775,598	-	93,901	-	414,953	1,284,452
Depreciation write-off on Disposal	-	-	-	-	(6,015)	(6,015)
Charge for the year main	879,218	-	185,617	28,855	569,266	1,662,956
Depreciation write-off on Revaluation	-	-	(71,509)	-	-	(71,509)
At 31 March 2023	1,654,816	-	208,009	28,855	978,204	2,869,884
At 01 April 2023	1,654,816	-	208,009	28,855	978,204	2,869,884
Depreciation write-off on Disposal	-	-	(27,319)	-	-	(27,319)
Charge for the year	449,519	-	175,451	6,943	618,590	1,250,504
Depreciation before revaluation	(1,173,617)	-	(320,427)	-	(1,313,240)	(2,807,284)
At 31 March 2024	930,718	-	35,715	35,798	283,554	1,285,784
Carrying amount at 31 March 2024	53,076,088	11,474,241	632,748	26,308	7,791,912	73,001,297
Carrying amount at 31 March 2023	37,837,513	6,605,449	587,184	33,251	2,050,319	47,113,716

The properties were revalued as at 31st March, 2024 by Department of Land Economy of Malawi University of Business & Applied Sciences – MUBAS (formerly, University of Malawi - The Polytechnic), P/Bag 303, Chichiri, Blantyre 3.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2024 *Continued*.....

Measurement of Fair Values

Land and buildings were valued as at 30 June 2018 by independent valuers, who had experience in the location and category of land and buildings. The independent valuers provide the fair values the College’s Land and Buildings with sufficient regularity. Due to the varied nature of the Institutions properties, two methods are used to determine fair values namely:

1. The depreciated replacement cost which is used for all properties which do not have a ready and active market such as remote and purpose-built properties
2. The comparative and investment method which is used for all properties that have a ready and active market such as all residential and commercial properties in the urban and trading centres.

The fair value measurement for all of the land and buildings has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

4. Inventories

	2024	2023
Consumables – Blantyre database	374	374
Stationery – Blantyre database	369	413
Inventory – Lilongwe database	18,465	23,651
KUHeS PVT Clinic	43,174	65,111
KUHeS Sports Complex	12,434	38,548
Funeral Parlour	102,364	37,940
KUHeS Projects	-	96,918
Total inventories	<u><u>177,179</u></u>	<u><u>262,955</u></u>

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



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2024 *Continued*.....

5. Receivables

	2024	2023
	K'000	K'000
Staff advances	765,816	729,990
Inter-colleges	-	550
Student receivables	4,972,497	3,292,440
Other receivables	244,137	145,401
Prepayments	86,846	34,516
Cash Imprest	64,774	4,296
March Government Development Subvention	1,692,477	1,144,550
KUHeS Private Clinic	438,391	266,833
KUHeS Sports Complex	493,635	233,781
David Livingstone Memorial Clinic	162,192	117,745
Funeral Parlour	4,231	-
Projects funds claims	2,130,409	1,231,715
Projects receivables & Cash Imprests	609,648	557,281
	<u>11,665,052</u>	<u>7,759,098</u>

Note:

- Student Receivables are recognized **inclusive** of Deferred Fees Income and **net** of Provision for Doubtful Debts
- Other Receivables are also recognized net of Provision for Doubtful Debts

6. Cash and Cash Equivalents

	2024	2023
	K'000	K'000
Current accounts	1,788,796	2,148,120
Foreign currency denominated accounts	251,577	411,590
Fixed Deposit accounts	77,800	347,042
Sports complex funds	89,204	96,908
KUHeS Pvt Clinic	51,841	15,903
DLMC funds	973	3,495
Cash on hand	-	2,887
Projects accounts	16,458,932	8,521,450
	<u>18,719,123</u>	<u>11,547,395</u>
KUHeS Main (Cashbook negative balances)	(180,846)	(9,119)
Projects (Cashbook negative balances)	(8,490)	(45,360)
	<u>(189,337)</u>	<u>(54,479)</u>
Cash and cash equivalents as at 31 March	<u>18,529,786</u>	<u>11,492,916</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2024 *Continued*.....

7. Capital Fund

Capital fund represents the total expenditure incurred to procure or otherwise construct all items of Plant, Property and Equipment as outlined in Note 3 above.

8. General Fund

General fund represents an accumulation of surpluses or loses over the past reported financial periods as outlined in the Statement of Changes in Funds and Reserves.

9. Designated Funds for Specific Purposes

	2024	2023
	K'000	K'000
Abortion Study	-	(47,551)
ACEPHEM	438,189	268,408
ACT - TB Project	-	252
ADAPT Study	-	(5,826)
AESA - RISE Project	(1,980)	420
Africare Project	3,687	3,939
AMARI 2 Project	105,074	85,683
Antibiotic in Miscarriage Surgery (AIMS) Project	40,194	40,194
ARCADE project	(84,400)	(84,400)
BSc Int. Med, Gyenae & Anaesthesia	(28,172)	(28,172)
BT Clinical Research Project	1,087,294	238,678
Building Family Medicine (Dioraphte)	309,400	65,264
Building Heart & Lung Project	(33,513)	(32,266)
Capacity Build in Research Grants	-	(7,061)
Care for Development Project	-	(3,049)
CDC HIV Fellowship	(12,842)	(12,842)
CDC IMEM	(42,955)	(42,955)
CDC Partnership Project	(77,163)	7,003
CDCC	3,280	3,280
CEBHA+ Project	49,147	39,649
Centre For Reproductive Health (CRH)	24,958	81,882
CHAIN Project / CHAIN 2	11,589	29,253
ELMA Anaesthesia Grant	128,531	128,531
Clinical Trial Management	(61,767)	(61,767)



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2024 *Continued*.....

