

Malawi Assemblies of God University (MAGU)



ANNUAL REPORT **JULY 2019 – JUNE 2020**



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ANNUAL REPORT
JULY 2019 to JUNE 2020

ANNUAL REPORT AND STATEMENT OF ACCOUNTS

JULY 2019 to JUNE 2020



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MALAWI ASSEMBLIES OF GOD UNIVERSITY (MAGU)

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ACRONYMS

ABC	Africa Bible College
AWRIM	Association of Women Religious Institutes in Malawi
BIU	Blantyre International University
CDSS	Community Day Secondary School
CHANCO	Chancellor College
COVID	Corona Virus Disease
ECAMA	Economic Association of Malawi
ECD	Early Childhood Development
EU	European Union
ICT	Information and Communication Technology
IT	Information Technology
KPAs	Key Performance Areas
LUANAR	Lilongwe University of Agriculture and Natural Resources
MAB	Malawi Accountants Board
MAGU	Malawi Assemblies of God University
MAoG	Malawi Assemblies of God
MDC	MAGU Distinctive Courses
MOU	Memorandum of Understanding
MREC	MAGU Research Ethics Committee
MUST	Malawi University of Science and Technology
NCHE	National Council of Higher Education
NCST	National Commission For Science and Technology
TESAM	Tertiary Education Sports Association of Malawi
TMF	Theology Ministerial Formation
UCE	University Certificate of Education

1.0 CORPORATE PROFILE

Mandate and Policy Objectives

Malawi Assemblies of God University (MAGU) exists to provide leaders with quality and innovative tertiary education that is transformational and spirit empowered with global relevance based on Biblical principles. Established in 2013, the University is founded on the principle that serious and sustained discourse among people promotes intellectual, ethical and spiritual understanding. As MAGU, we embody this principle in the diversity of our students, faculty, and staff, our commitment to justice and the common good, our intellectual openness, and our international character. MAGU provides excellent undergraduate, graduate and professional education in the Christian tradition for the glory of God and the well-being of humankind. MAGU educates women and men to be reflective lifelong learners, to be responsible and active participants in civic life and to live generously in service to others. MAGU programs are designed to provide an in-depth, advanced, and specialized study in the various fields of theology, modern commerce, leadership, missiology and education in order to effectively train godly leaders to equip them with knowledge and skills which will make them effective in the church, government and industry so that in the end their service should glorify God. The various programs in different faculties and departments are specifically designed with flexibility to fit in most people's professional calendars.

Vision

To be a world-class university, culturally relevant, offering transformational education and quality leadership that is applicable locally and globally.

Mission

Exists to advance knowledge and produce innovative, Spirit-empowered technocrats and leaders who serve the nation and the entire world with integrity.

Core Values

Christ-Centered Ministry
Biblical Authority
Pentecostal Distinctive
Mission of God
Kingdom Perspective
Missionary Church
Comprehensive Education
Community Emphasis

1.2 CHAIRPERSON'S STATEMENT

On behalf of the Malawi Assemblies of God University (MAGU) Council, I am happy to present our Annual Report for 2019/20 Academic Year.

MAGU is a young but steadily growing University that is already playing a significant role in the socio-economic development of Malawi. We celebrate and are proud that MAGU is among the few Universities in Malawi that are duly accredited. With 1273 students, of which 26 at Master Degree and 19 at PhD levels, and 52 full-time teaching staff and 37 part-time- MAGU is taking significant steps to affirm its place as a University of excellence, both locally and globally. I am proud and satisfied that our University is on the right trajectory to delivering world class teaching, learning and research.



We are proud of the gender balance we have achieved at MAGU with 49% of our students being female. Our female students are among the outstanding achievers and winning various awards for their outstanding performance at national level. I am thankful to some private companies and NGOs that have stepped in to incentivize and reward students that are demonstrating strong academic performance.

2019/20 has been a very difficult year financially for MAGU due to the Covid-19 pandemic, which has not only negatively impacted Malawi but the global economy as a whole. However, I must commend management for being innovative during this pandemic as they introduced a multi-modal teaching and learning methods to ensure classes were not disrupted for a long period. MAGU also reduced the fees and reimbursed rentals for students' accommodation who paid in advance. This has been done with a lot of pain and disruption on our finances but we felt it was necessary to share the burden. I am very confident that we will not only overcome the present challenges, but we will also come out stronger with a secure future.

Finally, on behalf of MAGU Council I wish to acknowledge and thank the Vice Chancellor, Dr Enson Mbilikile Lwesya for his vision and good leadership, the senate, all our staff and many supporters of MAGU for their enormous contributions in this challenging academic year. I also commend all our Council members who have committed their year to making MAGU a competitive university of choice for Malawians and those beyond our borders.

A handwritten signature in black ink, appearing to read 'T. Nakhumwa', written over a dotted line.

TED OLIVER NAKHUMWA, PHD ENV. & RES. ECON.
CHAIRPERSON-MAGU

1.3 VICE CHANCELLOR'S STATEMENT

The 2019/2020 academic session has been our hardest period but yet it has also been our delightfully extraordinary year. Malawi Academia, just like any other industry, was seriously affected by the electoral case fallout of 2019 and then by the Covid-19 Pandemic of 2020. Malawi Assemblies of God University (MAGU) was not exempted from these two cross cutting disruptors of our economies, life and national development.

University Revenues were seriously affected due to low enrolment. You will see this through our liquidity challenges as shown in our Financial Statements. The February 2020 Semester got disrupted by Covid-19 whose effects persuaded the then State President, Dr. Peter Arthur Mutharika to demand the closure of the education institutions by using a National Disaster Decree.

However, despite the Challenges, this Year has equally been wonderful. MAGU

continues to grow as an organization by entrenching, within its environment, practices that create organizational strength. As an institution, MAGU continues to implement its strategic plans while consistently assessing and evaluating the same. Under the oversight of its Governing Council, MAGU reviewed its Five Year Strategic Plan. MAGU also continues to grow through student Population and education programs roll out.

During the 2019, Graduation, MAGU received a MWK2 Million pledge from two partnering organization, Maestro and International Christian Assembly, for a student Innovation Fund. This fund shall be grown over the years to be used to support Students in creating innovative products and services that can be used for the public good.

On the Student Services, MAGU continues to establish itself in many ways. MAGU has increasingly showed itself that it is a powerhouse in Student Sports across all universities of Malawi. We are now considering a Sports Scholarship to deepen the gains registered in this area.

MAGU is determined to grow steadily and broadly. As an institution, MAGU continues to grow through its strategic direction fulfilling its mission and working through the boundaries of its core values. In order to keep its moral values leadership, the majority of this students should be accommodated within the campus to help in character formation. For this reason, it is the expressed desire of MAGU Leadership to increase the number of Bed space with an addition 1000 spaces and increase classroom space until it reaches 3000. However, in the coming year, it is planned that work to source capital investment to build a 500 space hostel be in place. Management and Council are working towards this goal.



Our view of the future is exciting despite the challenges of the dark clouds that assailed the 2019/2020 Academic Year. We are excited of the prospects of the New Year. Covid-19 Pandemic forced us to start using e-learning platforms to deliver education programs. The 2019/2020 Year was fully finished on this e-learning platform. Persuade by embracing this technology, MAGU has worked tirelessly in the crafting of Academic Manuals that are going to be used in an Open & Distance Learning Platform that we roll out in January of 2021. This shall increase enrolment and expand MAGU's footprint in this nation and the Southern Region of Africa.

Thank You for being our partner. If you are not, consider becoming one through any of the: sponsoring our students, investing in our education programs, supporting our research programs, investing in our Student Innovation Fund & Hubs or sponsoring our Sports Teams.

Enjoy reading about the exciting 2019/2020 journey.

Faithfully,



DR. ENSON MBILIKILE LWESYA
VICE CHANCELLOR-MAGU

1.4 EXECUTIVE SUMMARY

The 2019/2020 Financial Year ending on June 30, 2020 was yet again another remarkable and eventful year for the Malawi Assemblies of God University (MAGU). Apart from numerous challenges, the Financial Year 2018/2019 has seen the University making big strides in its continued bid to position itself as one of the important partners in the high education sector both locally and internationally.

One of the remarkable landmarks in the year is the mid-term review of the University's Five Year Strategic Plan covering the period 2017 to 2022. MAGU Strategic Plan focuses on the major objectives, strategies and activities to be undertaken during the five year period and the mid-term review was aimed at ensuring that the plan remains current; the assumptions are tested; the strategies and targets are amended to suit the ever changing circumstances. This, in essence, ensures that the five year Strategic Plan is always relevant to the prevailing conditions in the Higher Education sector.

Another remarkable landmark, the University held its 6th Graduation on November 15, 2019. During the graduation, a total of 251 students were conferred with Certificates, Diplomas and Degrees from different disciplines of study. Out of the total number of graduating students, 129 were male while 122 were females.

Students activities and achievements were also some of the major highlights of the year. One of the remarkable students achievements, MAGU Basketball teams scoped Gold medals in both Men's and Women categories during the 2020 TESAM games.

The 2019/2020 Financial Year has been a challenging year mainly because of the Corona Virus (Covid 19) pandemic. Despite this and several other challenges as outlined at the end of this report, the University still made strides in its bid to position itself as one of the important partners in the high education sector both locally and internationally. This report, therefore, further highlights achievement and activities in individual faculties; students' activities and welfare; infrastructure development; spiritual formation and growth; relationships and links with other partners and stakeholders; and social responsibility activities and efforts that include community outreach/engagement and charity works as well as students' scholarships and other sponsorships.

This being the period when the University is still working to establish and position itself as one of the best private institutions of high learning, the journey is still full of challenges; however, through such challenges the University's ability to learn and grow has continued to increase making it possible to navigate through tough organizational, social and economical terrains. As this report shows, the strides done in this past year have been not been as expected because of the closure but there is still hope that the University is on the right track.

2.0 KEY PERFORMANCE AREAS

This report highlights achievements made in various Key Performance Areas (KPA) during the financial year beginning 1st July, 2019 and ending 30th June, 2020. The activities are categorized into the following Six Strategic Themes (Priority Areas) as highlighted in the University's 2017—2022 Strategic Plan:

- Outstanding Student Experience
- Lifelong Community
- Strategic Partnerships
- Global Impact
- Social Responsibility
- Equality and Widening Participation

These Six Strategic Themes were set as pillars for the university to achieve Three Strategic Goals: Excellence in Education; Excellence in Research and Consultancy; and Excellence in Innovation with Four Enablers driving the overall strategic activities. These Four Enablers are: People; Leadership; Infrastructure; and Finance.

2.1 PILLAR ONE: OUTSTANDING STUDENTS EXPERIENCE

Within this Pillar, the University strives to provide exceptional experience to our students to enable them achieve excellence in education with the major aim of developing a holistic student experience in academics and social life (cultural, sporting and artistic activities).

