MATERNITY AFRICA LIMITED

FINANCIAL STATEMENTS

JULY 2015 TO 31ST DECEMBER 2016

MWEMA & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS IN PUBLIC PRACTICE

TAX CONSULTANTS

P.O.BOX 891

TEL:+255754895602

ARUSHA

MATERNITY AFRICA LIMITED
P.O.BOX 16464 - ARUSHA

Financial Statements for the period from 1st July 2015 to 31st December 2016.

CORPORATE INFORMATION :

REGISTRATION:	Maternity Africa Limited Company Limited By Guarantee Certificate of Incorporation No.102204 T.I.N. 123-391-772	
BOARD OF DIRECTORS :	DR. ANDREW BROWNING	- AUSTRALIAN
	MS. MARGARET BANGSER(Resigned)	- AMERICAN
	PROF. ESTHER MWAIKAMBO	- TANZANIAN
	HAPPINESS MWAMASIKA	- TANZANIAN
	WILFRED MLAY	- TANZANIAN
REGISTERED OFFICE :	MATERNITY AFRICA LIMITED P.O.Box. 16464 ARUSHA. TANZANIA.	
AUDITORS:	MWEMA & COMPANY P.O.Box 891, Tel 0754895602 ARUSHA. TANZANIA.	
BANKERS:	CRDB NGARAMTONI,ARUSHA- BRANCH.	

MATERNITY AFRICA LIMITED

P. O. BOX 16464 - ARUSHA

REPORT OF THE BOARD OF DIRECTORS.

The Board of Directors submit their report and the audited financial statements for the period ended 31st December 2016 which show the state of affairs of the Company.

1) PRINCIPAL ACTIVITY:

The Principal Activity of the Company during the period were:

a) To contribute to the improvement of maternal health outcomes in the country aiming in particular to reach out the poor and marginalized women so as to improve their health status and overall well-being.

b) To strengthen capacity for the provision of high quality emergency obstetric care.

c) To improve access to and provide high quality treatment of obstetric fistula and other birth injuries.

d) To establish and support or aid in the establishing and supporting any charitable association or institutions and to subscribe or guarantee money for charitable activities of Maternity Africa.

2) RESULTS:

The Income and appropriation thereof are stated on page 5.

3) The Board of Directors & Members who served during the period were:

DR. ANDREW BROWNING	AUSTRALIAN
MS. MARGARET BANGSER(Resigned)	AMERICAN
PROF. ESTHER MWAIKAMBO	TANZANIAN
HAPPINESS MWAMASIKA	TANZANIAN
WILFRED MLAY	TANZANIAN

4) AUDITORS:

The Company appointed Mwema & Company as auditors who have indicated their willingness to continue in office.

APPROVED BY

DIRECTOR	**DIRECTOR**
Andrew Browning	WILFRED MLAY

REPORT OF THE AUDITORS

TO THE MEMBERS OF

MATERNITY AFRICA LIMITED

We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention and accounting policies .

RESPECTIVE RESPONSIBILITIES OF BOARD MEMBERS AND AUDITORS

The Board members are responsible for the preparation of financial statements which give a true and fair view of the Company`s state of affairs and its operating results. Our responsibility is to express an independent opinion on the financial statements based on our audit and to report our opinion to you.

BASIS OF OPINION

We planned and performed our audit so as to obtain reasonable assurance that the financial statements are free from material misstatement. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Board members in the preparation of the financial statements, and whether the accounting policies are appropriate to the Company`s circumstances, consistently applied and adequately disclosed.

OPINION

Subject to the foregoing, in our opinion the financial statements present a true and fair view of the state of the Company`s affairs as at 31st December 2016 and of its results and Cash Flows for the period then ended .

MWEMA & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS IN PUBLIC PRACTICE
P. O. BOX 891 ARUSHA

JOHN P. MAJO (FCPA 104)
MWEMA & COMPANY (PF 037)
Certified Public Accountants in Public Practice

ARUSHA: 24 MAY 2017

MATERNITY AFRICA LIMITED
P. O. BOX 16464 - ARUSHA.

STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER 2016

ASSETS:	NOTES	2015/2016 T.SHS.	2014/2015 T.SHS.
Non Current Assets:			
PROPERTY,PLANT & EQUIPMENTS	2		
Fixed Assets		128,099,943	104,761,125
Capital Work in Progress(Hospital Construction)		1,172,076,766	30,603,360
Total Non Current Assets		1,300,176,709	135,364,485
Current Assets			
Accounts Receivable	4	-	29,684,895
Cash and Cash Equivalents	5	4,573,292,832	143,217,202
Total Current Assets		4,573,292,832	172,902,097
TOTAL ASSETS		5,873,469,541	308,266,582
EQUITY,FUNDS & LIABILITIES:			
RETAINED ACCUMULATED FUNDS:			
Balance B/F		120,059,752	97,093,175
Surplus/(deficit) for the Period		(11,476,077)	22,966,577
Balance C/F		108,583,675	120,059,752
FUNDS FOR ASSETS & DEVELOPMENTS			
Restricted Funds for Procurement of Assets & Equipments.			
Balance B/F		188,206,830	115,187,512
Additions		80,360,911	73,019,318
Balance C/F		268,567,741	188,206,830
Restricted Funds for Maternity Africa Hospital Construction.			
Amount Received		5,475,899,734	
Current Liabilities:			
Accounts Payable		20,418,391	-
		20,418,391	-
TOTAL EQUITY,FUNDS & LIABILITIES:		5,873,469,541	308,266,582

These financial statements were approved by the board of members on ....
and were signed on it's behalf by :

DIRECTOR

Andrew Browning
DIRECTOR

WILFRED MLAY

MATERNITY AFRICA LIMITED
P. O. BOX 16464 - ARUSHA.

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD FROM 1ST JULY 2015 TO 31ST DECEMBER 2016

	NOTES	2015/2016 T.SHS.	2014/2015 T.SHS.
INCOME:RECEIPTS			
Donations & Contributions From Funding Organisations-		1,159,524,295	883,324,013
LESS: DIRECT EXPENSES	6	(838,524,965)	(720,969,241)
DEPRECIATION EXPENSES		(58,847,094)	(40,686,987)
		262,152,236	121,667,785
Other Income -Exchange Gain /(Loss)		(918,465)	28,085,262
Gross Income		261,233,772	149,753,047
LESS:OTHER OPERATING EXPENSES:			
Administration costs	7	264,699,467	121,504,248
Finance Costs	8	8,010,382	5,282,222
Total Expenses		272,709,849	126,786,470
SURPLUS/(DEFICIT) FOR THE PERIOD		(11,476,077)	22,966,577

MATERNITY AFRICA LIMITED

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST DECEMBER 2016.

	2015/2016 T.SHS.	2014/2015 T.SHS.
I. CASH FLOW FROM OPERATING ACTIVITIES		
Net Surplus/(deficit)	(11,476,077)	22,966,577
Adjustment for non cash items:		
Depreciation	58,847,094	40,686,987
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:	47,371,017	63,653,564
CHANGES IN WORKING CAPITAL		
(Increase)/Decrease in Accounts Receivable	29,684,895	(29,684,895)
Increase /(Decrease) in Accounts Receivable	20,418,391	
	97,474,303	33,968,669
II. CASH FLOW INTO INVESTING ACTIVITIES:		
Reserve Funds		115,187,512
Restricted Funds for Hospital Construction .	5,475,899,734	
Restricted Funds for Procurement of assets & equipments	80,360,911	73,019,318
Purchase of Fixed Assets-M/V & Equipments	(82,185,911)	(176,051,472)
Preliminary Hospital Building Construction Costs (w.i.p.)	(1,141,473,406)	
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	4,332,601,327	12,155,358
	4,430,075,630	46,124,027
IV. CASH AND CASH EQUIVALENTS		
Net increase (decrease) in cash and cash equivalents		
Cash and Cash equivalents at the beginning	143,217,202	97,093,175
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	4,573,292,832	143,217,202
NET INCREASE/(DECREASE)	4,430,075,630	46,124,027

MATERNITY AFRICA LIMITED

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31ST DECEMBER 2016

1. ACCOUNTING POLICIES:

ACCOUNTING CONVENTION:
These accounts are prepared under the Historical cost convention and on Cash Basis.