COM - IDRC IMCHA Project	67,283	67,283
COST AFRICA Project	75,296	75,296
COSYST	(332)	(332)
CRH Investment Account	78,377	78,377
Cryotherapy	-	(2,940)
Diabetic Clinic	(8,940)	(8,940)
SOAR DREAMS Project	-	5,918
Duke/ MOVE University	349	473
ELMA CPAP Project	(28,816)	(28,816)
EMTCT Project	-	64,577
EU Beanish Project	3,791	3,791
EU Develop. Countries Clinical Trials Partnership (EDCTP)	(480,643)	(480,643)
EDCTP MIP Project	(34,389)	-
F75 STUDY	1,022	1,022
Gates EED	269,951	269,951
Gates Malaria Project	25,521	47,069
Global Health Implementation Project	-	(8,047)
HBGDKI Project	-	34,281
Health Management Unit	-	35,869
Health Systems Strengthening Project (Queen Margaret)	-	(8,696)
Helse Nord TB Project (HNTI)	40,558	(150,316)
HIV EHPSA MSM Project	1,718	1,718
HIV Implementation Research Training (M-HIRST)	211,668	97,100
ICMER 2 Project	(509,126)	(239,922)
IKMC Project (Immediate Kangaroo Mother Care)	94,801	7,307
ILINS FANTA Project	34,172	75,772
ILINS Project	(70,987)	(70,987)
ILINS PI Fund	(13,493)	-
IMMPAQKT	1,152	1,152
Infectious Diseases Project	84,310	28,513
BPS Project	(29,848)	-
Practice Study	50,811	-
Intermittent Preventive Therapy	-	195,598
Kusamala Project	4,176	4,176
WHO Life Long Project	-	(112)
Lungwena Umoyo Project	-	(64)



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2024 *Continued*.....

MAC ENTO Studies Project	98,680	(18,625)
PIIVEC (MAC Ento)	(6,303)	-
VECTOR Link (MAC Ento)	(44,332)	-
MAC Laboratory	7,002	6,532
Majete Malaria Project	-	31,357
Malaria Decision Support System (MDSS) Project	117,956	(39,790)
Malarid Project	-	115,163
Malarid PMC	-	36,367
MARCH Study	-	(5,220)
Martenal Child Health Project	-	25,407
Mazira Project	25,279	25,279
MCDC PhD Fellowship	-	10,436
Mental Health Project	46,230	46,230
Global Alliance for Martenal Mental Health	(8,363)	-
MIEHCAP Project	(7,984)	(7,984)
MORDOR Project	53,628	56,593
Deworm (Mordor Account)	(33,622)	-
Nac BDS Study	-	10,416
NACCAP	-	75,740
Norad Program for Masters	-	(440)
NORHED ASCA Project	-	21,534
NORHED Surgery Project	-	(24,620)
Norway / SIDA Phase 4	-	117,977
Performance Based Project	-	(3,869)
Pharmacy Expansion Project	-	(14,366)
PK-PD Models Study	-	(271)
Premier Postgraduate	1,831,344	645,154
UNICEF - COVID (Premier Postgraduate)	(236,527)	-
UNFPA UMOYO (Premier Postgraduate)	(116,795)	-
SEED (Premier Postgraduate)	(27,526)	-
BT SaDAPT (Premier Postgraduate)	(114,916)	-
STEPMAG (Premier Postgraduate)	(33,503)	-
ZURICH (Premier Postgraduate)	(37,400)	-
Research Ethics Committee (COMREC)	(54,899)	(48,264)
Research Support Centre	15,116	40,027
Research Dissemination Conference	(3,995)	-



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2024 *Continued*.....

SACORE GRANT	-	(187,017)
Scottish Collaboration NIPH	46,902	33,080
Securing Water in Rular Malawi	-	(26)
SMALL GRANTS PROJECTS	868,062	868,062
WarmHeart (Small Grants FCB)	82,562	-
MAENTS (Small Grants FCB)	(20,410)	-
GLUCELB (Small Grants FCB)	(26,468)	-
KUUNIKA Follow-On (Small Grant FCB)	2,509	-
APT SEPSIS (Small Grants FCB)	(18,364)	-
Youth in Mind (Small Grants FCB)	(53,052)	-
University of Nairobi TDR (Small Grants FCB)	(6,578)	-
GHRG - GI (Small Grants FCB)	(116,687)	-
EFGH (Small Grants FCB)	44,930	-
MULTLINK (Small Grants FCB)	8,552	-
M-CORP (Small Grants FCB)	400,661	-
Scores (Small Grants FCB)	(617)	-
Copsmeds (Small Grants FCB)	(43,078)	-
Map Care (Small Grants FCB)	16,917	-
ENHANCE (Small Grants FCB)	(14,061)	-
Simplicity TB Study (Small Grants ECO)	4,261	-
GBS Project (Small Grants ECO)	(8,281)	-
ACCEPT U2U (Small Grants ECO)	(89,651)	-
PANACEA (Small Grants ECO)	(22,008)	-
CCRREEA (Small Grants ECO)	(33,217)	-
NIHR Acute Brain (Small Grants ECO)	(61,673)	-
SOAR Project	-	(17,235)
SMPCDP Project (COM Scotland Malawi Psychiatry)	80,519	10,664
St. Louis Nutrition	1,481	1,481
Sugarfact	938	938
Surg Africa	-	13,576
TESA Project	-	364
THRU (Tropical Haematology) Project	13,704	54,481
THRU/Pfizer Project (MalPreg Study)	-	(30,780)
Trypanogen Project	4,042	352
UNC Project / UNC Health Care	(9,191)	(1,071)
United Front for Body Rights	-	-



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2024 *Continued*.....

