



# **MAM Activity Report**

**January – December 2013**

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*After therapeutic feeding and medical treatment this 4 year old girl fully recovered*

# 1. Activity report 2013

## 1.1 Summary

Myanmar's health system is under-funded. People have to pay for most health services and many cannot afford to do so. Medical Action Myanmar started operations in June 2009 with the opening of one clinic in Hlaingthayar township, the poorest township in Yangon. From that moment we expanded activities in this clinic, added more clinics with similar activities in other poor townships and started additional projects in remote villages.

### *Medical care in clinics;*

In 2013 MAM supported 5 clinics. The clinics are located in areas where a large proportion of people cannot afford to pay for their basic health needs. The clinics provide a mix of activities including mother and child care, treatment of malnourished children, reproductive health, family planning, treatment of sexually transmitted infections, counselling, and treatment and care for people with HIV/AIDS and Tuberculosis.

186,338 consultations were performed in these clinics in 2013. The consultations vary from simple out-patient visits to intensive treatment of severe diseases. The average cost of 1 consultation in the clinic including all expenses (staff, lab, medicines) is 7\$.

For 2014 we found a new donor to build and support one more clinic.

### *Medical care through Community Health Workers in remote villages;*

Next to the above mentioned clinics we are supported a network of 450 Community Health Workers (CHW) to provide health care in the most remote villages in North and East Myanmar (Kachin, Karen and Mon states). These villages never got any health care services so far and this is the first time that they have a trained health care worker with reliable tests and treatment in their villages. The project started in 2011 originally with the aim to contain *artemisinin-resistant* malaria. *Artemisinin* is the last effective drug to treat malaria, but resistance is spreading and common in East Myanmar. This is a major health threat in the world. Intense malaria activities can halt the spread.



In 2013 CHW working for MAM tested 73,076 patients for malaria and treated 7,160 patients tested positive.

In addition a basic health care package including referral for severely ill patients was added to the malaria activities. Up to December 2013 a total of 215 CHW were trained for the diagnosis of the most common diseases (including acute respiratory tract infections, diarrhoea, skin diseases), malnutrition and family planning and they performed 34,666 basic health care consultations.

In 2014 we have a plan to increase the number of CHW from 450 to 900 and train all CHW to be able to manage the basic health care package. Early diagnosis and treatment of tuberculosis, a common and deadly disease, will be added to the package.

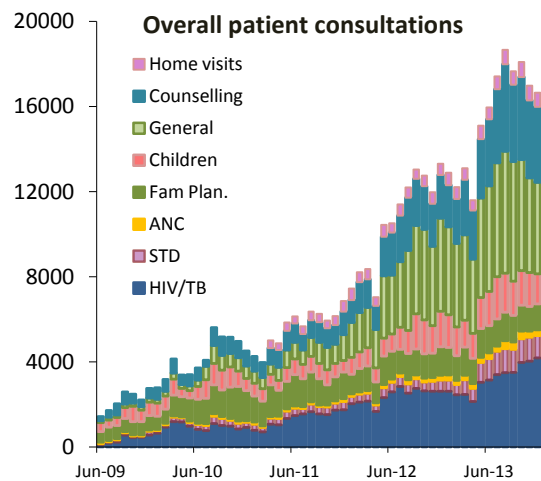
In total (clinics and community health workers) MAM staff performed over 250,000 patient consultations in 2013.

## 1.2 Clinic activities

The clinics are located in

- Hlaingthayar and Shwepyithar townships, the poorest Townships in Yangon,
- Putao, in the far north at the foot of the Himalaya's. Putao district is a 'restricted zone' in northern Kachin state, where poverty is high and commodities are expensive due to high transport costs. This situation dramatically worsened after fighting erupted in Kachin state between the KIA and the Myanmar government and access to Putao by land route has been impossible for over a year.
- South Mon state. In Kyaikkamie an orphanage was set up for children with HIV. MAM is supporting AIDS treatment for these orphans and is gradually expanding the number of patients and the services.

### A. Medical consultations



**Activities:** In 2013 the number of consultations was 186,338 a

significant increase from the year before (126,682). The number of clinic staff increased accordingly in the 3 clinics from 55 to 75 (14 doctors 12 nurses, 9 counsellors, 9 laboratory technicians, 8 outreach workers, 5 receptionists, 1 peer educator, 5 data entry staff, 1 feeding centre assistant, 5 guards, 4 cleaners, 1 driver and 1 store keeper).

**Treatment of children;** Most consultations were for respiratory tract infections malnutrition, diarrhoea and tuberculosis. Some severely sick children were referred by other NGO's to MAM for the management of complicated diseases. After treatment and stabilization, these children were sent back to the respective NGOs.

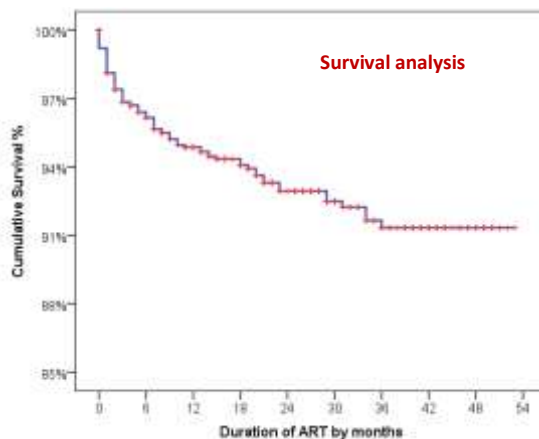
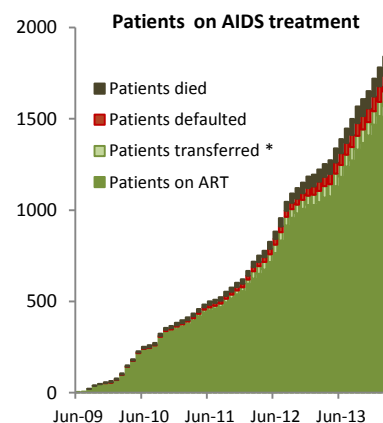




**Therapeutic feeding;** In Hlaingthayar 54 new acute severe malnourished children were detected and enrolled for the therapeutic feeding program. All children received therapeutic feeding and most children gained weight within 1.5-2 months. However 3 children with severe malnutrition, severe diarrhoea and dehydration died shortly after admitted to the ‘intensive care’. More education needs to be provided for mothers to bring their children to the clinics early.