Table 1: Outstanding Students Experience

OBJECTIVES	STRATEGIES	KPIs	TARGETS
Provide academic support to students.	Making learning resources available online through the MAGU website and e-library.	Proportion of our graduates in employment/entrepreneurship and further studies.	Seventy percent (70%) of our graduates' employed/entrepreneurship/further studies within three years of completing studies.
	Developing academic student support service (mechanism).		
	Promoting and recognizing student progression through tracer studies.		
Ensure health and safety of our students and staff	Enhancing dispensary and sickbay services.	Proportion of our students winning awards and getting international/local recognition.	Increase awards won and international recognitions received by two every year.
	Introducing a university's medical aid scheme for students.		
Developing appropriate mechanisms for getting students' feedback.	Developing online platforms to foster interaction among staff, students as well as alumni.	Proportion of positive feedback from students.	Three to five (3-5) rating of student feedback.
	Acting promptly on students concerns and feedback.		
	Creating active student participation through creation of social forums and associations.		
Encourage students to engage in extra-curricular activities.	Developing a robust Christian counseling service.	Proportion of students to be involved in exchange programs	At least two students to annually be selected for students exchange programs with our strategic partners

2.1.1 HIGHLIGHTS OF PILLAR ONE

2.1.1.1 University Governance

During the Year under review, a new University Council was inducted and the following are members of the new Council:

COUNCIL MEMBERS

Dr Ted Nakhumwa (Chairperson)
Dr Liveness Banda (Vice Chairperson)
Dr Alfred Maluwa
Mr. Denis Chipao
Mr. John Chiromo
Mrs. Jocelyn Kumwenda
Rev Donnex Mwenisungu
Rev. Dr. Jim Botomani Mbewe
Rev. Daniel Masamba
Rev. Dr Enson Lwesya
Dr Devin Nkhoma
Mr. Albert Newa (Secretary)

COUNCIL COMMITTEES

The following is a summary of University Council Committees and membership

- **Finance and Administration Committee**

Mr. John Chiromo (Chairperson)
Mrs. Jocelyn Kumwenda
Rev Dr Jim Botomani

- **Appointments and Promotions Board**

Dr Alfred Maluwa (Chairperson)
Dr Liveness Banda
Rev Donnex Mwenisungu

- **Legal Affairs Committee**

Mr. Denis Chipao (Chairperson)
Mr. John Chiromo
Rev Dr Enson Lwesya

- **Infrastructure Development Committee**

Mrs. Jocelyn Kumwenda (Chairperson)
Dr Alfred Maluwa
Rev Daniel Masamba
Rev Dr Enson Lwesya

2.1.1.2 Students' Enrollment

In the Financial Year under review, students' enrollment registered another remarkable increase from 1,173 students enrolled in the 2018/2019 Financial Year to 1,273 students.

Table 2: 2019/2020 Student Enrollment

Number of Students	Level	Faculty
368	Bachelors	Education
225	Diploma	
91	Certificate	
19	Doctoral	Theology
26	Masters	
35	Bachelors	
475	Bachelors	Commerce
34	Bridging	
1,273	TOTAL NUMBER OF STUDENTS ENROLLED	

Table 3: 2018/2019 Students Enrollment

Number of Students	Level	Faculty
229	Bachelors	Education
202	Diploma	
97	Certificate	
11	Doctoral	Theology
15	Masters	
32	Bachelors	
1	Diploma	
527	Bachelors	Commerce
59	Bridging	
1,173	TOTAL NUMBER OF STUDENTS ENROLLED	

2.1.1.3 MAGU Sixth Graduation

The Malawi Assemblies of God University (MAGU) held its 6th Graduation on November 15, 2019. During the graduation a total of 251 students were conferred with Certificates, Diplomas and Degrees from different disciplines of study. Out of the total number of graduating students, 129 were male while 122 were females.

Table 4: Graduating Students by program

Number of Students		Study Level	Faculty
Male	Female		
30	8	Certificate	Education
6	26	Diploma	
25	24	Bachelors	
26	47	Bachelors	Commerce
37	17	Bachelors	Theology
4	0	Master of Arts	
1	0	Diploma	
129	122	TOTAL NUMBER OF STUDENTS	

2.1.1.4 Staff Compliment

As one way of improving students' academic experience, the year under review saw a further improvement in the student/lecturers ratio. Number of full time lecturers rose from 49 during the 2017/2018 Academic Year to 56 during the 2019/2020 Academic Year. During the Academic Year under review the University recruited a total of 21 staff members across all departments (17 male and 4 female) against a total number of 5 staff members (4 male and one female) who resigned during the reporting year. The table below presents a summary of full-time members of academic staff.

Table 5: MAGU Academic Staff Compliment

Department	Male	Female	Total	Staff who left	
				Male	Female
Commerce	11	5	16	2	0
Education	7	3	10	2	0
Theology	4	0	4	0	1
TOTAL	42	14	56	4	1

Table 6: MAGU Part-Time Academic Staff

Department	Male	Female	Total
Commerce	3	0	3
Education	17	8	25
Theology	18	2	20
TOTAL	38	10	48

2.1.1.4 Academics

MAGU Senate oversees all academic programs and activities. Usually the Senate meets twice every Semester: One for the purpose of validating and Vetting Assessment Results and the other to handle Businesses related to Academics.

I. Academic Programs

Table 7: Accredited Programs

Faculty of Commerce	Faculty of Education	Faculty of Theology
Bachelors Programmes: Accountancy Banking & Finance Business Administration Business Information Systems Cooperative Business Human Resources Management Insurance Marketing	Certificate & Diploma University Certificate of Education (UCE) Diploma in ECD Bachelors Programmes: Humanities Languages and Linguistics Science	Diploma Diploma in Theology Bachelors Programmes: Bible and Theology Intercultural Studies Christian Education Biblical Counseling Masters Programmes: MA Christian Leadership MA Community Psychology MA Intercultural Studies.
Bridging		

Registered but not accredited Programmes: Monitoring & Evaluation; Community Development; BA Accounting-Degree Completion; BSc Early Childhood Development; PhD Contextual Theology and DMin Contextual Theology.

2.1.2 HIGHLIGHTS FROM ADMINISTRATION

2.1.2.1 Policies

In the 2018/2019 Financial Year the University developed and put into effect the following policies:

- Research and Consultancy Policy
- Grants Management Policies and Procedures
- Intellectual Property Policy

These policies were developed as an effort to bring new knowledge and change in the society through the University's Research and Consultancies.

2.1.2.2 Report from IT Department

The table below highlights some of the activities being undertaken by the IT Department to improve students learning experience. This highlights measurement items, their status and a brief explanation.

Table 8: Summary of 2018/2019 IT Department Activities

MEASUREMENT	STATUS	BRIEF EXPLANATION
Implementation of turn-it-in by June 2020	Not Done	Due to Covid-19 pandemic, the processes were stopped at a very advanced stage. But we are always in touch with the vendors to ensure that resuming should be easy when business goes back to normal
Online submission of assignments and exams	Done	This has been implemented using Google classroom. The first test phase involved writing exams using the platform. Classes may resume using the same should the Covid-19 situation remain as it is. However, the policy guiding the usage of the platform is yet to be developed to properly outline all the usage instructions that we have been independently providing
Online student Feedback (Qualitative and Quantitative)	Done	The feedback platform now works also using qualitative measurements where students give more flexible qualitative responses on different performance indicators
Implementation of performance management system (Appraisal Software)	Done	Appraisal software has been implemented and most we are in the final phases of training employees together with the developer of the software.
Digital Library	Done	The digital Library platform has been developed and all the complements that were raised during the last presentation have been factored in. The platform is now ready for usage and detailed instructions on its usage have been developed.



2.1.3 HIGHLIGHTS BY FACULTY

I. Faculty of Commerce and Management

a) Programs in the Faculty of Commerce and Management

Currently the Faculty of Commerce and Management has Seven Programmes as listed:

- BCom Accounting
- BCom Business Administration
- BCom Banking and Finance
- BCom Business Information Systems
- BCom Insurance
- BCom Marketing
- BCom Human Resource Management

b) Students' Enrollment

Current number of students registered and captured through the class registers and the student Management System is **475**. This figure represents registered students before school closure due to the Covid-19 pandemic.

c) Staff Compliment

The faculty of commerce had 16 full time lecturers at the start of the Second Semester of the 2019/2020 Academic Year. This is before the Second Semester was suspended due to the Covid 19 pandemic. The table below presents a summary of full-time members of academic staff.

Table 9: Faculty of Commerce Full-Time Academic Staff for the 2019-2020 Academic Year

Department	Male	Female	Total	Staff who left	
				Male	Female
Management Studies	5	4	9	2	0
Financial Studies	8	1	9	0	0

Table 10: Faculty of Commerce Part-Time Academic Staff for the 2019-2020 Academic Year

Department	Male	Female	TOTAL
Management Studies	2	1	3
Financial Studies	5	0	5
TOTAL	7	1	8

d) Major Activities in the Faculty of Commerce

The faculty is planning to roll out three new programs these are:

- MBA Banking & Finance
- Bachelor of Arts in Cooperatives Management/Diploma in Cooperatives Management
- Degree completion for Chartered Accountants

Our Accounting program has been affiliated with Malawi Accountants Board (MAB). All our programs being offered are accredited by NCHE.

e) Key Success Stories from the Faculty

- One of our faculty member, Dr. George Nkhoma, successfully defended his PhD in Economics at the University of Malawi pending graduation.
- We have started major ground work activities towards publication of online Journals by faculty staff.



II. Faculty of Education

The Faculty of Education which has Departments of Humanities and of Education Sciences enrolled a total of 684 students across all the programmes.

Table 11: Students Compliments in the Faculty of Education

Programme	Number of students
Certificate	91
Diploma	225
Degree	368
TOTALS	684

1. Department of Humanities

The Department of Humanities is composed of **six** programs with **seven** full time lectures and **twenty-seven** part time lectures.

a) Programs in the Faculty of Education (Department of Humanities)

- Diploma in Early Childhood Development (ECD)
- Bachelor of Science in Early Childhood Development (ECD)
- Bachelor of Arts in Community Development
- Bachelor of Education Linguistics and African Languages
- Bachelor of Education Humanities (History, Social Studies).

b) Staff and Students Compliments in the Department of Humanities (Faculty of Education)

Table 12: Lecturers Compliments

Programs	Number of lecturers				
	Full time		Part time		TOTAL
	female	Male	Female	Male	
ECD (diploma/degree)	0	1	1	2	4
Bachelor of Science in Early Childhood Development (ECD)	1	1	2	3	7
Bachelor Arts Community Development	1	0	2	6	9
Bachelor of Education Humanities (social studies and History)	0	1	0	4	5
Bachelor of Linguistics and African Languages	1	1	1	6	9
TOTAL	3	4	6	21	34

The 2019/2020 lecturer formation indicates that the Faculty of Education (Department of Humanities) had only seven (7) full time lecturers against 27 part-time lecturers a situation which has brought some challenges mainly lecturers being unable to meet deadlines especially in areas of formulation of examinations and submission of results.

2. Department of Education Science

Department of Education Science has one major programme thus Bachelor of Education Science with two areas of concentration Bachelor of Education Science (Mathematics) Bachelor of Education Science (ICT). The department has two full time Lecturers and five part time Lecturers.

a) Programs in the Department of Education Science (Faculty of Education)

- Bachelor of Education Science (Mathematics)
- Bachelor of Education Science (ICT)

Bachelor of Education Science is a four year program whereby students enrolled in this program have a choice to either major in Mathematics or ICT. Students who are majoring in a particular area are required to take at least twelve courses and at least 6 minor courses by the end the program in addition to 14 Education foundation courses and MDC courses.

b) Staff and Students Compliments in the Department of Education Science (Faculty of Education)

Table 13: Lecturers Compliments

Programs	Number of lecturers				
	Full time		Part time		TOTAL
	Male	Female	Male	Female	
Bachelor of Education Science (Mathematics)	2	0	1	0	3
Bachelor of Education Science (ICT)	0	0	5	0	5
Total	2	0	6	0	8

The table above shows that the 2019/2020 academic year had only two full time lecturers against Six part-time Lecturers a worrisome situation which may impact quality of delivery.