DEPRECIATION:

Depreciation is calculated to write off the cost of the assets during the expected useful lives of the assets concerned on a reducing balance basis. The principal rates used for the purpose are:-

Furniture,Fittings & Equipments	- 12.5% per annum.
Computers	- 25% per annum.
Motor Vehicles	- 25% per annum.

2. FIXED ASSETS:(See Page 9)

3. CURRENCY:

These accounts are expressed in Tanzanian Currency.
Transactions in foreign currencies are translated to T. Shillings at the exchange rate ruling on the date of the transactions.

	2015/2016 Tshs	2014/2015 Tshs
4. ACCOUNTS RECEIVABLE:		
Arusha Lutheran Medical Centre	-	24,977,700
SOI	-	4,707,195
	-	29,684,895
5. CASH AND CASH EQUIVALENTS:		
CRDB Bank -Maternity Africa Ltd-USD A/c	433,707,992	98,669,815
CRDB Bank -Maternity Africa Ltd-TZS A/c	4,706,674	13,011,155
CRDB Bank- Fistula-USD A/c	-	23,827,845
CRDB Bank- Fistula-TZS A/c	-	7,708,388
Cash In Hand	608,700	-
Bank A/c - Hospital Construction USD A/c	4,112,341,135	
Bank A/c - Hospital Construction Tzs A/c	21,928,332	
	4,573,292,832	143,217,202

MATERNITY AFRICA LIMITED
NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31ST DECEMBER 2016

	Tshs	Tshs
6. DIRECT EXPENSES:		
Fistula & Obstetric	346,685,293	381,778,881
Midwifery Training	48,541,540	43,270,430
Outreach Expenses	35,660,000	56,805,350
African Outreach	29,112,349	
Media	34,725,394	19,948,070
Volunteers	314,011,469	98,858,663
	808,736,045	600,661,394
MAINTENANCE-MOTOR VEHICLES & EQUIPMENTS		
Maintenance	29,788,920	120,307,847
	29,788,920	120,307,847
TOTAL DIRECT EXPENSES	838,524,965	720,969,241
DEPRECIATION	58,847,094	40,686,987
7. ADMINISTRATION EXPENSES:		
Labour Costs	130,214,690	
Administration	92,542,225	121,504,248
Bursary/Scholarship	41,942,552	
	-	
	264,699,467	121,504,248
8. FINANCE COSTS:		
Bank Charges	8,010,382	5,282,222
	8,010,382	5,282,222

9. CONTINGENT LIABILITIES:

The Company does not have any continget Liability .

MATERNITY AFRICA LIMITED

NOTES TO THE ACCOUNTS FOR THE PERIOD FROM 1ST JULY 2015 TO 31ST DECEMBER 2016

2. **FIXED ASSETS:**

	COST			DEPRECIATION			N.B.V. AT
	AT 1.7.2015	ADDITIONS	TOTAL.	AT 1.7.2015	CHARGE for the period	AT 31.12.2016	31.12.2016
FURNITURES & EQUIP-OFFICE	1,206,085		1,206,085	226,141.00	183,740	409,881	796,205
FURNITURES & EQUIP-HOUSE	18,851,782		18,851,782	3,534,709	2,871,951	6,406,660	12,445,122
SKILLS LAB EQUIPMENTS	53,841,095		53,841,095	10,095,205	8,202,354	18,297,559	35,543,536
COMPUTERS & EQUIPMENTS	5,211,000	1,825,000	7,036,000	1,954,125	1,905,703	3,859,828	3,176,172
MOTOR VEHICLES-	66,338,150	80,360,911	146,699,061	24,876,806	45,683,345	70,560,151	76,138,909
LAND,HOSPITAL, BUILDING & DEV. (CONSTRUCTION W.I.P.)	30,603,360	1,141,473,406	- 1,172,076,766	-	-	-	1,172,076,766
TSHS	176,051,472	1,223,659,317	1,399,710,789	40,686,986	58,847,094	99,534,080	1,300,176,709