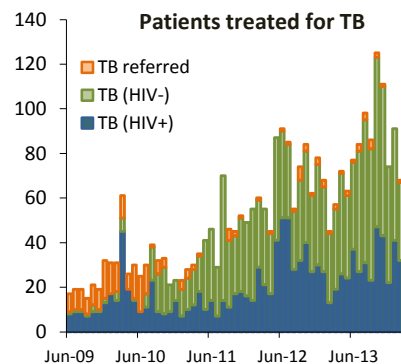
**Sexually transmitted infections** are most common among female sex workers. Screening and treatment reduces the chance to get, or spread, HIV. STI are also a danger for unborn babies. Sex workers and pregnant women are therefore the most important targets for this activity. 10,811 patients were examined in 2013. 9,840 patients were tested for syphilis of whom 937 patients (10%) tested positive. Health education and condoms were provided to the patients and sexual partners were invited for treatment in order to reduce and prevent re-infection.

**AIDS prevention and treatment;** The clinics, aim to have a one-stop service where all services including testing, counselling, treatment and support for food and transport fees are provided the same day to improve compliance and make it possible for the patient to live a normal life and return to their job. Of 1719 patients who started treatment, 1467 were still on treatment and 74 patients were referred to a treatment centre closer to home (90% still on treatment). 97 patient died over the past 5 years (5.6%), all of them had a low baseline CD4 count (<100, an indication of severe disease) and 81 patients were lost to follow up. 90% of patients who were still on treatment were fit enough to resume daily activities or return to work. These treatment results compare very well to other projects in 3<sup>rd</sup> world countries. We believe that the low number of deaths and treatment failures is a reflection of the quality care package we give. Next to good clinical management we provide travel expenses and food for 6 months when patients cannot yet return to work. Patients who are very sick or who live far away can temporarily stay in the MAM guesthouse, which we built nearby the clinic. These financial and social issues can have a detrimental effect on treatment compliance (like patients selling their medicines to solve urgent financial problems).



**HIV+ pregnant women and prevention of HIV transmission from mother to child;**

Treatment of HIV pregnant women not only saves their lives, which enables them to take care for their children, but also prevents HIV transmission to their unborn or breast feeding baby. The mothers are in the program up to 1 ½ year after the birth of the baby. 107 HIV+ pregnant mothers were treated to prevent HIV transmission to their (unborn) baby. **Tuberculosis Treatment;** 9,813 patients were tested for TB in 2013. (Note; Many HIV+ patients test negative for TB and the diagnosis has to be made in another way). 937 patients were treated (6-8 months) and 23 were referred. All patients also received food support to improve their nutritional status.



**Home visits for patients with chronic diseases;** For patients who need to take treatment for a long period, adherence is essential. This is particularly important for patients with TB and AIDS and for malnourished children who need

therapeutic feeding for several months. Home visits are done to discuss and strengthen treatment adherence. 7362 home visits were made in 2013 by MAM staff.

**Family planning;** Many women have more children than they can care for. This leads to poor health of both mothers and children. It also leads to illegal non-sterile abortion, leading to infection and death of the mother. 18,469 consultations were provided for family planning. Most women were given a depot injection which prevents pregnancy for  $\geq 3$  months and is very popular in Myanmar.

## B. 'Intensive care' and over-night stay

Critically ill patients need intensive treatment for a number of days (mostly patients with severe dehydration, severe malnutrition, meningitis, sepsis or patients who needed 14 days consecutive treatment with IV amphotericin for cryptococcal meningitis). MAM provides them with "intensive day care" in the clinics. These patients are not allowed to stay overnight in the clinic (government rules). That is a problem, especially for patients who come from far. For these patients we have built a house nearby the clinics, where they can stay overnight.



**Activities:** 1,123 patients needed intensive treatment in the clinic for a total of 4,428 days; average 4 days/patient. The most common problems leading to admission to 'intensive care' were patients who had ARV side effects who needed further management, and HIV patient with diarrhoea with severe dehydration and cachexia patient who cannot help themselves. Several severely sick patients were referred to us by other NGOs for further management.

## C. Eye screening for CMV retinitis and other pathology to prevent blindness

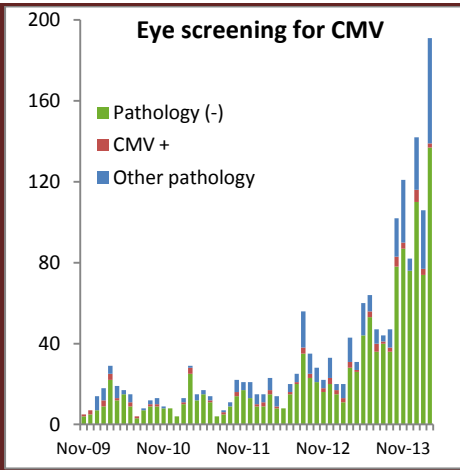
People with severe HIV infection have a high risk of developing blindness due to an infection of the retina by *cytomegalovirus*. If CMV is diagnosed early, the process - to develop blindness - can be stopped by injecting a medicine (*ganciclovir*) inside the eye ball. Dr Ni Ni Tun is specialized in this procedure.