3. Department of Education Foundation

Department of Education Foundation in the Faculty of Education has one program thus University Certificate of Education (UCE), which runs for one academic year segmented into three terms. The mode of delivery is blended; two weeks face to face and three months distance learning. The department has only one full time Lecturer. Currently UCE has almost 80 active students. Apart from offering UCE, the department also offer at least 14 courses to undergraduate Education program. Two courses are offered in every semester so that by the end of four years students graduating with Bachelor of Education should be a well-trained teacher that meet all requirements for a secondary school teacher according to the standards stipulated by National Council for Higher Education (NCHE).

a) Staff and Students Compliments in the Department of Education Foundation (Faculty of Education)

Table 14: Lecturers Compliments

Programs	Number of lecturers				
EDF Courses plus UCE	Full time		Part time		TOTAL
	Male	Female	Male	Female	
	1	0	4	2	7
Total	1	0	4	2	7

The table above shows that in the 2019/2020 academic year, the Department had only one full time lecturer against Six part-time Lecturers a worrisome situation which may impact quality of delivery.

b) Highlights of Activities in the Faculty of Education

- Development of Bachelor of Education Science in ICT curriculum: Considering the dynamics in the job market, the Department proposed to the Senate to introduce a new program-Bachelor of Education Science in ICT. After Senate approval, departmental members in liaison with other experts developed a curriculum for the new program. The curriculum was thereafter submitted to management for submission to National Council for Higher Education (NCHE).
- Participation of Open Distance Learning workshop organized by National Council for Higher Education in Salima. Where ODL framework was presented and scrutinized by participants.
- Supervision of Teaching practicum students. This exercise is conducted to our fourth year semester whereby students are supposed to apply what they learnt in class. It was agreed that each student should be supervised at least two times.
- Increase in enrollment for students in community development program and Early Childhood Development which means the programs are attractive to customers.
- Membership to Early Childhood Development Coalition which enables members of the department to access information on Early Childhood Development in the country.
- Participation of two lectures (Mrs. Z. Namondwe and Mr. L. Nyirenda) to the National ECD Week which took place in Mzuzu, October 2019.
- Participation of Mrs. Z. Namondwe to the validation of National Early Childhood Education Curriculum Framework, October 2019.
- Participation of Mrs. Z. Namondwe in the Development and consolidation of Integrated Nutrition and Early Childhood Development Training Manual in Malawi, November 2019 and March 2020.
- Participation of Members of the Department (Mrs. Z. Namondwe, Mr. L. Chimphero) in the consortium composed of National and International Universities, in the writing of project proposal on cooperation Development research, and Erasmus plus programme project, although they have not been successful.
- Conducted consultancy by training of AWRIM staff members in operational research, development of resource mobilization strategy and communication and advocacy strategy. The money from the consultancy, MAGU has got 30% which has been shared to the administration and faculty of education's accounts.

- Engaged the community through drama performance by third year English students at Chigoneka Community Day Secondary School organized by Ms Mandoloma, November 2019; and moral supporting to our stakeholders during mourning periods.
- Three consultancies successfully bided for various consultancy works through the Faculty of Education. The consultancies were:
 - a) Participatory Action Research in Early Childhood Development (EDC) in 15 districts. Catholic Relief Services (CRS) was the organisation that received the services.
 - b) Training in development of training materials and facilitation skills for Association of Women Religious Institutes in Malawi (AWRIM).
 - c) Development of ECD advocacy, Communication Strategy and Mobilization Strategy for Catholic Relief Services.
- MAGU through the Faculty of Education participated in the Early Childhood Development (ECD) Advocacy Week organised by the Ministry of Gender, Children, Disability and Social Welfare and held at Tukombo Girls Secondary School. The ECD Advocacy Week is held every year and the 2019 ECD Week took place from the 14th of October to the 18th of October 2019. The Purpose of the ECD week is to bring stakeholders together to support and enhance ECD work in Malawi.



III. The Faculty of Theology and Ministerial Formation

The Faculty of Theology and Ministerial Formation (TMF) offers undergraduate and graduate programs with various concentrations. Its degrees consist of four major components: 1) Core courses, 2) Concentration Courses, 3) General Electives and 4) Research works.

a) Programs Offered in the Faculty of Theology & Ministerial Formation

The Faculty provides the following Programs that are already accredited by NCHE:

- Bachelor of Arts Degree in Bible and Theology
- Bachelor of Arts Degree in Intercultural Studies
- Bachelor of Arts Degree in Christian Education
- Bachelor of Arts Degree in Counseling
- Master of Arts Degree in Intercultural Studies
- Master of Arts Degree in Christian Leadership
- Master of Arts Degree in Community Psychology
- Doctor of Philosophy in Contextual Theology
- Doctor of Ministry in Contextual Ministry

b) Students and Staff Compliments in the Faculty of Theology & Ministerial Formation

The 2019/2020 enrolment in the faculty had a total of 80 students with a breakdown as presented below:

Table 15: Students numbers in the Faculty of Theology

Program	Number of Students
PHD	19
MA	26
BA	35
TOTAL	80

In the reporting period the faculty had Four (4) full-time lecturers. The Faculty also had Two (2) support staff and Twenty-six (20) adjunct staff.

c) Highlights of Activities from the Faculty of Theology & Ministerial Formation

The major highlights within this Faculty during the year under review:

- **MOU signed within the reporting period**

Between Malawi Assemblies of God University (MAGU) Eswatini Bible College in Eswatini. This MOU will be for five (5) years beginning 2020 renewable and can be terminated after 6 months' notice.



- **Research, consultancy and community engagement undertaken**

- a) Personal Evangelism
- b) Rev. Evans M. Jeka has just published a book with Kachere Series titled “The Meaning of the Serpent in the New Testament”.

- **Personal Evangelism**

- a) We had series of personal evangelism outreaches in Ntandire areas.
- b) Raised missions support in chapel.
- c) Supported Nkhamenya Church project with cash.



2.1.4 STUDENTS ACTIVITIES

As part of an effort to enhance students’ experience and encourage participation of all students in extracurricular activities and their own interaction, during the year under review the University supported students in the organization of various activities:

a) MO626 College Basketball Tournament Basketball Teams

MAGU on 7th December, 2019 hosted the launch of the 2019-2020 National Bank MO626 College Basketball Tournament. Apart from MAGU, the other participants in this tournament included Lilongwe University of Agriculture and Natural Resources (LUANAR) and Nalikule College of Education Men's and Ladies teams. During the inaugural matches, MAGU Wolves beat LUANAR and Nalikule while the MAGU She-Wolves lost their first game to LUANAR and won against Nalikule College of Education. As the tournament continued, on Saturday 15th February, 2020, both MAGU Wolves and the She-Wolves won their games against ABC Lions Men’s Team and Lady’s Team.

b) 2020 TESAM Games

During the reporting year, MAGU Basketball teams scoped gold medals in both Men's and Women categories at the 2020 TESAM games. This year's TESAM games took place in the Southern Region district of Thyolo at Malawi University of Science and Technology (MUST). The MAGU Wolves qualified into the semi-finals without losing a game and beat The Malawi Polytechnic to reach the finals where they beat Chancellor College (Chanco). MAGU She Wolves also advanced into the finals after beating The Polytechnic in the semifinals and beat Bunda in the finals. TESAM games also involved MAGU Mens' Football and Mens' Volleyball Teams which were both knocked out in the quarterfinals and the Ladies' Netball Team which was knocked out in the semifinals.

c) MAGU Theatre for Development Class

Malawi Assemblies of God University Theatre for Development 2019 class visited Chigoneka CDSS on 4th December 2019 to raise awareness through a drama performance. The performance emphasized on messages aimed at challenging attitude and behavior amongst students of Chigoneka Secondary School especially young girls who resort to sexual activities in order to meet their physical needs.

MAGU students performed a play titled The Last Chance, a story of a young girl struggling with school fees and other necessities and is encouraged by her mother to get married as a way of running away from poverty. Faith eventually falls into a peer pressure trap and gets pregnant and is immediately withdrawn from school with no opportunity to return back to school upon delivery. The play was aimed at encouraging teachers to play a role in reinforcing the Re-admission Policy which the Ministry of Education, Science and Technology introduced in 1993, but was revised and relaunched on 4th November 2018 with a banner of 18+ with the aim of supporting teen-mothers' continuity of formal education. The play was a product of a community contact assessment conducted on 10th November, 2019 by MAGU students with the aim of finding real situations and challenges faced by students at Chigoneka CDSS. The drama performance was entirely staged on what the students had gathered during the research. The staging of the play marked the beginning of a strong partnership between MAGU and Chigoneka CDSS.

d) The 2019 EU-ECAMA Students Debate

On Friday 20th September 2019, MAGU participated in the inaugural round of the 2019 EU-ECAMA students debates jointly organized by the European Delegation to Malawi and the Economic Association of Malawi (ECAMA). During the debate, held at Mkwichi Secondary School, the MAGU Team outshined Lilongwe University of Agriculture and Natural Resources (LUANAR) to proceed to the next round of the competition. This year's debates theme is "Inclusive and Sustainable Economic Growth".

The debates are designed to encourage students and young people in general in shaping Malawi's development agenda by allowing them to voice out what they deem as main development challenges and opportunities in the country. Gracing the inaugural debate function was Team Leader of Economic, Trade and Governance from the EU Malawi Office, Mr. Jose Maria Medina Navarr. The judges included renowned economist and former Governor of the Reserve Bank of Malawi Dr. Ellias Ngalande. The Judges mainly focused at research, presentation of facts, argument versatility and confidence. The debates involves universities both Public and Private across the country and were expected to run for three months from September 2019 to November 2019. The prizes include MK 750000 cash to the winner and MK 500000 cash to the runners up. Other universities and colleges participating in this competition were Blantyre International University (BIU), Chancellor College, Mzuzu University, The Catholic University of Malawi, The Malawi Polytechnic and the University of Livingstonia.



e) MAGU Music Concert

MAGU Student Council in conjunction with the MAGU Entertainment team organized a music concert that took place on the 7th of September 2019. This concert was organized by the council to welcome first year students also known as "Freshman". The music concert involved performances from Student Musicians such as Negus; Baya Tools; Brainlock Fam; and Isaiah. Other well-known artists in the Malawian music industry also performed and the main artist of the function was 2017 best winning video hero in Nyasa Music Awards Purple C. Also in attendance were alumni of MAGU and artist; Phrey Wills, Redemption and WIKISE aka "Abusa".

2.1.5 INFRASTRUCTURE DEVELOPMENT AND ACQUISITIONS

This section outlines various notable physical infrastructure development activities and acquisitions done in the reporting Year of 2019/2020 to enhance the learning-teaching process.