Universal Financial Risk Coverage (WHO)	(419)	(419)
Urban Malaria Project	-	(815)
World Children Cancer Foundation	-	68,031
World Diabetes Foundation	(62)	(62)
Centre for Bioethics	(9,600)	(9,600)
CBM SENT Project (P3226)	8,843	8,843
HAP Project	5	5
AEVGI Project	-	372
Thanzi la Onse Project	(11,324)	(9,785)
GAVI	31,969	229,942
NAC I-Tech Project (BDSS)	-	17,748
MVIP Project	1,584,077	1,067,284
PHNG GSK Project	588,280	(54,187)
PHNG	(281,129)	-
STHP Project (Support & Training of Health Professionals)	(14,544)	(14,544)
P 20 Project	6,506	14,071
Maldent Project	203,724	(10,193)
Nutritional Sub Study Project	10,804	10,804
PEER Cancer Project	(21,578)	(18,540)
NEST Project	(64,036)	246,991
CPMZ Project	-	(440)
Rapaed Project	(21,295)	(10,827)
Drink Project	-	(40,921)
IMPROVE 2 Project	126,992	66,550
IMPROVE 1	37,026	-
MITTS Project	221,358	(235)
Generation MW Project	153,037	43,397
Maternal near Miss Project	-	7,087
CHEER Project	(24,569)	97,914
CHEER BUS (Hire Fund)	(5,947)	-
Alert Study Project	122,981	71,116
Smokeless Project	6,039	7,189
CDC HEALERS Project	79,256	(4,344)
SCATHIM Project	61,022	58,097
TFGH Covid -19 vaccination	772,208	77,503
COVID-19 Response (EXPRO & General)	37,665	-



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2024 *Continued*.....

Bloodsafe Study	44,018	41,400
Impress Study	137,574	92,324
KUHeS Corruption Project	55,048	1,225
WHO Pericovid project	21,841	18,534
Norhed Surgery II Project	54,024	86,315
Immunogenicity Project	69,335	155,624
EDCTP Impala Project	276,215	346,601
Norhed Price	86,030	69,879
FIFA (Football) Nurse	6,821	50,992
HEPU BCEPS Project	1,346	24,690
HEPU HSJF Project	470,643	(6,169)
HEPU	(179,768)	-
COVID 19 Self Testing Study	62,863	104,258
Case Control Project (MVPE)	407,872	228,996
SAVE Project (World Bank)	613,359	98,745
HEPU - Thanzi La Mawa	(99,476)	150,460
GELA Project	55,534	107,322
PROMISE Project	172,176	101,209
SACEV Project	1,217,409	583,686
SACEV University of Ghana (FFSP)	(15,208)	-
SACEV Embu Level 5 Hospital (FFSP)	(27,799)	-
SACEV University of the Free State (FFSP)	(82,635)	-
SACEV MW Liverpool Welcome Trust Clinical Research (FFSP)	(13,766)	-
ICEMR 2 Sub Study	234,440	21,540
Remind AYA Study	165,368	78,899
COVID System Assessment Stanford	293,268	56,847
COVID TMM	(48,688)	35,616
Youth Excel	112,152	43,724
IVAR Study	-	23,865
Hope for the Future	123,581	124,132
Group Antenatal Care	138,365	180,532
SUCCEED Project	90,721	127,957
Global Health Research Group on Adolescent Wellbeing	31,841	-
CARTA APHRC	51,182	-
CHITETEZO	(38,335)	-
Research Admin (FFSP)	(187,423)	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2024 *Continued*.....

REMARKS	(35,655)	-
ALMA Project	102,226	-
IGNIT3 Project	88,233	-
SIDA - APHRC JPIAMR HARISSA (small Grants FCB)	(79,925)	-
Scottish Governance Grant	(416)	-
Chemopad (Small Grants ECO)	(11,764)	-
CP Register (Small Grants FCB)	(2,280)	-
POCUS (Small Grants ECO)	13,850	-
EMAMA (Small Grants ECO)	40,377	-
Kuzama pa Kalondo (Infectious Diseases Account)	(2,574)	-
GAVI CDH Kapito	68,269	-
THRASHER (Small Grants FCB)	(4,013)	-
GEAS	569	-
Epi Genetics (Infectious Diseases Account)	(492)	-
TUMCHIP (Tampere Mother & Child)	40,243	-
Crispos - TSOL Unlimited (Small Grants)	14,891	-
APPC Blood Access Project	(4,760)	-
2023 Prior Year Adjustments	-	(56,211)
Projects Unspent Funds as at 31 March	12,372,703	7,420,631
Research Admin Funds	631,996	812,923
Old Mutual Hostels	193,171	82,024
Departmental Funds	320,839	310,299
Other IGA Funds	31,935	13,778
Other Research Grants Funds (LL)	1,850,072	1,709,497
Other Research Grants Funds (BT)	1,761,736	939,532
	4,789,751	3,868,053
Total FFSP as at 31 March	17,162,452	11,288,684

10. a) Payables

	2024	2023
	K'000	K'000
Trade Payables	4,120,300	3,703,762
Other Payables	1,941,706	1,489,899

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2024 *Continued*.....