**Training:** In 2013 two 4-day training courses were arranged by MAM in collaboration with eye specialists from SEVA foundation and *Médécins sans Frontières*. 11 HIV clinicians from MAM and 3 partner organizations (representing 7 clinics) were trained to screen, diagnose and treat CMV retinitis patients. After completion, the doctors were qualified to perform eye screening and eye injections. The training makes it possible for CMV retinitis patients in Myanmar to have better access to diagnosis and treatment of CMV retinitis. This should be replicated elsewhere.

**Testing and treatment;** 681 patients were screened for eye pathology. 26 patients were diagnosed with CMV and 125 patients were diagnosed with other eye pathology (tuberculosis, syphilis and others). All CMV patients were treated with intraocular ganciclovir injection and nobody got blind. Some patients with severe CMV retinitis need surgery or laser treatment. MAM set up a network with an eye surgeon who provides his services for free. CMV retinitis eye surgery cost 1,500 USD for the hospital and operation theatre. 12 patients have been referred for eye laser or surgery. The first patient had a vitreous surgery done while other 11 patients are on waiting list...



*Dr. Ni Ni Tun is training medical doctors to perform eye injection to prevent blindness*



*A spinal tap for the diagnosis of meningitis*

#### D. Laboratory testing

41,231 laboratory tests were performed in 2013 which is a 36% increase from the first half of the year. Tests were performed to investigate blood, stool, urine, spinal fluid, lymph node aspiration (for TB), vaginal smears and skin smears (for penicilliosis, cryptococcosis & TB). 9,754 patients were tested for HIV. 920 of them tested positive.

#### E. Referrals

Patients who need surgery (fractures, cleft lips, cataract) are sent to a hospital and MAM pays for all costs.

A baby with severe clubfeet, a congenital deformity, was referred to *Walk for Life*, another NGO. Clubfoot, if left untreated leads to life-long deformity and disability. For older children and adults, expensive corrective orthopedic surgery is the only option for treatment which is often not affordable or available. Younger children can be treated by the *Ponseti method*, which is an effective, inexpensive,



and permanent treatment. Through progressive casting over 4 – 6 weeks, the soft, pliable tissues of the babies are corrected. This has to be followed by wearing a brace at night time for 2-3 years.



*A child has severe club foot both feet when she arrived at the clinic*



*She had serial casting on both legs throughout 4 months, the feet are significantly improving*

#### F. Food and travel support

**Rationale:** Patients with serious chronic infections are more vulnerable as they cannot work. Some feel forced to sell their medicines, which leads to treatment failure and resistance. MAM provides food for a few months until the patient is able to work again. MAM also provides bus fees to regularly visit the clinic. We think that this is an important contributing factor to the high survival and low failure rates.

**Activities:** 3,912 food rations (rice, beans, oil, fish and salt) were supplied for extra vulnerable patients with chronic diseases, handicapped patients, orphans, single-women households, and households lead by grandparents.

## 1.3 Community Health Worker activities

### *Malaria, Basic Health Care and Referral of severely ill patients*

**Malaria activities;** Medical Action Myanmar is implementing a large malaria control project in the most remote villages in North Tanintharyi, Mon, Kayin, Kayah and Kachin State, East Myanmar, where health care services are not available. The project, which started in 2011, aims to contain *artemisinin-resistant* malaria, which is common in East Myanmar and which is a major health threat in the world as *artemisinin* is the last effective drug to treat malaria. The activities concentrate on diagnosis and treatment services supported by large scale distribution of insecticide-treated nets. MAM works with Community Health Workers (CHW) who provide a diagnosis and treatment for malaria (and in case of severe malaria referral is facilitated and paid for). Apart from directly reducing malaria morbidity and mortality, this also has a strong preventive effect reducing *artemisinin-resistant* malaria transmission, due to the effect of artemisinin and primaquine on the gametocytes (the fraction of parasites responsible for transmission).



**Basic Health Care activities;** As a result of the successful implementation of intense malaria control activities malaria prevalence of malaria has been decreasing. Therefore most patients now test negative for malaria. If only malaria treatment were to be provided, most patients would not get treated for their complaints and this would undermine the popularity and uptake of the malaria services. A basic health care package (including referral for severely ill patients) combined with the malaria services increases the popularity and uptake of the VHWs services in general and specifically increases the coverage of testing for malaria even when malaria positivity rates are decreasing.

**Community Health Workers;** In April 2011, 61 villagers from the most remote villages were selected to be trained as Community Health Workers (CHW) and run one-person clinics in Mon State. This project has gradually expanded and MAM now supports 450 CHWs in Mon, Kayin and Kachin state. The CHW are trained to manage malaria and basic health care, covering the most common pathology (including acute respiratory tract infections, diarrhoea, skin diseases), malnutrition and family planning. Complicated patients are referred to hospitals (paid by the project). For the people in these very remote villages this is the first access to quality basic health care.