The university had several notable developments in the reporting year as follows:

- The University embarked on buying tables and chairs for Blantyre campus.
- The Blantyre campus was painted to have a new look.
- The Lilongwe campus made an extension of offices, the new building has been allocated as a new office for Commerce Department and it incurred few cost for repairs.
- The university increased number toilet facilities, three toilets were created, two in the Faculty of Commerce and one in Education.
- Security doors were assembled and mounted at Vice Chancellor's office, Education and Commerce.
- The University purchased new office tables for lecturers across all faculties and some for administration.
- The University managed to install security cameras around the campus as one way of student management.
- The university engaged a new security company in order to increase the efficiency and address concerns raised previously.
- The project that started in 2019 to install new electrical power supply to individual staff houses was done and finally completed.
- The University hired a JCB to extract a waste bin site as part of waste management.
- Construction of a New campus; the surveying team collected samples for testing in readiness for construction of office/classroom.
- A manual incinerator was assembled.
- The university purchased one new Projector for education and mounted Seven projector cages in Seven classrooms for security purpose.
- Through the National office funds, the campus road to offices has been renovated by concrete slab.

2.1.6 STUDENTS WELFARE

To enhance students' learning experience and welfare, the University embarked on the following activities:

a) Students Management

- The university has installed security cameras around the campus as one way of appropriate student management while a new security company was engaged to increase efficiency and address concerns raised previously.
- The University has embarked on a project to construct a new campus. The surveying team collected samples for testing in readiness for construction of offices and classrooms at the new campus.
- The University has also acquired a new manual incinerator.
- The university has purchased one new Projector for Education and mounted Seven projector cages in 7 classes for security purpose.

b) Students Accommodation

- The housing department maintains a contract with landlord on accommodating students. The following MOUs were signed with the hostel providers:
 - a) Diamond Trading (Area 14 hostels)
 - b) Mr.Kayinga (Area 47 hostel)
 - c) Mrs. Chisimba (Area 14 hostel)

All the houses have security alarms and WI-FI.

- The University students still faces a challenge of inadequate hostel tables and wardrobes with most students using classroom chairs and tables in the hostels. Therefore, the University plans to assemble adequate hostel tables and wardrobes.



2.2 PILLAR TWO: LIFELONG COMMUNITY

Within this Pillar, the University strives to create an environment that promotes a lifelong experience to both the students and members of staff of MAGU that will have an impact to the community with the aim of creating and maintaining a body of engaged university community which includes junior members, senior members, alumni and stakeholders.

Table 16: Lifelong Community

OBJECTIVES	STRATEGIES	KPIs	TARGETS
Engage alumni in activities of the university	Develop an alumni association that will partner with the university to achieve its strategic goals and mobilization of resources.	Number of graduates inducted into the alumni association.	60% of our graduates actively participating in the alumni association.
	Develop social media platforms for lifelong interaction with our alumni		
To impact the community with strong Christian values.	Create a platform for retaining outstanding students as associate lecturers and complement the university's staff profile.	Number of activities organized by the alumni association.	Two activities held by the alumni association with current students.
To share with the community the university resources	Promote interaction between alumni, current students and the community through charity programs and sporting activities.	Number of outreaches held by students, staff and alumni.	

2.2.1 HIGHLIGHTS OF PILLAR TWO

2.2.1.1 Spiritual Formation through Other Related Spiritual Activities-MAGU Prayer Night

- On 6th September 2019, MAGU Entertainment hosted a Prayer Day at the Sheaffer Chapel within MAGU Campus. Under the theme "Press on with Jesus, No Reverse, No More Reproach". The prayer day was graced by Rev Nick Chakwera who is the Senior Pastor of "Gilga" - The College Church. The day also saw various music artists from within MAGU and outside ministering through music. The main artists of the day were the Great Angels supported by other artists such as Artist Max, Isaiah, Noxy Saint, MAGU Praise Team and Gilgal Praise Team. The prayer Day is one of MAGU's prized tradition that take place at the beginning of each semester. Being a Christian University, MAGU believes that seeking counsel and guidance from God as a semester begins is of paramount importance.
- MAGU was also involved in Personal Evangelism and had a series of personal evangelism outreaches in Ntandire areas and raised missions support in chapel.
- To reach out and have a lasting impact on the communities, Rev. Evans M. Jeka published a book with Kachere Series titled "The Meaning of the Serpent in the New Testament".

2.3 PILLAR THREE: STRATEGIC PARTNERSHIP

Within this Pillar, the University strives to set the approaches of attaining MAGU strategic goals through strategic alliance and partnerships with the aim of developing long term relationships with partners locally and internationally, with a view to leverage organization to achieve intended MAGU objectives.

Table 17: Strategic Partnership

OBJECTIVES	STRATEGIES	KPIs	TARGETS
Develop industrial networks. I.e. Professional bodies, regulatory bodies, corporate companies and preeminent institutions	Deriving ways to attract external expertise through adjunct arrangements.	Number of staff pursuing PhDs with international and local universities	One staff member to be awarded PhD scholarship with international or local universities every two years.
	Exploring opportunities for students and staff exchanges		
	Jointly developing sponsorship products/packages with financial institutions (Loans Board).		
Seek industrial local/ international recognition	Negotiating shared resources across institutions and commercial partners	Number of research output jointly published which are international co-authored	One joint publication per faculty per year.
Maximize resources	Seeking joint research opportunities with local and international organizations.		
Contribute to local and international research initiatives.	Developing practicums for current students and alumni.	Number of MOU with industrial players	Create over twenty scholarships for students across all faculties per year
Contribute towards the achievement of Malawi Growth Development Strategies (MGDS), Vision 2020 and The Ten Year National Education Sector Plan.			
			Develop two (2) practicum MOU's with the industry every year

2.3.1 HIGHLIGHTS OF PILLAR THREE

2.3.1.1 MAGU Participates in ECD Advocacy Week

MAGU through the Faculty of Education participated in the Early Childhood Development (ECD) Advocacy Week organised by the Ministry of Gender, Children, Disability and Social Welfare and held at Tukombo Girls Secondary School. The ECD Advocacy Week is held every year and the 2019 ECD Week took place from the 14th of October to the 18th of October 2019. The Purpose of the ECD week is to bring stakeholders together to support and enhance ECD work in Malawi. The Theme for this year was "Promoting Positive Parenting and Early Learning". Currently, MAGU offers two programmes in ECD which leads to the attainment of a Diploma and a Bachelor's degree in Early Childhood Development. Representing MAGU at the ECD Week was The Head of Humanities Department under the Faculty of Education and Applied Sciences Mrs. Namondwe, Mr. Llyod Nyirenda a lecturer in ECD and the University Registrar Mr. Newa. The representatives set up a MAGU stand. The launch was followed by ECD conference in Mzuzu

2.3.1.2 Book Donation To MAGU Lazarus Chakwera Library

On 6th December, 2019, Second Prize winner of the Femrite Poetry Poster Project Ojok James Onono from Uganda donated copies of two of his books to Lazarus Chakwera Library at the MAGU Campus. James donated two of his books, "Heaven Will Never Wait" which he wrote in 2017 and "But My Heart" which he wrote in 2015. The Books contain a series of poems that address a variety of social issues. James is the founder and chairperson of the Galaxy Poets of Northern Uganda, a writer's network in Gulu Region in Uganda. He holds a diploma in Public Administration and Management from Nsamizi Institute of Social Development and is pursuing his Bachelors's Degree in Public Administration and Management at Gulu University in Uganda.

2.3.1.3 Links with Other Stakeholders

- MAGU signed a memorandum of understanding with e-Swatini Bible College in e-Swatini. This MOU will be for five (5) years beginning 2020 renewable and can be terminated after 6 months' notice.
- Membership to Early Childhood Development Coalition which enables members of the department to access information on Early Childhood Development in the country.
- Participation of two lectures (Mrs. Z. Namondwe and Mr. L. Nyirenda) to the National ECD Week which took place in Mzuzu, October 2019.
- Participation of Mrs. Z. Namondwe to the validation of National Early Childhood Education Curriculum Framework, October 2019.
- Participation of Mrs. Z. Namondwe in the Development and consolidation of Integrated Nutrition and Early Childhood Development Training Manual in Malawi, November 2019 and March 2020.
- Participation of Members of the Department (Mrs. Z. Namondwe, Mr. L. Chimphero) in the consortium composed of National and International Universities, in the writing of project proposal on cooperation Development research, and Erasmus plus programme project, although they have not been successful.
- Conducted consultancy by training of AWRIM staff members in operational research, development of resource mobilization strategy and communication and advocacy strategy. The money from the consultancy, MAGU has got 30% which has been shared to the administration and Faculty of Education's accounts.

2.3.1.4 Research and Consultancy Activities

- **Research and Consultancy Policy:** MAGU developed and implemented a Research and Consultancy policy, in a bid to contribute effectively to local and international knowledge through research and attain MAGU's strategic goals through strategic alliance and partnerships with the aim of developing long term relationships with partners locally and internationally, with a view to leverage organization to achieve intended MAGU objectives. The policy provides guidelines on how research and consultancies should be conducted. Furthermore, key to this policy is the process of identifying and prioritizing the research and consultancy needs.
- **Grants Management Policies and Procedures:** This policy is created for use by MAGU faculty and staff involved in the financial and program administration of grants. All employees and students involved in any aspect of grant management should read and understand the policy in conjunction to other policies and procedures prior to commencement of a project.
- **MAGU Online Journal:** A committee was set up and preparation to activate MAGU online journal is at an advanced stage. It is hopefully that by end September 2020, a peer reviewed MREC online Journal will be active. The journal will be published every four months.

- **Intellectual Property Policy:** MAGU as an institution of higher learning, prides itself on the quality of its staff and students and wishes to encourage and support an entrepreneurial environment. The Intellectual Property (IP) generated by staff and students is an important outcome of a thriving research culture, and MAGU seeks to maximise the transfer of this IP to the benefit of the wider community. This policy provides guidelines on the ownership of IP created by its employees, its students and by associated staff; the protection of IP owned by MAGU; the exploitation of IP owned by MAGU; and distribution of revenue arising from the commercial exploitation of IP.
- **Research reports dissemination and publication at conference proceedings:** Two abstracts were submitted for two different conference proceedings. An abstract and full paper was submitted to the 3rd National Research and Dissemination Conference that was supposed to be held from 22nd to 24th April 2020 in Mangochi organised by NCST. Another abstract was submitted to 2nd International Conference on Higher Education that was supposed to be held from 17th to 18th June 2020 in Sunbird Nkopola Lodge in Mangochi. The conferences were postponed due to precautionary measure against spread of COVID-19.
- **Submission of research proposals for research grants and projects:** during the period under review four research proposals were drafted and submitted for research grants to: (1) Mohamed bin Zayed Species Conservation Fund; (2) Nyika-Vwaza Trust Fund; (3) Bernard Van Leer Foundation; and (4) COVID-19 Africa Fund.
- **Peer Reviewed Publications::** Two manuscripts were submitted to international peer reviewed journals. One manuscript has been successfully accepted and published in Sumerianz Journal of Agriculture and Veterinary (<https://www.sumerianz.com/?ic=journal-home&journal=30&info=archive-detail&month=05-2020&issue=5&volume=3>) while one manuscript is under review in Sumerianz Journal of Biotechnology.



2.4 PILLAR FOUR: GLOBAL IMPACT

Within this Pillar, the University's imperative is that MAGU be viewed as reputable global partner. We will strive to strengthen MAGU public global perception to ensure maximum influence with the aim of reaching out and establishing external networks, partnerships with leading universities in Africa and around the world.