Accruals	279,916	20,183
Pension	994,491	-
Prepayments & Students Credit Balances	893,429	458,658
Deferred students' fees	4,716,018	2,355,501
Taxes – MRA	9,063,051	5,014,414
KUHeS SBUs	508,160	611,288
Project Funds Payables	268,470	1,218,536
Total	<u>22,785,541</u>	<u>14,872,241</u>

b) Estimated Service Gratuity

	2024 K'000	2023 K'000
Estimated Service Gratuity as at 31.03.23 (<i>Note 24.1</i>)	<u>14,728,065</u>	<u>10,236,875</u>
Total	<u>14,728,065</u>	<u>10,236,875</u>

11. Government Subvention

	2024 K'000	2023 K'000
Annual operations	<u>24,172,050</u>	<u>20,512,551</u>
Total subvention	<u>24,172,050</u>	<u>20,512,551</u>

12. Fees

	2024 K'000	2023 K'000
Fees	<u>4,587,985</u>	<u>3,592,780</u>
Total Fees	<u>4,587,985</u>	<u>3,592,780</u>



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2024 *Continued*.....

13. Project Grants and Research Income

	2024 K'000	2023 K'000
Unspent funds from previous years	7,420,631	8,395,743
Adjustments / closed projects	(480,875)	(41,600)
Grants received (Note 23)	20,779,545	16,569,169
Interest received	209,310	113,209
Other income	618,036	874,233
Exchange gain	4,277,991	1,380,728
Total project grants and research income	32,824,638	27,291,482

14. a) Other Income

	2024 K'000	2023 K'000
Interest earned	66,778	194,087
IGA Activities	9,107	18,755
Hiring; Conferences/workshops & Vehicles	47,771	73,556
Donations & grants	-	255,203
Research Admin fees	319,453	265,551
Exchange gain	321,679	61,927
Sundry income	489,387	307,952
Total other income	1,254,175	1,177,031

b) KUHeS SBUs

KUHeS Sports Complex Centre	841,312	624,351
KUHeS (BT) PVT Clinic	933,869	806,092
KUHeS Funeral Parlour	162,846	84,791
David Livingstone Memorial Clinic	236,689	58,133
Total	2,174,716	1,573,367



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2024 *Continued*.....

15. Teaching and Research

	2024 K'000	2023 K'000
Salaries	9,831,212	8,054,717
Tevet Levy	95,459	65,589
Clinical Allowances	839,770	674,903
Perks / Staff benefits	336,956	369,835
Gratuity	217,723	270,376
Medical expenses	174,477	150,793
Superannuation costs	1,597,624	1,224,505
Teaching materials	77,267	51,961
Examination expenses	81,398	116,004
Student attachments	42,939	47,544
Staff training & development	165,102	178,950
Staff Uniform / Welfare	4,942	38
Conferences & workshops	14,974	30,016
Printing & Stationery	81,962	85,374
Advertising	72	13
Meeting expenses	143,468	138,487
Telephone	2,292	7,972
Postage/document delivery	3,122	510
Repairs & Maintenance - Office Equipment	18,206	23,091
Furniture and fittings/ Office Equipment & Tools	12,494	2,704
Consumables/cleaning	16,742	13,590
Postgraduate programmes - training	45,999	33,800
Fuels & oils	8,376	1,618
Mileage claim	1,164	11,683
Subsistence Allowance	321,325	366,609
Passages	-	1,099
International Travel	27,443	-
Subscriptions / Research & Publications	4,903	11,544
Finance charges	1,765	3,009
Professional Charges	1,521	2,716
PPDA Levy	916	-
	<u>14,171,610</u>	<u>11,939,054</u>
Library		

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2024 *Continued*.....

Salaries	652,490	456,584
Tevet Levy	5,501	2,182
Perks / Staff benefits	90,886	104,894
Medical expenses	15,357	13,734
Gratuity	11,729	-
Superannuation costs	122,966	83,542
Books & Periodicals	4,259	5,971
Staff Welfare	-	509
Training & Staff Development	10,265	10,046
Conferences & workshops	-	618
Printing & Stationery	33,556	29,245
Meetings	20,786	10,016
Phone/fax/e-mail	68	106
International Travel	1,308	-
Repairs & Maintenance - Office Equipment	897	4,793
Fuels & oils	2,771	-
Consumables and cleaning	45	180
Furniture & Fittings/ Tools & Equipment	6,732	4,274
Subsistence allowance	22,397	15,372
Professional charges / Subscriptions	2,648	47,146
PPDA Levy	36	-
Library Total	1,004,696	789,212
KUHeS Research Support Centre		
Salaries	138,960	-
Tevet Levy	1,761	-
Staff Benefits	8,592	-
Superannuation	18,146	-
Gratuity	9,709	-
MASM / UNIMED Scheme Expenses	3,445	-
Printing & Stationery	2,448	-
Meetings	4,840	-
FFSP - Research Support Centre	143,650	-
Total KUHeS Research Support Centre Expenses	331,551	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2024 *Continued*.....