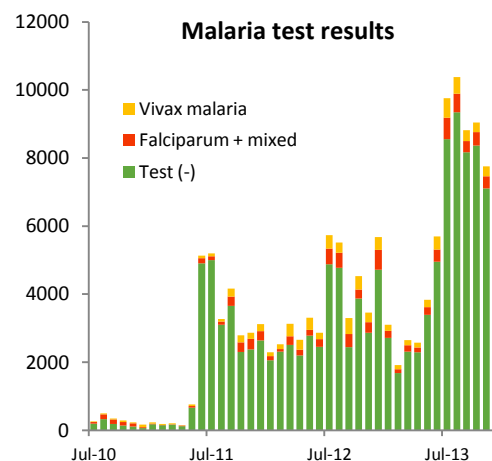
All CHW are monitored monthly by MAM teams, led by a medical doctor and 3 local support staffs who speak the local language. Patients are visited at home to verify the quality of services provided.

#### o **Malaria**

In 2013 CHW working for MAM tested 73,076 patients with a *Rapid Diagnostic Tests* (RDT) for malaria. 3,826 patients (5%) tested positive for *falciparum malaria* (the most dangerous form of malaria) and 3,334 patients (5%) tested positive for *vivax malaria*. 65,916 patients tested negative. Positive patients received free treatment.

In villages where malaria is highly prevalent *Active Case Detection* is performed by MAM field teams. In that case certain groups of people e.g. school children, migrant populations (e.g. rubber plantation workers, mine workers) are actively tested, even if they have little or no symptoms. This strategy is chosen to decrease malaria transmission from asymptomatic malaria carriers.

Next to diagnosis and treatment MAM distributed 116,000 insecticide treated bednets in these remote villages.

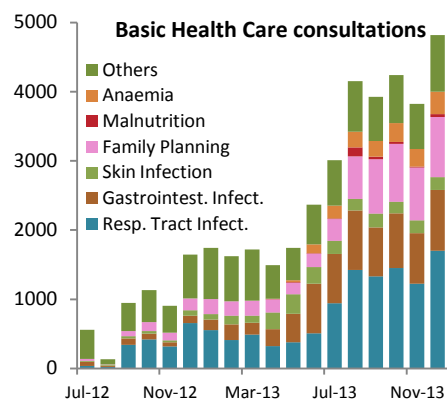




○ **Basic Health Care activities**

At the end of 2013 a total of 215 CHW were trained to perform BHC activities next to malaria activities. The CHW performed 34,666 basic health care consultations in 2013. The most common diseases were respiratory infections (31%) and gastrointestinal infection (19%).

For patients who need to be seen by the medical doctor, the CHW arranges that the patient is seen by the MAM medical doctor during the next monitoring visit. If the complication is acute and needs urgent treatment, the patient will be referred to a hospital.



○ **Malnutrition screening and therapeutic feeding**

The CHWs are also trained to screen all children for malnutrition by measuring the Mid-Upper Arm Circumference (see picture). If children are malnourished, they receive special ready-to-use therapeutic food for the treatment of acute malnutrition. 72 children had malnutrition and were provided with therapeutic food. Children with severe medical complications were referred to the hospital. All children gained weight and remain on a monthly follow up. None of the children died. Health education on caring of malnourished children was provided to mothers/care givers.



○ **Referral of severely ill patients**

Realising that the capacity of CHW is limited, MAM set up a referral system for all severely ill and complicated patients. Ninety patients were sent to DoH hospitals to receive life-saving treatment. MAM (the donors) paid for the transport and the treatment in the hospital. The aim is to save lives and to avoid that a CHW will treat beyond his/her capacity.

## 1.4 Medical Research (MAM and MOCRU)

Myanmar Oxford Clinical Research Unit (MOCRU) is the latest branch of the Oxford overseas clinical research network in South East Asia. The South East Asia research network is chaired by Professor Nicholas White, who is also a board member of *Medical Action Myanmar*. Frank Smithuis, who did his PhD on malaria research in Myanmar under supervision of Professor White, has been appointed director of MOCRU. MOCRU has signed an MOU with the Ministry of Health in November 2013 and the research will focus on malaria and other infectious diseases (Dengue, Typhus and other).



The large network of clinics and community health care providers of Medical Action Myanmar will be an important resource for future clinical and epidemiological research and MAM and MOCRU are working closely together.

The first research activities we have started so far;

- a. The identification and spread of *artemisinin-resistant* malaria in Myanmar. The malaria parasite clearance-time after treatment is measured. Slow parasite clearance is an indicator of resistance. More recently a molecular marker has been identified indicating artemisinin resistance. MAM & MOCRU are gathering DNA samples from all over the country to define the extend of the spread of artemisinin resistance westward.
- b. Looking for a change in treatment regimen to beat the resistant parasite. We are testing a longer treatment course of artemisinin combination treatment and the effect of the addition of 1 gram of fish-oil to enhance the absorption of lumefantrine (one of the components of the artemisinin combination treatment used).



## 2 Pictures

### *Pictures of the Clinic activities*



*Waiting room with health education video*



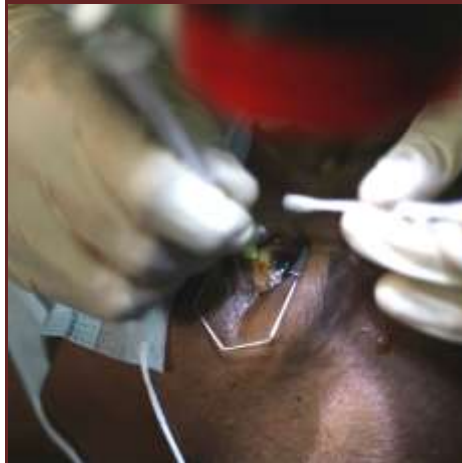
*On the job training*



*HIV+ woman received AIDS medicines to protect her baby from getting infected*



*A severely ill woman being carried in the "intensive care"*



*Eye injection with ganciclovir*



*A malnourished child with a skin infection*



*Home visit treatment of the HIV patient in Putao*



*Health education for sex workers by sex workers*



*Improved after therapeutic feeding*



*Home visit of chronically ill patient*



*Pictures of the Community Health Workers activities*



*Taking a - painful - fingerprick for a malaria blood test. Microscopy is performed at the back*