Table 18: Global Impact

OBJECTIVES	STRATEGIES	KPIs	TARGETS
Engage in education partnerships that facilitate our strategy	Becoming a significant partner for Gospel outreach in Africa and beyond where our impact can be most effective in helping to address modernity challenges.	Proportion of students provided with an opportunity to have an international experience through MAGU.	Increase external resources secured from our Global Networks.
	Establishing strategic partnerships with major universities across the world to enhance our global impact, international positioning and ability to address contemporary challenges.		
	Shaping the existing partnerships and networks to build MAGU's distinctive culture of international commitment, placing us at the forefront of global higher education by providing new opportunities for students, academics and professional staff to take part in research, teaching and community development activities all over the world.		
Contribute to the international community through integrated activities	Contributing to building capacity and creating sustainable solutions through knowledge exchange.	Proportion of invited and sustained partnerships.	Establish comprehensive partnerships with 5 universities in Africa and beyond for the next five years
Establish innovative steps to expand our global educational impact	Establishing strategic partnerships with major universities across the world to enhance our global impact, international positioning and ability to address contemporary challenges.		Introduce three international programs initiated and sustained by MAGU in the next five years.
	Ensuring an exceptional student experience through nurturing a highly inclusive and integrated student community, and offering support services to reinforce high levels of international student satisfaction.		Establish MAGU research grants for international networks impact
	Positioning ourselves for growth of international students studying with MAGU, on campus and Open and Distance Learning (ODL), forging strategic partnerships and adopting innovative technology to expand the range of pathway and degree programs.		

2.4.1 HIGHLIGHT OF PILLAR FOUR

- **MOUs with international institutions:** To enhance its global impact, international positioning and ability to address contemporary challenges through global partnerships, the University, through the Faculty of Theology signed an MOU with e-Swatini Bible College in e-Swatini. This MOU will be for five (5) years beginning 2020 renewable and can be terminated after 6 months' notice.

2.5 PILLAR FIVE: SOCIAL RESPONSIBILITY

Within this Pillar, the University integrates social and environmental concerns in our business operations and interactions with our stakeholders on voluntary basis. We embed social responsibilities, across the University, that have principles of sustainability, accountability and transparency with the aim to participate and inspire students, staff and wider community in social and environmental responsibility across MAGU and beyond.

Table 19: Social Responsibility

OBJECTIVES	STRATEGIES	KPIs	TARGETS
Impact the community through various charitable and voluntary activities.	Developing curricula, policies, strategies and procedures that are oriented towards social responsibility and sustainable development.	Visibility of charitable activities; sponsorship initiatives; climate change projects; and community access to infrastructure.	<p>Conducting at least 4 charitable activities in year</p> <p>Participating in the two climate change initiatives in a year</p> <p>Permitting community access to university infrastructure once in year during university holidays on a subsidized fee.</p>
	Involving ourselves in philanthropy by making monetary and non-monetary contributions that provide aid to local charitable, educational and health-related organizations.		
	Getting commitments and motivations of all university community members to be actively involved in social responsibility.		
Provide scholarships and sponsorships.	Setting out deliberate policy to engage and report our main social, environmental and economic impact.		
Enable free access to university infrastructures for community activities.	Allowing the community i.e. Christian based organizations to use our facilities at a subsidized fee once in a year		
Promote high ethical standards	Maximizing management of university resources to reduce wastages.		
Participate in environmental and climate change initiatives.	Engaging in recycling techniques.		
	Participating in tree planting exercise, and other environmentally friendly exercises.		

2.5.1 HIGHLIGHTS OF PILLAR FIVE

2.5.1.1 Community outreach and charity works

Apart from evangelism, MAGU students and lecturers also engage in humanitarian support programs as way of Promoting interaction between alumni, current students and the community through charity programs. Starting from the year under review, MAGU, through the Chapel Program started contributing MK400,000.00 every month towards Pastor's support at the newly planted Nkhamenya Church. The year under review also saw MAGU supporting the Nkhamenya Church project with a cash donation.

2.5.1.2 Community Engagement

- As part of the University's Social Responsibility, on 4th December, 2019, MAGU Theatre for Development Class under the Faculty of Education performed at Chigoneka CDSS. The performance was a play aimed at creating attitude and behavioral change amongst peers and raise awareness on various issues affecting the youths through a drama performance. The performance emphasized on messages aimed at challenging attitude and behavior amongst students especially young girls who resort to sexual activities in order to meet their physical needs. The play widened its community awareness campaign by encouraging communities to play a role in reinforcing the Re-admission Policy which the Ministry of Education, Science and Technology introduced in 1993, revised and re-launched on 4th November 2018 with a banner of 18+ with the aim of supporting teen-mothers' continuity of formal education.



2.6 PILLAR SIX: EQUALITY AND WIDENING PARTICIPATION

Within this Pillar, the University intends to include equality, inclusion as well as diversity to widen the scope of people who participate in higher learning in accordance with biblical principles with the aim of increasing the number of people enrolling for various programs under our university regardless of age, gender, background and physical challenges.

Table 20: Equality and Widening Participation

OBJECTIVES	STRATEGIES	KPIs	TARGETS
Enroll students that have a minimum university entry requirements, as required by NCHE	Increasing sales promotions and advertising campaigns for the programs under our university		
Increase intake of mature students.	Increasing flexibility through the introduction and promotion of programs that are offered through ODL Promoting weekend and evening classes	Increased enrollment of mature students as well as those with special needs	Introduce at least four new ODL programs every year.
Ensure that no student is barred from enrolling due to social or religious background	Facilitating underprivileged students' access to loans, grants and other scholarships	Increase enrolment of students from different backgrounds	Opening of ECD demonstration center in years' time.
Ensure equality and equity when dealing with students regardless of gender, age, background and physical challenges	Acknowledging and appreciating diversity within the framework of MAGU core values. Ensuring that students and staff with special needs have equal access to the necessary facilities and are supported accordingly Increasing the percentage of female academic staff. Sensitizing staff on the importance of treating students equitably. Sensitizing staff on special needs education Setting up an ECD demonstration center that will provide teaching services to Under-Five children.	Proportion of female faculty members	Increase proportion of female academic staff to 40% in 5 years

2.6.1 HIGHLIGHT OF PILLAR SIX

Male/Female Student and Staff Formation

In a bid to ensure equality and equity on enrolment and staff recruitment as stipulated in its Gender Policy, the University has been taking deliberate steps to ensure an increased enrolment in the number of female students and recruitment of female lecturers.

This drive saw a remarkable increase in the number of female student graduating from the University. During the graduation ceremony held on November 15, 2019 a total of 122 female students were conferred with certificates at different levels against a total of 129 male students who graduated.

Again, the year under review saw an improvement in the recruitment of female lecturers. During the Financial Year under review the University had 14 full time female lecturers against 42 male lecturers. This is an improvement as in the 2018/2019 financial year, the University had 9 full time female lecturers.



3.0 CHALLENGES

This section presents some of the major challenges that the University faced in the year under review and the urgent needs of the University to solve some of the challenges. However, while other challenges are crosscutting, in some instances some of the challenges were unique to each Pillar and related Key Performance Areas (KPA's):

- The biggest challenge to the running and operations of the University revolved around the Covid-19 global pandemic. The pandemic did not only disrupt the teaching calendar but also led to the disruption of a number of activities, programs and projects within the University and even outside where the University was expected to participate.
- There is still a challenge of inadequate hostel tables and wardrobes. Currently, students use classroom chairs and tables in the hostels leading to another challenge with classroom tables which are never enough. Therefore, the University is planning to assemble adequate hostel tables and wardrobes.
- The campus is now twenty six years old and a lot of structures are in dire need of maintenance. The major delicate work is the ceiling and roofing wooden structure that are eaten by termites. Majority of the buildings need to be painted.
- The Revival Square Garden campus needs re-imagining additional building systems. For example the ventilation system is poor and the rooms are very hot; the drainage system was poorly made.
- The library's reading space is still inadequate.
- Water system to sustain the ground green is a challenge; the proposal was to make use of the borehole at new campus to supply water to the main campus.
- Accommodation space is still a challenge, in some instance the University is forced to accommodate nine students in a room.
- The toilets at the dining Hall faces hygiene problems.
- The university faces a lot of challenges in safeguarding of door keys , the university replace with new lock every semester because of:
 - a) The student ratio to a key is unrealistic (8:1);
 - b) The locks durability is a challenge (one key being used by many, they easily break);
 - c) The proposal is to have an electrical locking system or change all doors to steel doors (in phases).

4.0 CONCLUSION

MAGU challenges which have been there since its inception, both on philosophy and practice, still continues. The University looks at itself as still being in the formative period, meaning is not unusual for the journey to still be full of challenges; however, through such challenges and the experience so far gained the University's ability to learn and grow continue to increase making it possible to navigate through tough organizational, social and economical terrains. Due to the Corona Virus (Covid 19) pandemic which forced learning institution to close mid-way through the year, the 2019/2020 Financial Year has been a period that demanded intense determination and firm belief and trust in the Lord for the continued growth of the University. Yes, the University made some strides in this past year, but due to a slow down of most of its activities the progress made has not been remarkable. However, despite such a slow down the future of the University still looks bright though it will still demand courage to make huge and expensive decisions that will see us getting out of the negative consequences of the Covid 19 pandemic.



FINANCE DEPARTMENT REPORT

This section provides a summary of the major activities undertaken by the Finance Department during the twelve months of the 2019/2020 Financial Year. It suffices to state that all the Management Accounts for all Four Quarters were presented and approved in the regularly held Council Meetings. Furthermore, the Audit Report for this period was presented to the MAGU Council and has also been presented in the preceding section of this report. It is also important to note that the 2019/2020 Financial Year was heavily affected by the Corona Virus (Covid 19) pandemic which led to closure of schools across the country.

The followings are the major activities undertaken by the finance section during twelve months of the year 2019/20 financial year are as follows;

- **Impact of the Corona Virus (Covid 19) Pandemic**

Following the Presidential directive to close schools in order to contain the spread of Coronavirus (COVID 19), in compliance with the directive all the Universities including MAGU, discharged students on 23rd March, 2020 and closed indefinitely.

To reach out to students during the closure period, MAGU embarked on eLearning using Google classroom software to sustain academic contact with students other than face to face. The initiative ensured that academic calendar was not heavily affected, and sustained cash inflows from payment of fees by the students.

However, the initiative had a financial impact on the performance of income. The teaching delivery mode necessitated the lobbying for tuition fees discount of 10% and 50% on boarding fees and in total MAGU made a loss of K80 Million composed of K50 Million in tuition fees and K30 Million in boarding fees.

- **Community Engagement**

Students Scholarships

During the period, the University spent K27.9 million on student scholarships. The scholarship available at MAGU were: work scholarship for students doing piecework for a tuition scholarship of K60,000 to offset tuition fees and pastors' children scholarship for pastors' children who are entitled to K620,000 (100%) to offset tuition and boarding fees. MAGU is considering to identify source of financing to meet the cost of scholarships rather than tuition fees.

To motivate members of Malawi Assemblies of God community, MAGU adjusted tuition fees required to be paid by MAoG's pastors pursuing their studies with University from the normal Four Hundred Sixty Thousand Kwacha (K460,000) to Three Hundred Kwacha (K300,000).

As part of social responsibility, MAGU supported MAoG National Church with the sum of One Million Kwacha towards Annual General Assembly.



- **Governance Issues**

During the period, the University engaged the services of Aleksandr Consulting, an external auditor to audit books of accounts of the University for the period 01/07/19 to 30/06/20.

Worth noting during the year was conversion of a debt of K12,137,202 due from MAGU Career Development Centre (Subsidiary Company) into a capital. The auditor expressed unqualified opinion on the consolidated financial statements. In January, 2020 MAGU, engaged the services of internal auditor, Intelligent Audit and Risk covering the period July 2019 to December 2019. The audit mainly focused on university risk management, control and governance arrangements during the period.