KUHeS TLDC		
Salaries	18,618	-
Tevet Levy	188	-
Staff Benefits	183	-
Superannuation	1,318	-
Meetings	643	-
Total KUHeS TLDC Expenses	20,949	-
Total Teaching and Learning	15,528,806	12,728,260

16. Student Affairs and Maintenance

	2024	2023
	K'000	K'000
Student Affairs		
Student Union activities	21,073	33,905
Student Welfare	9,968	2,216
Conference & workshops	2,622	-
UNIMED/medical expenses - Students	211,075	-
Student sports expenses	8,018	-
Meals & meal coupon	-	1,172
Printing & Stationery	289	-
Meetings	36,387	-
Telephone	80	-
Consumables & Cleaning Materials	1,200	-
Mileage Claim	103	-
Subsistence Allowances	19,644	-
Furniture, Tools & Other Equipment	1,277	-
Students' attachments/preceptorship	-	1,031
Teaching Materials	-	6,417
Examination Expenses	162	908
Outsourcing Activities		
Salaries	45,819	36,479
Tevet Levy	522	416
Staff Benefits	-	10,624
Masm/medical expenses - Hostel staff	486	100,637
Superannuation costs	2,046	-
Ceremonies/graduation/open days	-	1,460
Printing & Stationery	-	466



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2024 *Continued*.....

Meetings	-	1,495
Subscriptions	-	951
Electricity	382,956	421,617
Water	517,204	806,527
Furniture & fittings	-	4,509
Tools and other equipment	-	7,864
Rent Expenses	-	6,038
Security services	669,276	577,573
Cleaning Services and Consumables	260,498	206,917
Mileage Refund	-	112
Subsistence allowance	991	141
Maintenance & Repairs - buildings	456,728	327,738
Grounds & Premises Maintenance (Landscapping)	29,908	90,234
Repairs & Maintenance - Office Equipment	-	5,068
Mileage refund / Fuels & Oils	350	-
Total Maintenance & Student Living expenses	2,685,388	2,652,514

17. Administration

	2024	2023
	K'000	K'000
Salaries	3,180,600	2,105,674
Teveta Levy	52,550	53,832
Staff Benefits	785,425	514,655
Superannuation costs	604,921	358,133
Gratuity	93,342	66,472
Masm/medical expenses	109,651	126,790
Advertising & Recruitment	12,209	62,720
Research & Publications	5,228	35,273
Fuels and oils	231,098	53,877
Delinking Expenses	-	1,000
Postgraduate programmes	9,481	21,960
Hospitality, Ceremonies, Graduation & Open Days	18,163	11,869
Conferences & workshops	112,116	24,468
Printing & Stationery	297,403	193,450
Executive Deans & DSA & DIPSR	-	269,488
Council Expenses	174,074	113,408
Passages	64	1,199
Phone & Internet	89,465	135,672
Repairs & Maintenance - Office Equipment	47,501	52,132
Maintenance - Buildings	-	72,153
Furniture & Fittings - & maintenance	2,695	18,285

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2024 *Continued*.....

Consumables/cleaning	1,730	9,683
Meeting expenses	192,055	149,729
Postage/document delivery	-	828
Furniture, Tools and other equipment	179,134	33,877
Covid 19 Expenses	3,378.00	4,221
Staff training & development	79,450	42,764
Staff and students' welfare/attachments	27,999	33,667
Change Management	2,146	-
City Rates, Fire Precaution and Rent Expenses	29,625	9,710
Examination expenses	78,598	14,452
Finance Charges	46,459	6,755
Mileage refund	765	16,364
Subscriptions	21,278	321,623
Subsistence allowance	661,677	38,636
International Travel	17,035	-
Staff Uniform	-	1,233
Office equipment	5,556	1,949
Professional charges & Audit Expenses	67,308	151,627
Legal Charges	69,967	34,806
Exchange loss	1,169	723
Marketing & Publications	29,948	33,999
PPDA Levy	4,249	-
OMIG (Old Mutual Hostels)	964,754	-
Depreciation Charge- Buildings	449,519	1,556,296
Depreciation Charge- Motor Vehicle	175,451	-
Amortisation Charge- Intangible Assets	6,943	-
Depreciation Charge Furniture & Equipment	618,590	-
Provision for Doubtful Debts	-	12,380
Write - off	-	34,985
Bad Debts	-	10,121
Estimated Service Gratuity Liability	4,491,190	2,555,139
Total Administration Expenses	14,051,960	9,368,079

18. Transport and Travelling

	2024	2023
	K'000	K'000
Salaries & Wages	246,301	180,975
TEVET Levy	2,043	803
Staff Benefits	47,271	33,350

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2024 *Continued*.....

MASM/medical expenses	7,599	7,175
Gratuity	5,636	10,416
Superannuation costs	48,019	30,414
Training & staff development	1,233	2,785
Mileage Claim	49,625	105,682
Fuel and oils	418,970	384,275
Subsistence allowance	238,768	116,347
Motor repairs and maintenance	388,570	232,187
Motor licensing	44,575	33,663
Repairs & Maintenance - Buildings	16,822	6,562
Maintenance - Buildings	-	7
Consumables and cleaning vehicles	20	82
Printing & Stationery	3,563	631
Hiring vehicles	10,108	996
Tools & Other Equipment	-	2,773
Staff Uniform	5,795	-
Phone/fax/e-mail	67	106
Total transport and traveling	1,534,985	1,149,228
	1,534,985	1,149,228

19. ICT Department

	2024	2023
	K'000	K'000
Salaries	217,077	139,385
Tevet Levy	2,276	1,478
Perks/Staff Benefits	14,659	20,058
Superannuation costs	44,488	28,355
Gratuity	614	3,319
Masm/medical expenses	5,441	3,664
Telephone & Internet	361,717	152,554
Printing & Stationery	950	5,303
Training and staff development	650	235
Repairs & Maintenance - Office Equipment	1,287	1,600
Mileage Refund and Fuel & Oils	960	-
Meetings	2,280	1,330
Postage & Document delivery	-	7
Subsistence allowance	18,690	13,615
Subscriptions & Professional Charges	-	375
Total for ICT Department	671,089	371,277
	671,089	371,277

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2024 *Continued*.....