*Testing rapid diagnosis test for malaria disease With matching nail-polish !*



*Malaria and BHC services at a CHW house with a sign of 'the best clinic'*



*Most villages have many children and family planning is increasingly popular*



*A malnourished child*



*→ Gradually getting better, but not there yet...*



*Bednet distribution of mobile workers who work in the forest with high risk of malaria*



*1 family net for a mother with 3 children!*



*Health education and active case detection of malaria in a mining area*



*Health education in 'the field'*



*A field station for malaria research ...  
... with an Arsenal (football club) - MAM T shirt!*



*Health education at home*



### Transport to remote villages;

With a brutal 6 months rainy season and 6 months dry and hot season, the hardship the staff is going through is difficult to imagine. Everyday they spend hours on motorbikes, through mud and dust, in boats and rafts, walking in the mud, over hills, in rivers, and so on! Not exactly what you had in mind when you started to study medicine or nursing ....

We have great respect for them!



### 3 Future plans

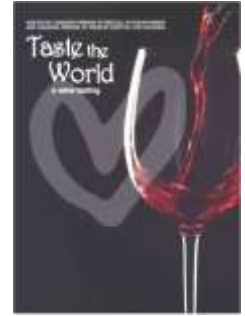
- For 2014 we plan to expand the number of clinics in Yangon from 2 clinics to 4 clinics. In addition we plan to expand the number of Community Health Workers in Mon, Kayin and Kachin state from +/- 450 to +/- 900.
- In 2014 we will complete a switch to a better treatment regimen for people with HIV (with less side effects). The new treatment is unfortunately also more expensive and it will cost an additional 200,000 USD per year.
- MAM & MOCRU will try to get approval to extend the research projects to Dengue, Typhus, Cryptococcal Meningitis and CMV retinitis.
- To support the growing number of activities and donor requirements we will hire a full time financial controller and additional operational staff.



## 4 Some private fundraising initiatives

### 4.1 "Taste the World" wine event

Canadian Friends of Medical Action Myanmar organized their yearly special fundraising evenings in Calgary and in Vancouver at the Four Seasons Hotel Ballroom. Nina and John Cassils, the initiators, have been hugely successful in fundraising through these events. Thank you Calgary volunteers co-chairs Steve & Tannis Cochrane and Matthew & Kim Hall and their committee Tanya Frizzell, Juan Carlos Hermann, Dawn Marshall, Stacie Mori, Mimi Tham, Diana Wood. In Vancouver we thank Cinnamon Russell and Dianne Carruthers Wood leading their committee Sheila Anzarut, Shannon Belkin, Jane Caddick, Karen Carmichael, Nina Cassils, Leanne, Chan, Doug & Kim Garland, Corinne & Brad Jefferson, Sherri Keenan, Brenda McAllister, Sarah Pattison, Dori-Ann Stubos, Vivian Thom, Marla Guralnick Pekarsky, Susan Scott Gabe, Karen Marglois, and Annie Kingston to their fifth event to benefit the children of SE Asia. Many many thanks to all of you!



### 4.2 Unorthodox donations 'in kind' from Daniel Waldvogel

Daniel provided us large numbers (hundreds!) of various items; flash lights (for staff in remote areas), sunglasses (for staff in remote areas, moving around on motorbikes), manicure sets (as incentive for the sex-worker-friendly clinic) and recently he provided a number of intercontinental flights free of charge. Many thanks for your support Daniel.

### 4.3 The Radiology Assistant



Robin, a radiologist (and Franks brother), made a fantastic website, *Radiology Assistant*, which provides free-of-charge radiological education for radiologists. The income from the iPhone- and iPad-version of the web-site is donated to MAM. On top of that he asked the guests of the party for his 60<sup>th</sup> birthday to donate to MAM (instead of presents).

Marjolein, their sister is giving a party in 2014 and her guests will also be asked to donate to MAM. Thanks a lot!

### 4.4 Epidemiological help

The outcome analysis of the AIDS treatment activities is a nasty piece of work. Dr Moe Kyaw Kyaw offered to do the analysis free of charge. Very much appreciated!

### 4.5 Logistical support

Special thanks to *Médécins sans Frontières* for providing very essential logistical help.

### 4.6 Many other donations

Many other donations, small and large, have been provided by private people and foundations and we sincerely thank them for that.



*And in case you feel the urge to support MAM, below our bank details 😊..... We need it very much!*

Bank details Medical Action: USD		Bank details Medical Action: EURO	
Bank name	ABN AMRO Bank	Bank name	ABN AMRO Bank
Bank address	Apollolaan 171, 1077 AS Amsterdam, The Netherlands	Bank address	Apollolaan 171, 1077 AS Amsterdam, The Netherlands
Account name	Medical Action	Account name	Medical Action
Account number (USD)	43.84.12.974	Account number (EURO)	54.12.25.693
IBAN number	NL56ABNA0438412974	IBAN number	NL24ABNA0541225693
BIC:	ABNANL2A	BIC:	ABNANL2A

**Note;** Private donations are spent for 68% on medicines, medical equipment and food and for 22% on national staff cost in MAM clinics (unless specifically agreed that the donation will be used for other purposes)!