- **Training and Staff Development**

As part of Continuous Professional Development of members of staff, the University funded three members of staff in finance section and a member of staff in academic to attend Institute of Chartered Accountants (ICAM) Lakeshore Conference held in September 2019 at Nkopola Lodge in Mangochi. The theme of the conference was Repositioning for Africa's Economic Renaissance—Malawi in the Equation.

One of the hallmarks of the lakeshore conference was the opportunity to learn from each other. Another is the opportunity to network with a cross section of professionals, government officials, entrepreneurs, academicians and others including enjoying the beauty of Malawi various attractions.

In December 2019, two members of staff in finance and IT section also attended Sage 300 Lakeshore Refresher Training at Cape Maclear in Mangochi organized by Binary System Limited who are the consultants of the Sage 300 system in Malawi. The training was mainly organized to familiarize users with new features of newly upgraded system. The training covered the following areas: An overview of the Sage 300 ERP Software and features of Accpac–System Manager; General Ledger; Accounts Payables; Accounts Receivables; Cashbook; Inventory Control; and Purchase Orders and Procurement.

CAREER DEVELOPMENT CENTRE REPORT

MAGU-Career Development Centre (CDC) was established for the following reasons

1. To allow students who can not afford to join the MAGU main stream because of their points to have access to tertiary education;
2. To allow students who can not afford to join the MAGU university because of their financial capability to have access to tertiary education. The CDC fees is relatively cheaper and the duration is also short. An advance diploma can be completed within two years of enrolment;
3. To mobilise funds and more students for MAGU University. The arrangement is that the revenue raised and profits earned from CDC must be remitted to the University which is the parent company. Also students who graduates with advanced diplomas are allowed to proceed to MAGU University through the mature entry programme.

CDC was incorporated in 2017 and has since been growing because of a professional management team which cultivate respect for people, integrity, diligence and excellence to achieve lasting and quality results. CDC is keen to pursue a path of success, and CDC is convinced that it is by putting values into practice on a daily basis that it has reached where it is today in enrollments and revenues.

The followings are the major activities undertaken by the CDC during the twelve months of the year 2019/20 financial year are as follows;

- **2019/2020 Enrolment**

Our 2019/2020 enrollment analysis basing on our diploma courses programs (products portfolios) is summarized below:

Table 21 Total CDC enrolment numbers for 2019/2020

NO	DIPLOMA COURSES PROGRAMS	ENROLLMENT
1	Public Health	144
2	Community Development	94
3	Business Management	82
4	Nutrition	35
5	Computer Engineering	33
6	Shipping and Transport Management	27
7	Journalism and Media Communication	27
8	Hospitality Management	13
9	Accounting	5
10	Sports Management	1
TOTAL		461

- **Achievements**

Excellence, growth and compliance are pillars of our administration that require new ways of thinking and acting, achieving more tangible milestones in the midst of adverse environment. 2019/2020 will be remembered because of the following achievements:

- We managed to come up with 5 years CDC strategic plan;
- We developed and strengthen collaborations and partnerships with other institutions;
- We conducted the 1st graduation for CDC;
- Launching and operations of Chapel services;
- Administered open books examinations with our international examination bodies; and
- Launched a new campus in Blantyre.

- **Challenges**

New cycles meet new challenges. Despite our success story we faced the following challenges in 2019/2020:

- Worldwide Covid 19 pandemic crippled our services;
- Political turbulence – the aftermath of Malawi’s 2019 general elections led to country wide demonstrations leading to suspensions of classes;
- Inadequate classrooms and office spaces; and
- Lack of sustainable IT services.

- **The Future**

MAGU-CDC future looks brighter based on the following:

- There is potential market growth of enrollment;
- More productivity from our esteemed human resource through staff development; and
- More courses programs to be introduced.

MALAWI ASSEMBLIES OF GOD UNIVERSITY AND ITS SUBSIDIARIES

FINANCIAL STATEMENTS

FOR THE YEAR ENDING
30TH JUNE 2020



**Malawi Assemblies of God University
(MAGU)**



ANNUAL REPORT
JULY 2019 to JUNE 2020

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UNIVERSITY COUNCIL'S REPORT

The Council Members of the Malawi Assemblies of God University (MAGU) have pleasure in submitting their report together with the annual financial statements of the University for the year ended 30 June 2020.

Nature of business

MAGU is the Malawi Assemblies of God University that has undergraduate and post graduate programmes. It was incorporated as a Limited guarantee University in July 2013 and started operating as a University in September 2013. The objective is to develop Spirit-empowered leaders, through quality and innovative tertiary education that is transformational and globally relevant, based on Biblical principles.

The National Council on Higher Education (2011) Act regulates its activities.

MAGU, a Christian university is grounded on the foundation and values that will forge it to become a world class institution impacting Malawi and the sub-region of Africa as it continuously develops leaders that bring necessary change.

Financial performance

The results and state of affairs of MAGU are set out in the accompanying statement of financial position, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes to the financial statements.

Registered office

The registered office of the University throughout the year was situated at the Sheaffer Campus, Along Paul Kagame Road, P.O Box 184, Lilongwe.

University National Executive Committee

The Executive powers of the University are in the University Council. The following are members who held office during the year are:

Dr Ted Nakhumwa

Chairperson

Dr Liveness Banda

Vice Chairperson

Dr Enson Lwesya

Mr Albert Neba

Dr Alfred Maluwa

Mr Denis Chipao

Dr Rev Jim Botomani Mbewe

Rev Donex Mwenisungu

Rev Daniel Masamba

Dr Devin Nkhoma

Mrs Jocelyn Kumwenda


Mr John Chiromo



Events After the Reporting Period

The Council Members are not aware of any other matter or circumstances arising since the end of the financial year.

By Order of the University Council



Chairperson



Council Member

Date: 31st October 2020

STATEMENT OF UNIVERSITY COUNCIL'S RESPONSIBILITIES

The University Council is required by Companies Act 2013 and other regulations to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the University as at the end of the particular year and of the operating results for that year.

The University Council is also required by the law and other regulations 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 the law and the relevant regulations.

In preparing these financial statements, University Council accept responsibility for the following:

Maintenance of proper accounting records;
Selection of suitable accounting policies and applying them consistently;
Making judgments and estimates that are reasonable and prudent;
Compliance with applicable accounting standards, when preparing financial statements, subject to any material departures being disclosed and explained in the financial statements; and
Preparation of financial statements on a going concern basis unless it is inappropriate to presume that the University will continue in business for the foreseeable future.

The University Council also accept responsibility for taking such steps as are reasonably open to them to safeguard the assets of the University and to maintain adequate systems of internal controls to prevent and detect fraud and other irregularities.

Going Concern

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. The basis presumes that funds will be available to finance future operations and that the realization of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

Approval of the Financial Statements

The University Council is of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the University and of its operating results.

These financial statements of the University were approved by the University Council on 31 October 2020 and were signed on its behalf by:


.....
Council Chairperson


.....
Council Member

INDEPENDENT AUDITOR'S REPORT

TO THE UNIVERSITY COUNCIL MEMBERS OF THE MALAWI ASSEMBLIES OF GOD UNIVERSITY
(MAGU)

Opinion

We have audited the consolidated financial statements of Malawi Assemblies of God University which comprise the statement of financial position as at 30 June 2020, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies set up on pages 10 to 29.

In our opinion, the University's financial statements present fairly, in all material respects, the financial position of the University as at 30 June 2020, and of its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities and the requirements of the Companies Act 2013, the National Council on Higher Education Act (2011), MAGU's Constitution and other Laws and Regulations.

Emphasis of Matter

We draw attention to Note 23 to these financial statements, which describe the uncertainty related to the going concern of the University due to inadequate working capital. Our opinion is not qualified in respect of this matter.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 Malawi Assemblies of God University 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 Malawi, 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.

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 International Financial Reporting Standards for Small and Medium-sized Entities 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 University'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 University or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the University'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 University'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 University'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 University 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.

Obtain sufficient appropriate audit evidence regarding the financial information of the entity's or business activities to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the University's audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public internal benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is **Aleksandr-Alain Kalanda**, Malawi Accountants Board registration number CA/RP/018

Aleksandr

.....
Per Aleksandr-Alain Kalanda MBA FCCA CA(M) BCom
Aleksandr Consulting
Certified Public Accountants and Business Advisors
Lilongwe (Malawi)

31 October 2020



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Services: Accounting, Audit, Business Strategy, Company Secretarial Work, Company Turnaround, Insolvency Services, Loan Underwriting, Project Management, Risk Management, Strategic Management, Start Ups and Tax

STATEMENT OF COMPREHENSIVE INCOME

IN THOUSAND MALAWI KWACHAS

		CONSOLIDATED		SEPARATE	
	Note	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Income	4	978,999	832,360	936,976	807,143
Direct expenses	5	-796,360	-650,434	-766,998	-623,612
		-----	-----	-----	-----
Gross Profit		182,639	181,926	169,978	183,531
Other income	6	132,387	141,293	129,590	141,265
Administration expenses	7	-269,145	-268,850	-258,075	-260,077
		-----	-----	-----	-----
Profit Before Tax		45,881	54,369	41,493	64,719
Income tax expense	8	-20,151	-15,465	-20,151	-15,465
		-----	-----	-----	-----
Profit For The Year		25,730	38,904	21,342	49,254
		=====	=====	=====	=====

STATEMENT OF FINANCIAL POSITION

IN THOUSAND MALAWI KWACHA

		CONSOLIDATED		SEPARATE	
	Note	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
ASSETS					
Non-Current Assets					
Property, plant and equipment	9	5,458,541	5,645,308	5,458,466	5,644,778
Long term investment	10	0	0	12,137	0
		-----	-----	-----	-----
Total Non-Current Assets		5,458,541	5,645,308	5,470,603	5,644,778
		-----	-----	-----	-----
Current Assets					
Short term Investments	11	1,201	1,778	1,201	1,778
Inventories	12	4,761	0	4,761	0
Related party	13	0	0	1,002	12,137
Trade and other receivables	14	280,701	146,856	270,858	146,718
Cash and cash equivalents	15	39,197	16,450	34,862	16,038
		-----	-----	-----	-----
Total Current Assets		325,860	165,084	312,684	176,671
		-----	-----	-----	-----
Total Assets		5,784,401	5,810,392	5,783,287	5,821,449
		=====	=====	=====	=====
EQUITY AND LIABILITIES					
Equity					
General reserves		23,412	27,187	23,412	27,187
Designated funds		41,340	43,139	41,340	43,139
Revaluation reserves		5,412,512	5,573,366	5,412,512	5,573,366
Retained earnings		-115,802	-93,552	-98,401	-64,647
		-----	-----	-----	-----
Total Equity		5,361,462	5,550,140	5,378,863	5,579,045
		-----	-----	-----	-----
Current liabilities					
Trade and other payables	16	360,199	234,186	341,684	216,338
Tax Payable	17	46,217	26,066	46,217	26,066
Bank overdraft	15	16,523	0	16,523	0
		-----	-----	-----	-----
Total Current Liabilities		422,939	260,252	404,424	242,404
		-----	-----	-----	-----
Total Equity and Liabilities		5,784,401	5,810,392	5,783,287	5,821,449
		=====	=====	=====	=====

STATEMENT OF CHANGES IN EQUITY

IN THOUSAND MALAWI KWACHA

CONSOLIDATED

	General reserves	Designated Funds	Revaluation Reserve	Retained Earnings	Total
As at 1 July 2018	32,707	0	5,735,902	-61,851	5,706,758
Prior year adjustment	0	0	0	-70,605	-70,605
As at 1 July 2018 restated	32,707	0	5,735,902	-132,456	5,636,153
Additions	24,000	43,139	0	0	67,139
Deductions	-29,520	0	0	0	-29,520
Depreciation of revalued assets	0	0	-162,536	0	-162,536
Profit for the year	0	0	0	38,904	38,904
As at 30 June 2019	27,187	43,139	5,573,366	-93,552	5,550,140
As at 1 July 2019	27,187	43,139	5,573,366	-93,552	5,550,140
Prior year adjustment	0	0	0	-47,980	-47,980
As at 1 July 2019 restated	27,187	43,139	5,573,366	-141,532	5,502,160
Additions	24,000	4,837	0	0	28,837
Deductions	-27,775	-6,636	0	0	-34,411
Depreciation of revalued assets	0	0	-160,854	0	-160,854
Profit for the year	0	0	0	25,730	25,730
As at 30 June 2020	23,412	41,340	5,412,512	-115,802	5,361,462

Depreciation on revalued property, plant and equipment has been charged to the revaluation reserve.