20. Common Service & IGA Expenses

	2024	2023
	K'000	K'000
General insurance	277,389	125,541
Fringe Benefits Tax	228,637	106,187
Staff Sports Expenses	18,232	12,551
PPDA Levy	155	-
Staff & Students Welfare	160	-
Students Sports Expenses	-	13,003
Ceremonies/graduation/open days	-	1,171
Guest House & Memorabilia Shop	6,871	6,025
Mangochi IGA expenses	18,129	17,729
Lilongwe IGA expenses	49,369	-
Total common service and other charges	<u>598,942</u>	<u>282,207</u>

21. KUHeS SBUs Expenses

	2024	2023
	K'000	K'000
Sports Complex Operation expenses	728,329	563,528
Mt Pleasant Private Clinic expenses	860,525	781,226
David Livingstone Memorial Clinic	176,146	115,952
Funeral Parlour expenses	139,548	96,900
Total SBUs Expenses	<u>1,904,548</u>	<u>1,557,606</u>

22. Project and Research Expenses

	2024	2023
	K'000	K'000
ACEPHEM	599,286	653,861
AESA - RISE Project	2,400	40,376
Africare Project	252	-
AMARI 2 Project	37,767	37,037
Antibiotic in Miscarriage Surgery (AIMS) Project	-	8,642
ARCADE project	-	4,565

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2024 *Continued*.....

BT BT Clinical Research Project	513,130	516,082
Building Family Medicine (Dioraphte)	113,482	110,519
Building Heart & Lung Project	1,523	34,680
CDC IMEM	-	3,126
CDC Partnership Project	230,650	11,049
CEBHA+ Project	1,270	176,310
Centre For Reproductive Health (CRH)	95,894	144,858
CHAIN Project / CHAIN 2	84,647	101,900
ELMA Anaesthesia Grant	-	183
COM - IDRC IMCHA Project	-	44,914
COSYST	-	4,133
Duke/ MOVE University	124	273
EU Dev. Countries Clinical Trials (EDCTP)	-	1,394
EDCTP MIP Project	93,831	-
Gates Malaria Project	451,709	533,600
Global Health Implementation Project	-	15,813
HBGDKI Project	-	2,463
Helse Nord TB Project (HNTI)	697,138	554,758
HIV Implementation Research Training (M-HIRST)	181,466	98,677
ICMER 2 Project	920,970	672,804
IKMC Project (Immediate Kangaroo Mother Care)	1,179	110,824
ILINS FANTA Project	-	267
ILINS Project	-	179,297
ILINS PI Fund	116,617	-
Infectious Diseases Project	10,765	103,151
BPS Project	43,189	-
Practice Study	3,633	-
Intermittent Preventive Therapy	-	1
MAC ENTO Studies Project	1,032,307	999,007
PIIVEC (MAC Ento)	6,303	-
VECTOR Link (MAC Ento)	44,332	-
Majete Malaria Project	-	204
Malaria Decision Support System (MDSS) Project	113	216
Malarid PMC	-	11,435
MARCH Study	-	1,618
Martenal Child Health Project	-	34,267



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2024 *Continued*.....

Mazira Project	-	268
Mental Health Project	-	6,451
Global Alliance for Martenal Mental Health	14,429	-
MORDOR Project	34,827	122,010
Deworm (Mordor Account)	33,703	-
Nac BDS Study	-	932
NORHED ASCA Project	-	22,798
NORHED Surgery Project	-	7,128
Premier Postgraduate	499,353	2,136
UNICEF - COVID (Premier Postgraduate)	851,536	-
UNFPA UMOYO (Premier Postgraduate)	116,795	-
SEED (Premier Postgraduate)	27,526	-
BT SaDAPT (Premier Postgraduate)	114,916	-
STEPMAG (Premier Postgraduate)	33,503	-
ZURICH (Premier Postgraduate)	37,400	-
Research Ethics Committee (COMREC)	115,216	97,409
Research Support Centre	26,096	134,316
Research Dissemination Conference	177,763	-
SACORE GRANT	-	81,385
Scottish Collaboration NIPH	9,353	287
<i>SMALL GRANTS PROJECTS</i>	-	<i>639,174</i>
WarmHeart (Small Grants FCB)	97,720	-
MAENTS (Small Grants FCB)	20,410	-
GLUCELB (Small Grants FCB)	26,468	-
KUUNIKA Follow-On (Small Grant FCB)	9,018	-
APT SEPSIS (Small Grants FCB)	18,364	-
Youth in Mind (Small Grants FCB)	53,052	-
University of Nairobi TDR (Small Grants FCB)	6,578	-
GHRG - GI (Small Grants FCB)	267,843	-
EFGH (Small Grants FCB)	37,655	-
MULTLINK (Small Grants FCB)	34,902	-
M-CORP (Small Grants FCB)	62,013	-
Scores (Small Grants FCB)	617	-
Copsmeds (Small Grants FCB)	43,078	-
Map Care (Small Grants FCB)	31,697	-
ENHANCE (Small Grants FCB)	57,711	-



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2024 *Continued*.....