## 5 Financial Statement 2013

### 5.1 Balance Sheet 31st December 2013

	31-12-2013 USD	31-12-2012 USD
<b>ASSETS</b>		
<b>Non Current Assets</b>		
Land	16,918	16,918
Long term deposit	0	9,636
	<u>16,918</u>	<u>26,554</u>
<b>Current Assets</b>		
Grants receivable	996,064	1,644,232
Outstanding orders	57,303	0
Prepaid expenses	69,442	0
	<u>1,122,810</u>	<u>1,644,232</u>
<b>Liquid Assets</b>		
Bank	1,065,702	672,752
Cash	168,434	66,664
	<u>1,234,136</u>	<u>739,416</u>
<b>TOTAL ASSETS</b>	<u><u>2,373,864</u></u>	<u><u>2,410,202</u></u>
<b>EQUITY</b>		
Reserves	<u>894,753</u>	<u>693,925</u>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Project obligations	1,329,414	1,577,298
Outstanding order payable	0	0
Amounts payable	149,697	138,978
	<u>1,479,111</u>	<u>1,716,277</u>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<u><u>2,373,864</u></u>	<u><u>2,410,202</u></u>

*For additional clarification see chapter 'Explanation Financial Statements'*

## 5.2 Income & Expense Statement 2013

	<b>Actual 31-12-2013 USD</b>	<b>Budget 2013 USD</b>	<b>Actual 2012 USD</b>
<b>INCOME</b>			
Donor Grants Turnover	2,408,077	2,400,000	1,927,562
Donations Received	362,445	200,000	134,177
Donated materials received	23,929	3,000	3,722
Other Income	2,421	10,000	7,018
<b>TOTAL INCOME</b>	<u>2,796,872</u>	<u>2,613,000</u>	<u>2,072,480</u>
<b>EXPENSES</b>			
Personnel cost	913,621	1,005,767	702,981
Operation running cost	111,310	137,707	77,314
Medical / nutrition cost	1,210,896	859,091	776,728
Logistic & watsan expenses	73,435	114,255	47,315
Training & support	90,537	129,876	55,408
Transport / freight / storage	193,431	246,987	166,352
External consultants / field support	1,682	2,576	755
Miscellaneous expenses	1,132	0	9,989
<b>TOTAL EXPENSES</b>	<u>2,596,044</u>	<u>2,496,259</u>	<u>1,836,842</u>
<b>Result</b>	<u>200,828</u>	<u>116,741</u>	<u>235,639</u>
<b>Addition / withdrawn:</b>			
Allocated project funds this year	0	0	0
Reserves	<u>200,828</u>	<u>116,741</u>	<u>235,639</u>
<b>Result</b>	<u>200,828</u>	<u>116,741</u>	<u>235,639</u>

*For additional clarification see chapter 'Explanation Financial Statements'*

### Myanmar Oxford Clinical Research Unit

In 2013 MAM started to support Myanmar Oxford Clinical Research Unit (MOCRU), a research organization, by facilitating some of their payments. The net result of these payments are zero since all the expenditures are fully covered by MOCRU. Since MOCRU's research activities are not part of the MAM projects they are not included in MAM's financial statements



### 5.3 Cash Flow Statement

	<b>31-12-2013</b>	<b>31-12-2012</b>
	<b>USD</b>	<b>USD</b>
Balance at 1st January	<u>739,416</u>	<u>953,149</u>
<b>Total Income</b>	2,796,872	2,072,480
<b>Total Expenses</b>	<u>-2,596,044</u>	<u>-1,836,842</u>
	<u>200,828</u>	<u>235,639</u>
	940,244	1,188,788
increase / decrease:		
Cash flow operational activities		
- Land purchase	0	0
- Long term deposit	9,636	-1,636
- Grants received (for next year)	400,283	-544,159
- Outstanding orders	-57,303	0
- Prepaid expenses	-69,442	0
- Amounts payable	<u>10,719</u>	<u>96,423</u>
	<u>293,892</u>	<u>-449,372</u>
Balance at 31st December	<u><u>1,234,136</u></u>	<u><u>739,416</u></u>

## 5.4 Budget forecast 2014

	2014 USD	2013 USD
<b>FUNDS</b>		
<b>Estimated Income this year</b>		
- Donor Grants	4,579,147	2,400,000
- Donation	426,935	200,000
- Donated materials	0	3,000
- Other income	0	10,000
<b>TOTAL ESTIMATED FUNDS</b>	<u>5,006,082</u>	<u>2,613,000</u>
<b>Estimated Expenses</b>		
- Personnel cost	1,912,366	1,005,767
- Operating running cost	240,172	137,707
- Medical / Nutrition cost	1,790,912	859,091
- Logistic & watsan expenses	248,542	114,255
- Training & support	435,853	129,876
- Transport / freight / storage	492,788	246,987
- Consultants / external support	56,411	2,576
- Project support cost	300,417	0
<b>TOTAL ESTIMATED EXPENSES</b>	<u>5,477,461</u>	<u>2,496,259</u>
<b>ESTIMATED RESULT</b>	<u><u>-471,379</u></u>	<u><u>116,741</u></u>

The Donor Grants for 2014 only includes secured contracts. Donations included over 2014 are expected based on the income of private donors in 2012 and 2013. Negotiations with a number of donors are ongoing and we hope to cover the expected deficit before at the end of the year.