General reserves represent the National Church support to the University in form of rights to use its property, plant and equipment and the support the National Church gets from the University in form of scholarships and other financial support.

Designated funds represent funds reserved for specific projects.



STATEMENT OF CHANGES IN EQUITY

IN THOUSAND MALAWI KWACHA

COMPANY

	General Reserves	Designated Funds	Revaluation Reserves	Retained Earnings	Total
As at 1 July 2019	32,707	0	5,735,902	-44,750	5,723,859
Prior year adjustment	0	0	0	-69,151	-69,151
	-----	-----	-----	-----	-----
As at 1 July 2019 restated	32,707	0	5,735,902	-113,901	5,654,708
Addition	24,000	43,139	0	0	67,139
Deductions	-29,520	0	0	0	-29,520
Depreciation of revalued assets	0	0	-162,536	0	-162,536
Profit for the year	0	0	0	49,254	49,254
	-----	-----	-----	-----	-----
As at 30 June 2019	27,187	43,139	5,573,366	-64,647	5,579,045
	=====	=====	=====	=====	=====
As at 1 July 2019	27,187	43,139	5,573,366	-64,647	5,579,045
Prior year adjustment	0	0	0	-55,096	-55,096
	-----	-----	-----	-----	-----
As at 1 July 2019 restated	27,187	43,139	5,573,366	-119,743	5,523,949
Additions	24,000	4,837	0	0	28,837
Deductions	-27,775	-6,636	0	0	-34,411
Profit for the year	0	0	0	21,342	21,342
Depreciation of revalued assets	0	0	-160,854	0	-160,854
	-----	-----	-----	-----	-----
As at 30 June 2020	23,412	41,340	5,412,512	-98,401	5,378,863
	=====	=====	=====	=====	=====

Depreciation on revalued property, plant and equipment has been charged to the revaluation reserve.

General reserve represents the National Church support to the University in form of rights to use its property, plant and equipment and the support the National Church gets from the University in form of scholarships and other financial support.

Designated funds represent funds reserved for specific projects.

STATEMENT OF CASH FLOWS

IN THOUSAND MALAWI KWACHA

	CONSOLIDATED		SEPARATE	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Cash Flows From Operating Activities				
Profit before taxation	45,881	54,369	41,493	64,719
Depreciation	43,775	41,903	43,509	41,637
Gain sale of assets	-2,198	-1,000	-2,400	-1,000
Bank interest	-6,053	-1,808	-6,053	-1,780
Prior year adjustment	-47,585	-70,605	-55,096	-69,151
	-----	-----	-----	-----
Operating profit before working capital changes	33,820	22,859	21,453	34,425
Movement in trade receivables	-133,845	-40,505	-124,140	-40,807
Movement in inventories	-4,761	0	-4,761	0
Movement in trade payables	126,013	102,709	125,346	91,363
Movement in related party	0	0	11,135	-433
Movement in Investments	577	1,218	-11,560	1,218
	-----	-----	-----	-----
Cash generated from operations	21,804	86,281	17,473	85,766
Income Tax paid	0	0	0	0
	-----	-----	-----	-----
Net Cash Flows From Operating Activities	21,804	86,281	17,473	85,766
	-----	-----	-----	-----
Cash Flows From Investing Activities				
Purchase of property, plant and equipment	-18,459	-62,238	-18,051	-62,238
Investment income	6,053	1,808	6,053	1,780
Proceeds sale of assets	2,400	1,000	2,400	1,000
	-----	-----	-----	-----
Net Cash Flows From Investing Activities	-10,006	-59,430	-9,598	-59,458
	-----	-----	-----	-----
Cash Flows From Financing Activities				
General reserves movement	-3,775	-5,520	-3,775	-5,520
Designated funds movement	-1,799	0	-1,799	0
	-----	-----	-----	-----
Net Cash Flows From Financing Activities	-5,574	-5,520	-5,574	-5,520
	-----	-----	-----	-----
Net Movement in Cash and Cash Equivalents	6,224	21,331	2,301	20,788
	-----	-----	-----	-----
Cash Equivalents at The Start of The Year	16,452	-4,879	16,040	-4,748
	-----	-----	-----	-----
Cash and Cash Equivalents at The End of The Year	22,676	16,452	18,341	16,040
	=====	=====	=====	=====

ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

MAGU is the Malawi Assemblies of God University that undergraduate and post graduate Programmes. It was incorporated as a limited guarantee University in July 2013 and started operating as a University in September 2013. Its objective is to develop Spirit-empowered leaders, through quality and innovative tertiary education that is transformational and globally relevant, based on Biblical principles.

The National Council on Higher Education (2011) Act regulates its activities.

MAGU, a Christian university, is grounded on the foundation and values forging it to become a world class institution impacting Malawi and the sub-region of Africa as it continuously develops leaders that bring necessary change.

The registered office of the University throughout the year was situated at the Sheaffer Campus, Along Paul Kagame Road, P.O Box 184, Lilongwe.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

a) Statement of compliance

The financial statements have been prepared in accordance with the *International Financial Reporting Standards (IFRS) for small and medium-sized entities* issued by the International Accounting Standards Board (IASB), interpretations issued by the Standing Interpretations Committee of the International Financial Reporting and Interpretations Committee (IFRIC).

b) Basis of preparation

The financial statements have been prepared in Malawi Kwacha. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

The consolidated financial statements incorporate the financial statements of the University and its wholly-owned subsidiary MAGU Career Development Centre. All intragroup transactions, balances, income and expenses are eliminated.

Investments in associates are accounted for at cost less any accumulated impairment losses.

Dividend income from investments in associates is recognized when the Group's right to receive payment has been established. It is included in other income.

The preparation of financial statements in conformity with IFRSs require management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

c) Revenue Grants recognition

Income from projects (revenue grants) is recognized in the Statement of financial position initially as deferred income when there is reasonable assurance that it will comply with the conditions attached to it. Income that compensates for expenses incurred is recognized as revenue in the Statement of comprehensive income on a systematic basis in the same period in which the expenses are incurred. Grants that compensate for the cost of an asset are recognized in the Statement of comprehensive income as revenue on a systematic basis over the useful life of the asset and the unamortized grants are carried forward as capital grants.

d) Capital Grants

Capital grants represent the Net Book Value of the assets purchased using donor funds and funds for such purchases are credited to Capital Fund and amortized over the estimated useful lives of the assets. On the disposal, the unamortized balance is transferred to accumulated surplus.

e) Other Income

Revenue is recognized in the statement of comprehensive income on accrual basis when a student has been accepted by the University Council and upon delivery of a service.

g) Foreign currency

Transactions in foreign currencies are translated to Malawi kwacha at the foreign exchange rate ruling at the date of the transaction. Assets and liabilities denominated in foreign currencies at the statement of financial position 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.

h) Property, Plant and equipment

(i) Owned assets

Items of Property, Plant and equipment are stated at cost less accumulated depreciation (see below) and impairment losses (refer accounting policy j).

(ii) Subsequent expenditure

Expenditure incurred to replace a component of an item of property, plant and equipment that is accounted for separately, including major inspection and overhaul costs, is capitalized. Other subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the item of property, plant and equipment. All other expenditure is recognized in the Statement of comprehensive income as an expense as incurred.

Depreciation

Depreciation is calculated on straight line basis at annual rates estimated to reduce them to their anticipated residual value over the expected useful lives of the assets concerned. The principal annual rates used for this purpose are:

Motor vehicles	5 years
Office equipment	4 years
IT equipment	4 years
Furniture and fixtures	4 years
Land and buildings	40 years

Depreciation is charged in full in the year of acquisition of property, plant and equipment. No depreciation is charged in the year of disposal.

i) Trade and other receivables

Trade and other receivables are stated at their cost less impairment losses (refer accounting policy j). Known bad debts are written off and specific provisions made for those considered to be doubtful.

j) Impairment

The carrying amounts of the University's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss in respect of revalued assets is recognized in the same way as a revaluation decrease. All other impairment losses are recognized in the statement of comprehensive income.

k) Employee service benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognized in the period in which the service is rendered and are not discounted.

The expected cost of compensated absence is recognized as an expense as the employee renders services that increase their entitlement or, in the case of non-accumulating absence, the absence occurs.

Retirement benefits

The University has a defined contribution pension scheme administered by Old Mutual. The scheme is contributory scheme to which both the employer and employee contribute. Contributions by the University into the scheme are expensed in the period in which they are incurred. The University has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and past period.

l) Provisions

A provision is recognized in the statement of financial position when the University has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

m) Trade and other payables

Trade and other payables are stated at their cost. Trade payables are obligations on obligations on the basis of normal credit terms and do not bear interest. Trade payables denominated in a foreign currency are translated into MWK using the exchange rate at the reporting date. Foreign exchange gains or losses are included in other income or other expenses.

n) Financing costs

All interest and other costs incurred in connection with borrowings are expensed as incurred.

o) Financial instruments

Financial assets

The University classifies its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired. The accounting policy for each category is as follows:

Amortized cost

These assets arise principally from the provision of goods and services to customers (e.g account receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

The University's financial assets measured at amortised cost comprise **account and other receivables and cash and cash equivalents** in the statement of financial position.

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and – for the purpose of the statement of cash flows - bank overdrafts. Bank overdrafts are shown within loans and borrowings in current liabilities on the statement of financial position.

Financial liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Liabilities are initially measured at fair value, and are subsequently measured at amortized cost, using the effective interest rate method.

p) Comparative information

The University information is restated (refer accounting policy b) in respect of correction of error.

q) Income tax

Income tax on the comprehensive income for the year comprises current tax.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

The University does not provide for deferred tax.

3. CRITICAL ACCOUNTING JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the University's accounting policies described above management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily available from other sources. The estimates and associated assumptions are based on historical experience and other factors that are relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future period if the revision affects both current and future periods.

(i) Critical judgements in applying the University's accounting policies

There were no critical judgment, apart from those involving estimations that management has made in the process of applying the University's accounting policies and that have significant effect on the amounts recognized in the financial statements.