Simplicity TB Study (Small Grants ECO)	42,095	-
GBS Project (Small Grants ECO)	8,281	-
ACCEPT U2U (Small Grants ECO)	89,651	-
PANACEA (Small Grants ECO)	75,494	-
CCRREEA (Small Grants ECO)	42,229	-
NIHR Accute Brain(Small Grants ECO)	61,673	-
SMPCDP Project (COM Scotland Malawi Psychiatry)	77,658	8,532
St. Louis Nutrition	-	44,729
Sugarfact	-	1,699
Surg Africa	-	89,679
THRU (Tropical Haematology) Project	23,328	38,842
Trypanogen Project	16,987	15,186
UNC Project / UNC Health Care	8,120	-
Thanzi la Onse Project	1,539	69,824
GAVI	201,017	85,588
MVIP Project	528,638	2,147,534
PHNG GSK Project	1,255,309	1,374,770
PHNG	281,144	-
STHP Project (Support & Training of Health Professionals)	-	4,273
P 20 Project	7,565	2,534
Maldent Project	338,598	221,594
Nutritional Sub Study Project	-	1,825
PEER Cancer Project	3,059	150,435
NEST Project	1,043,635	1,135,344
CPMZ Project	-	-
Rapaed Project	10,468	2,320
Drink Project	-	33,515
IMPROVE 2 Project	210,399	1,719
MITS Project	1,607	23,774
Generation MW Project	136,149	113,013
CHEER Project	322,139	434,339
CHEER BUS (Hire Fund)	6,129	-
Alert Study Project	149,661	92,831
Smokeless Project	1,150	55,665
CDC HEALERS Project	1,023,073	773,953

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2024 *Continued*.....

SCATHIM Project	174,743	127,489
TFGH Covid -19 vaccination	(118,657)	249,575
COVID-19 Response (EXPRO & General)	50,931	-
Bloodsafe Study	51,209	41,667
Impress Study	595,563	313,766
KUHeS Corruption Project	38,698	97,100
WHO Peri covid project	104	-
Norhed Surgery II Project	334,038	216,766
Immunogenicity Project	121,096	42,856
EDCTP Impala Project	239,157	326,505
Norhed Price	172,380	114,381
FIFA (Football) Nurse	44,170	123,693
HEPU BCEPS Project	53,768	44,238
HEPU HSJF Project	338,766	220,834
HEPU	196,769	-
COVID 19 Self Testing Study	84,423	117,929
Case Control Project (MVPE)	237,210	219,721
SAVE Project (World Bank)	246,550	26,635
HEPU - Thanzi La Mawa	518,718	104,789
GELA Project	203,462	57,040
PROMISE Project	357,483	189,600
SACEV Project	186,434	6,952
SACEV University of Ghana (FFSP)	15,208	-
SACEV Embu Level 5 Hospital (FFSP)	27,799	-
SACEV University of the Free State (FFSP)	82,635	-
SACEV MW Liverpool Welcome Trust Clinical Research (FFSP)	13,766	-
ICEMR 2 Sub Study	353,732	99,094
Remind AYA Study	65,500	-
COVID System Assessment Stanford	179,634	256
COVID TMM	197,056	127,822
Youth Excel	12,258	2,466
Hope for the Future (LL)	551	296
Group Antenatal Care (LL)	42,167	266,998
SUCCEED Project (LL)	37,236	128,942
Community based Implementation on HIV project (LL)	-	397

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2024 *Continued*.....

Public Sector Investment Programme (LL)	-	29,114
Norhed (LL)	-	70,861
Lugina Funds (LL)	-	515
Still birth Project (LL)	-	151,543
KCN Research projects funds (LL)	-	7,271
APPHC Project (LL)	-	271
ENHEIT Project (LL)	-	-
Miscellaneous project and research expenses (LL)	-	710,736
Students' funds (LL)	-	673,119
Global Health Research Group on Adolescent Wellbeing	381,198	-
CARTA APHRC	83,380	-
CHITETEZO	38,335	-
Research Admin (FFSP)	187,423	-
REMALKS	38,425	-
ALMA Project	78,031	-
IGNIT3 Project	101,101	-
SIDA - APHRC JPIAMR HARISSA (small Grants FCB)	79,925	-
Scottish Governance Grant	416	-
Chemopad (Small Grants ECO)	11,764	-
CP Register (Small Grants FCB)	10,543	-
POCUS (Small Grants ECO)	8,765	-
EMAMA (Small Grants ECO)	9,366	-
Kuzama pa Kalondo (Infectious Diseases Account)	2,574	-
GAVI CDH Kapito	17,296	-
THRASHER (Small Grants FCB)	4,013	-
GEAS	1	-
Epi Genetics (Infectious Diseases Account)	492	-
TUMCHIP (Tampere Mother & Child)	48,627	-
Crispos - TSOL Unlimited (Small Grants)	80,630	-
APPC Blood Access	4,760	-
Total Project and Research Expenses	20,451,936	18,161,352

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2024 *Continued*.....