**Budget per project activity 2014**

The budget per project activity can be specified as follows:

	Hlaing tharyar Clinic USD	Global Fund Malaria USD	PSI_MARC Malaria USD	Shwe pyikhar Clinic USD	Putao Clinic support USD	Kadoorie Malaria & BHC USD	Planet Wheeler BHC USD	Kyaik Kha Mi Clinic USD	3MDG 3/5 Day Act USD	Thanlyin Clinic USD	3MDG Malaria USD	3MDG TB USD	South Dagon Clinic USD	Total 2014 USD
<b>EXPENSES</b>														
Personnel cost	190,268	405,713	131,080	86,068	8,904	174,196	29,124	18,683	47,202	15,578	593,511	204,248	7,789	<b>1,912,366</b>
Operation running cost	9,508	79,371	12,102	2,848	926	7,842	-1,308	1,835	700	2,000	95,320	28,030	1,000	<b>240,172</b>
Medical / Nutrition costs	641,918	65,172	14,256	210,169	44,328	113,144	22,463	21,421	41,648	33,800	511,569	54,126	16,900	<b>1,790,912</b>
Logistic & watsan expenses	55,728	15,600	3,153	2,600	921	4,800	4,223	2,000	18,779	2,000	22,500	4,860	111,377	<b>248,542</b>
Training & support	3,820	56,906	5,301	850	415	19,874	7,582	3,000	8,119	1,050	263,531	64,881	525	<b>435,853</b>
Transport / freight / storage	44,344	129,042	13,770	23,529	8,990	19,907	12,472	4,704	8,374	6,050	159,665	58,916	3,025	<b>492,788</b>
Consultants / external support	0	10,000	4,228	0	0	35,005	0	0	0	1,786	4,500	0	893	<b>56,411</b>
Project support cost	56,735	22,854	7,356	32,606	6,448	20,477	3,873	5,164	8,737	3,736	99,036	24,904	8,491	<b>300,417</b>
<b>GRAND TOTAL EXPENSES</b>	<b>1,002,321</b>	<b>784,658</b>	<b>191,246</b> <sup>4)</sup>	<b>358,670</b>	<b>70,932</b>	<b>395,244</b>	<b>78,428</b> <sup>2)</sup>	<b>56,807</b>	<b>133,559</b>	<b>66,000</b>	<b>1,749,632</b> <sup>3)</sup>	<b>439,964</b> <sup>3)</sup>	<b>150,000</b>	<b>5,477,461</b>
<b>TOTAL INCOME</b>	<b>760,479</b> <sup>4)</sup>	<b>784,658</b>	<b>191,246</b>	<b>188,593</b>	<b>11,472</b>	<b>395,244</b>	<b>78,428</b>	<b>56,807</b>	<b>133,559</b>	<b>66,000</b>	<b>1,749,632</b>	<b>439,964</b>	<b>150,000</b>	<b>5,006,082</b>
<b>RESULT</b>	- 241,842	-	-	- 170,077	- 59,460	-	-	-	-	-	-	-	-	- 471,379 <sup>5)</sup>

1) Upto March 2014

2) Upto June 2014

3) As from April 2014

4) Expected income based on income private donors 2012 and 2013

5) Negotiations with a number of donors are ongoing and we hope to cover this deficit at the end of the year.

## 6 Explanation Financial Statements

### 6.1 Introduction

The Annual Accounts are made based on the recommendations of Guideline 650 (Reporting Fundraising Organizations) of the Council for Annual Reporting in the Netherlands.<sup>1</sup>

Assets and liabilities are recorded at nominal value, unless stated otherwise.

### 6.2 Explanation

#### 6.2.1 Foreign currency

All transactions in foreign currency are converted to US dollar at the average monthly exchange rate as published by the UN Treasury Department (<https://treasury.un.org/operationalrates/OperationalRates.aspx#>) applicable at the month of transaction. At the end of the financial year all monetary assets and liabilities are converted to US dollars at the year-end Foreign Exchange rate. Exchange results are included in the Income & Expense statement.

#### 6.2.2 Fixed Assets

The organization has purchased a few plots of land in Hlaingthayar and Shwepyithar townships. On these plots of land a patient house and a clinic were built. The purpose of the purchase of land is to ensure MAM is able to continue health services to the vulnerable people without the risk that land or house owner decides to sell the property or increases the rent to unaffordable levels.

The plots of land are included on the balance sheet at historical cost price.

*Specified as follows:*

	31-12-2013	31-12-2012
	USD	USD
<b>Land</b>		
Plot #1 - Hlaingthayar	1,387	1,387
Plot #2 - Hlaingthayar	4,156	4,156
Plot #3 - Hlaingthayar	1,312	1,312
Plot #4 - Shwepyithar	10,063	10,063
	<u>16,918</u>	<u>16,918</u>

The organization does not keep any fixed assets on the balance sheet. Durable assets such as vehicles and computers are directly expensed and recorded as such in the Income & Expense Statement of the year of acquisition. An inventory list of equipment such as vehicles, office and medical equipment is recorded in a separate equipment register.

<sup>1</sup> Richtlijn 650 (Verslaggeving Fondsenwervende Instellingen) van de Raad voor de Jaarverslaggeving.



### 6.2.3 Stocks

The organization does not keep any stock on the balance sheet. Stocks such as medical drugs and consumable materials are directly expensed and recorded as such in the Income & Expense Statement of the year of procurement. A stock inventory list of pharmaceuticals and other medical consumables are recorded in a separate stock overview.

### 6.2.4 Non-Current Assets

	31-12-2013	31-12-2012
	USD	USD
<b>Long term deposit</b>		
USD 8,000 deposit at AFXB account	0	8,000
3DF Funds r'ble from AFXB	0	1,636
	<u>0</u>	<u>9,636</u>

The deposit MAM had in the AFXB account to open a bank account on MAM's behalf has been repaid in 2013 in line with the agreement.