(ii) Key sources of estimation uncertainty

a) Residual values and useful lives of property, plant and equipment

The University tests annually whether the useful life and residual value of its property, plant and equipment were appropriate and in accordance with its accounting policy. Residual values of property, plant and equipment are based on current estimates of the value of these assets at the end their useful lives. The estimated residual values of the assets have been determined by the University Council based on their knowledge of the industry.

(b) Estimated impairment of property, plant and equipment

The University tests annually whether property, plant and equipment have suffered any impairment in accordance with the accounting policy stated in note h. These calculations require the use of estimates.

(c) Estimated impairment loss on receivables

The University reviews its trade receivables to assess impairment on an annual basis. In determining whether an impairment loss should be recorded in statement of comprehensive income, the University makes judgements as to whether there is any observation data indicating that there is a measurement decrease in estimated cash flows from a portfolio of trade receivables. University Council use estimates based on historical loss experience of assets. The assumptions used for estimating the amount and timing of cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

	CONSOLIDATED		SEPARATE	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
8. INCOME TAX				
Income tax	20,151	15,465	20,151	15,465
	-----	-----	-----	-----
Total charge for the year	20,151	15,465	20,151	15,465
	-----	-----	-----	-----
<i>Reconciliation of the effective rate</i>				
Standard tax rate	30%	30%	30%	30%
Timing differences	14%	-2%	19%	-6%
	-----	-----	-----	-----
Effective Rate	44%	28%	49%	24%
	=====	=====	=====	=====

9. PROPERTY, PLANT AND EQUIPMENT

GROUP

	Land and Buildings	Intangibles	Motor vehicles	Office equipment	Furniture & fittings	Computers	Plant and Equipment	Textbooks	Total
Cost									
As at 1 July, 2019	6,022,108	11,959	38,714	33,758	74,982	35,387	965	11,535	6,229,408
Additions	1,315	0	0	3,540	9,177	2,907	850	670	18,459
Disposals	0	0	0	0	0	-598	0	0	-598
	-----	-----	-----	-----	-----	-----	-----	-----	-----
As at 30 June, 2020	6,023,423	11,959	38,714	37,298	84,159	37,696	1,815	12,205	6,247,269
	-----	-----	-----	-----	-----	-----	-----	-----	-----
Cost comprises:									
Cost	7,935	11,959	38,714	24,794	63,768	26,330	1,815	12,205	187,520
Valuation	6,015,488	0	0	12,434	20,391	11,626	0	0	6,059,939
	-----	-----	-----	-----	-----	-----	-----	-----	-----
	6,023,423	11,959	38,714	37,228	84,159	37,956	1,815	12,205	6,247,459
	-----	-----	-----	-----	-----	-----	-----	-----	-----
Accumulated Depreciation									
As at 1 July, 2019	451,161	10,876	20,984	20,680	47,016	28,897	642	3,844	584,100
Charge for the year	165	1,083	10,148	6,418	15,942	6,362	605	3,051	43,774
Excess depreciation	150,387	0	0	2,463	0	2,906	5,098	0	160,854
Disposals	0	0	0	0	0	0	0	0	0
	-----	-----	-----	-----	-----	-----	-----	-----	-----
As at 30 June, 2020	601,713	11,959	31,132	29,561	62,958	38,165	6,345	6,895	788,728
	-----	-----	-----	-----	-----	-----	-----	-----	-----
Carrying Amounts									
As at 30 June, 2020	5,421,710	0	7,582	7,737	21,201	-469	-4,530	5,310	5,458,541
	=====	=====	=====	=====	=====	=====	=====	=====	=====
As at 30 June, 2019	5,570,947	1,083	17,730	13,078	27,966	6,490	323	7,691	5,645,308
	=====	=====	=====	=====	=====	=====	=====	=====	=====

COMPANY

	Land and Buildings	Intangibles	Motor Vehicles	Computer Equipment	Plant and Equipment	Office Equipment	Furniture and Fittings	Textbooks	Total
Cost									
As at 1 July, 2019	6,022,108	11,959	38,714	34,729	965	33,758	74,578	11,535	6,228,346
Additions	1,315	0	0	2,499	850	3,540	9,177	670	18,051
Disposals	0	0	0	0	0	0	0	0	0
As at 30 June 2020	6,023,423	11,959	38,714	37,228	1,815	37,298	83,755	12,205	6,246,397
Cost comprises:									
Cost	7,935	11,959	38,714	24,794	1,815	25,672	63,364	12,205	186,458
Valuation	6,015,488	0	0	12,434	0	11,626	20,391	0	6,059,939
	6,023,423	11,959	38,714	37,228	1,815	37,298	83,755	12,205	6,246,397
Accumulated Depreciation									
As at 1 July, 2019	451,161	10,876	20,984	28,567	642	20,680	46,814	3,844	583,568
Charge for the year	165	1,083	10,148	6,198	605	6,418	15,841	3,051	43,509
Excess depreciation	150,387	0	0	2,463	0	2,906	5,098	0	160,854
Disposals	0	0	0	0	0	0	0	0	0
As at 30 June 2020	601,713	11,959	31,132	37,228	1,247	30,004	67,753	6,895	787,931
Carrying Amounts									
As at 30 June 2020	5,421,710	0	7,582	0	568	7,294	16,002	5,310	5,458,466
As at 30 June 2019	5,570,947	1,083	17,730	6,162	323	13,078	27,764	7,691	5,644,778

Register of properties giving details is maintained at the registered offices of the University and is open for inspection by members or their duly authorized agents.

Items of property, plant and equipment were revalued by T G Msonda, Bsc (L Admin), MRICS, MSIM, Chartered Valuation Surveyor as at 30 June 2016 on open market basis. No item of property was encumbered as at 30 June 2016.

	CONSOLIDATED		SEPARATE	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
10. LONG TERM INVESTMENTS				
Investment in CDC	0	0	12,137	0
Total Short-Term Investments	0	0	12,137	0
11. SHORT TERM INVESTMENTS				
CDH Bank- Revolving Fund	161	124	161	124
CDH Bank-Prime Investors	1,040	1,654	1,040	1,654
Total Short-Term Investments	1,201	1,778	1,201	1,778

	CONSOLIDATED		SEPARATE	
	2020	2019	2020	2019
12. INVENTORIES				
Inventories	4,761	0	4,761	0
	-----	-----	-----	-----
Inventories	4,761	0	4,761	0
	=====	=====	=====	=====

13. RELATED PARTY

Due from related parties	0	0	1,002	12,137
	-----	-----	-----	-----
<i>Made up of:</i>				
Due from related party	1,862	12,137	1,432	12,137
Due to directors	0	0	0	0
Due to related party	-1,862	-12,137	-430	0
	-----	-----	-----	-----
As At The End of The Year	0	0	1,002	12,137
	=====	=====	=====	=====

14. ACCOUNT AND OTHER RECEIVABLES

Trade receivables	295,961	128,792	281,968	128,792
Prepayments and other receivables	188	18,064	188	17,926
Less: Provision for bad debts	-15,448	0	-11,298	0
	-----	-----	-----	-----
Total Trade and Other Receivables	280,701	146,856	270,858	146,718
	=====	=====	=====	=====

15. CASH AND CASH EQUIVALENTS

NBM Savings	63	283	63	283
NBM Current	4,335	912	0	500
NBM Graduate Studies Centre	1,578	206	1,578	206
NBM FCDA	30,938	14,332	30,938	14,332
FDH Savings	2,283	558	2,283	558
Petty cash	0	159	0	159
	-----	-----	-----	-----
Cash and bank balances	39,197	16,450	34,862	16,038
Bank overdrafts				
NBM Current	16,523	0	16,523	0
	-----	-----	-----	-----
Total Bank overdraft	16,523	0	16,523	0
	-----	-----	-----	-----
Net Cash flow movement	22,674	16,450	18,339	16,038
	=====	=====	=====	=====

	CONSOLIDATED		SEPARATE	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
15. ACCOUNT AND OTHER PAYABLES				
Trade payables	30,838	28,774	27,340	28,120
Prepayments	33,717	10,935	33,041	7,913
Taxes	150,004	83,491	143,077	78,050
Pension	70,076	66,704	69,652	65,513
TEVETA levy	11,294	6,025	11,024	5,863
Withholding tax payable	51,071	32,135	44,815	28,358
Other accrued expenses	13,199	6,122	12,735	2,521
	-----	-----	-----	-----
Total Trade and Other Payables	360,199	234,186	341,684	216,338
	=====	=====	=====	=====
16. TAX PAYABLE				
As at the start of the year	26,066	10,601	26,066	10,601
Income tax charge	20,151	15,465	20,151	15,465
Payment during the year	0	0	0	0
Withholding tax	0	0	0	0
	-----	-----	-----	-----
As at the end of the year	46,217	26,066	46,217	26,066
	=====	=====	=====	=====

17. CONTINGENCIES

There were no contingent items as at year end.

18. FINANCIAL RISK MANAGEMENT

Exposure to credit, interest rate and currency risk arises in the normal course of the trust's business. The trust attempts to keep such risks to the minimum.

Foreign currency risk

The University is exposed to foreign currency risk on income received that is denominated in a currency other than the Malawi Kwacha. The currencies giving rise to this risk is primarily US Dollar.

In respect of other monetary assets and liabilities held in currencies other than the Malawi Kwacha, the University ensures that the net exposure is kept to an acceptable level by transacting on the spot rate. The University's management monitors the exchange rate fluctuations on a continuous basis.

Credit risk

The University does not require collateral in respect of financial assets. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

Interest rate risk

The University's income and operating cash flows are substantially independent of changes in market interest rates. The University's management monitors the interest rate fluctuations on a continuous basis.

Liquidity risk

Liquidity risk is defined as the risk when the maturity of assets and liabilities does not match. An unmatched position enhances profitability, but can also increase the risk of losses. The University has procedures that minimize such losses.

19. CAPITAL EXPENDITURE COMMITMENTS

There were no capital commitments as at 30 June 2020 requiring disclosures in the financial statements.

20. RELATED PARTIES

The University has a related party relationship with the Malawi Assemblies of God Church, Council Members, senior members of staff and MAGU Career Development Centre. The values of the transactions and balances were as follows:

	CONSOLIDATED		SEPARATE	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Transactions				
Grants from National Church	9,949	8,029	9,949	8,029
Scholarships	0	35,014	0	35,014
Premises charges to National Church	24,000	24,000	24,000	24,000
Council fees	5,189	4,423	5,189	4,423
Senior management emoluments	237,251	198,702	215,871	177,621
Outstanding Balances				
Due to related party	1,002	12,137	0	0
Due from related party	-1,002	-12,137	1,002	-12,137
	=====	=====	=====	=====

The dealings between the National Church and the University are being shown in the General Reserve due to the nature of the transactions.

21. SUBSEQUENT EVENTS

Subsequent to the reporting date, there were no significant events requiring adjustments to and/or disclosure in these financial statements.

22. GOING CONCERN RISK

These financial statements have been prepared on the basis of accounting practices applicable to a going concern. The ability of the University to continue as a going concern is dependent upon generating sufficient revenues and Operating cash to ensure that sufficient funds are available to meet expenditure and commitments as and when they fall due. The University's going concern is threatened by lack of adequate working capital. Solvency ratio has averaged 75% in 2 years (more current liabilities than current assets) as at year end. This level of liquidity is considered low for operational sustain ability.

However, the insolvent risk has been mitigated by alternative plans to ensure proper funding of the University for the fore seeable future. These plans have included line of credit, reserving policy and rationalization of expenses.



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