23. Grants Received

	2024 K'000	2023 K'000
ACEPHEM	553,518	370,956
AMARI 2 Project	57,112	10,225
BT Clinical Research Project	1,061,440	351,038
Building Family Medicine (Dioraphte)	231,717	-
Building Heart & Lung Project	-	34,212
CDC Partnership Project	123,128	-
CEBHA+ Project	-	206,273
Centre For Reproductive Health (CRH)	29,445	147,093
CHAIN Project / CHAIN 2	28,227	94,566
EDCTP MIP Project	59,443	-
Gates Malaria Project	224,150	252,845
Helse Nord TB Project (HNTI)	832,093	505,830
HIV Implementation Research Training (M-HIRST)	246,167	93,559
ICMER 2 Project	641,630	320,548
IKMC Project (Immediate Kangaroo Mother Care)	50,663	-
ILINS Project	-	295,526
ILINS PI Fund	43,669	-
Infectious Diseases Project	34,261	163,608
BPS Project	13,341	-
Practice Study	54,445	-
MAC ENTO Studies Project	1,111,249	634,839
Maternal Child Health Project	-	53,280
Mental Health Project	-	8
MORDOR Project	-	68,484
NORHED ASCA Project	-	1,665
Premier Postgraduate	1,420,748	-
UNICEF - COVID (Premier Postgraduate)	615,009	-
Scottish Collaboration NIPH	4,349	-
SMALL GRANTS PROJECTS	-	620,937
WarmHeart (Small Grants FCB)	145,011	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2024 *Continued*.....

KUUNIKA Follow-On (Small Grant FCB)	11,528	-
GHRG - GI (Small Grants FCB)	117,968	-
EFGH (Small Grants FCB)	82,585	-
MULTLINK (Small Grants FCB)	43,454	-
M-CORP (Small Grants FCB)	128,358	-
Map Care (Small Grants FCB)	48,614	-
ENHANCE (Small Grants FCB)	43,650	-
Simplicity TB Study (Small Grants ECO)	46,356	-
PANACEA (Small Grants ECO)	53,486	-
CCRREEA (Small Grants ECO)	9,012	-
SMPCDP Project (COM Scotland Malawi Psychiatry)	104,731	2
Surg Africa	-	104,863
THRU (Tropical Haematology) Project	(27,918)	-
Trypanogen Project	20,673	-
Thanzi la Onse Project	-	91,206
GAVI	-	205,541
MVIP Project	513,169	1,833,308
PHNG GSK Project	1,604,863	913,920
Maldent Project	545,559	183,475
PEER Cancer Project	-	95,759
NEST Project	661,135	1,279,509
Rapaed Project	-	12,537
IMPROVE 2 Project	269,131	-
MITS Project	102,176	12,784
Generation MW Project	245,737	118,471
CHEER Project	192,407	426,818
Alert Study Project	140,683	-
Smokeless Project	-	32,394
CDC HEALERS Project	1,009,303	690,872
SCATHIM Project	151,994	45,603
TFGH Covid -19 vaccination	575,844	315,961
COVID-19 Response (EXPRO & General)	40,626	-
Bloodsafe Study	53,312	50,173
Impress Study	557,590	327,889
KUHeS Corruption Project	88,921	44,771
Norhed Surgery II Project	301,507	240,749



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2024 *Continued*.....

EDCTP Impala Project	-	61,359
Norhed Price	155,021	140,506
FIFA (Football) Nurse	-	102,795
HEPU BCEPS Project	15,070	21,757
HEPU HSJF Project	814,589	107,354
COVID 19 Self Testing Study	-	131,197
Case Control Project (MVPE)	215,997	-
SAVE Project (World Bank)	672,788	125,380
HEPU - Thanzi La Mawa	233,654	246,821
GELA Project	121,807	163,211
PROMISE Project	234,382	284,886
SACEV Project	667,637	589,449
ICEMR 2 Sub Study	558,323	119,685
Remind AYA Study	123,499	75,319
COVID System Assessment Stanford	370,261	57,079
COVID TMM	88,260	162,337
Youth Excel	32,119	46,039
IVAR Study	-	23,865
Norhed Project -	-	76,244
Group Antenatal Care Project -	-	390,720
Still birth Project -	-	129,494
SUCCEED -	-	271,250
Students funding -	-	643,839
Other projects -	-	1,346,486
Global Health Research Group on Adolescent Well	393,775	-
CARTA APHRC	134,562	-
REMALKS	2,770	-
ALMA Project	180,217	-
IGNIT3 Project	189,114	-
CP Register (Small Grants FCB)	8,264	-
POCUS (Small Grants ECO)	22,615	-
EMAMA (Small Grants ECO)	49,743	-
GAVI CDH Kapito	85,557	-
TUMCHIP (Tampere Mother & Child)	55,323	-
Crispos - TSOL Unlimited (Small Grants)	36,929	-
Total Grants Received	20,779,545	16,569,169



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2024 *Continued*.....

24. DISCLOSURES

24.1. Contingent Gratuity Liability

The Council of the former University of Malawi resolved to abolish the service gratuity scheme, limiting eligibility to staff with at least 20 years of continuous service. As a result, a liability of **K14,728,064,530** has been recognized in the financial statements for those meeting this criterion. Meanwhile, the gratuity amounting to **K13,712,773,298** for staff with less than 20 years of continuous service is disclosed as a contingent liability.

24.2. Contingent Legal Liability

There is an undergoing legal case between the KUHeS Sports Complex Centre and its former General Manager whose outcome may result in unrecoverable staff loan and legal charges for the unpaid end of contract benefits which the former General Manager claimed.

25. Subsequent Events

Following the reporting date, the federal UNIMA Service Gratuity Scheme was officially abolished on 30th September, 2024. In response, the Government of Malawi approved a loan of K20.54 billion from FDH Bank for KUHeS, with a repayment period of three years. Using these funds, KUHeS paid out service gratuity to all eligible staff members in January, 2025. The Government also committed to covering the tax obligations related to the gratuity payments.