### 6.2.5 Current Assets

*Specified as follows:*

#### Grants receivable

	31-12-2013	31-12-2012
	USD	USD
3DF/PSI - MARC (closed in 2012)	0	452,136
3MDG/PSI - MARC 2013	140,892	0
3MDG (UNOPS) - 3/5 day research	163,236	0
Community Friendship Foundation - Putao	0	50,000
Elton John Foundation	7,841	0
Kadoorie Charitable Foundation - Malaria & BHC	346,421	676,421
Kadoorie Charitable Foundation - SPT Clinic	165,675	465,675
Planet Wheeler Foundation - Flooding Emergency	10,000	0
Planet Wheeler Foundation - BHC	162,000	0
	<u>996,064</u>	<u>1,644,232</u>

Grants receivable represents the amounts to be received by the organization according to the current donor contracts.

## 6.2.6 Outstanding Orders

Specified as follows:

	31-12-2013	31-12-2012
	USD	USD
Invoice to be received from MOCRU	57,303	0
	<u>57,303</u>	<u>0</u>

The outstanding order concerns an invoice to be received from MOCRU on payments made on their behalf during 2013. This invoice will be settled in 2014.

## 6.2.7 Prepaid Expenses

Specified as follows:

	31-12-2013	31-12-2012
	USD	USD
Prepaid Rent MAM offices 2014	63,537	0
Prepaid project costs 2014	5,370	0
Other prepaid costs	535	0
	<u>69,442</u>	<u>0</u>

## 6.2.8 Liquid Assets

	31-12-2013	31-12-2012
	USD	USD
Cash – Kyat	144,325	44,244
Cash – USD	19,545	4,825
Cash – FEC	0	864
Cash – EUR	0	16,731
Cash – GBP	4,560	4,878
Cash – Thai Baht	4	
CB Bank a/c - Kyat	144,580	72,423
UOB Bank – USD	603,660	469,070
ABN AMRO Bank - USD	97,581	52,851
ABN AMRO Bank - EURO	218,741	66,360
UOB Bank a/c - Baht	<u>1,140</u>	<u>7,170</u>
<b>TOTAL LIQUID ASSETS</b>	<u>1,234,136</u>	<u>739,416</u>

## 6.2.9 Reserves

Specified as follows:

	31-12-2013 USD	31-12-2012 USD
As per 31st December previous year	693,925	458,287
Added / (withdraw) this year	<u>200,828</u>	<u>235,639</u>
As per 31st December this year	<u><u>894,753</u></u>	<u><u>693,925</u></u>

In order to safeguard the continuity of the project activities, the board aims to create a reserve of 1 months operational costs plus 2 years of medical supply for chronic disease patients which amount to approximately USD 1,500,000. Due to the long term commitment of certain activities (especially ARV treatment) and difficulties securing the necessary funds, the director is convinced that such a reserve is minimally required to ensure the continuity the project activities in the future.

## 6.2.10 Current Liabilities

Specified as follows:

### Project Obligations

	31-12-2013 USD	31-12-2012 USD
3DF/PSI - MARC (closed in 2012)	0	121,894
3MDG/PSI - MARC 2013	191,245	
3MDG (UNOPS) - 3/5 day research	133,559	
Community Friendship Foundation - Putao	11,472	66,850
Elton John Foundation	12,519	
Kadoorie Charitable Foundation - Malaria & BHC	395,234	743,323
Kadoorie Charitable Foundation - SPT Clinic	188,593	518,864
K.I.D.S (Wettstein family foundation) - HTY 2014	47,265	
Planet Wheeler Foundation - HTY	9,980	40,337
Planet Wheeler Foundation - BHC	77,767	
Radcliff Foundation	0	86,031
Schroff-Stiftungen Foundation	58,452	
SANNI Foundation	150,000	
Stichting Jura	<u>53,328</u>	
	<u><u>1,329,414</u></u>	<u><u>1,577,298</u></u>

Project Obligations represents the project reporting obligations of the organization according to the current donor contracts.

### Accounts payable

	31-12-2013 USD	31-12-2013 USD
Payable staff expenses	<u><u>149,697</u></u>	<u><u>138,978</u></u>

## 6.2.11 Specification Income

Specified as follows:

### Donor Grant Turnover

	31-12-2013 USD	31-12-2012 USD
3DF/FXB - Malaria (closed in 2011)	0	-14,665
3DF/PSI - MARC (closed in 2012)	-13,090	1,119,925
3MDG/PSI - MARC 2013	1,043,987	0
3MDG (UNOPS) - 3/5 day research	29,677	
Aids Ark Foundation	42,016	28,673
Art Aids	65,189	66,417
Community Friendship Foundation - HTY	0	90,750
Community Friendship Foundation - Putao	55,378	
Elton John Foundation	6,260	
Kadoorie Charitable Foundation - Malaria & BHC	348,089	143,098
Kadoorie Charitable Foundation - SPT Clinic	330,271	193,293
Planet Wheeler Foundation - HTY	230,357	160,803
Planet Wheeler Foundation - Flooding Emergency	10,000	
Planet Wheeler Foundation - BHC	84,233	
Radcliff Foundation - HTY	86,031	92,603
Schroff-Stiftungen Foundation	6,993	
Stichting De Hoop	0	46,667
Stichting Jura	82,688	
Total	<u>2,408,077</u>	<u>1,927,562</u>

### *Donations received*

	<b>31-12-2013</b>	<b>31-12-2012</b>
	<b>USD</b>	<b>USD</b>
Broadwall Foundation	15,385	
Build Cambodia Inc	5,000	
D. Hartz	0	12,987
Foundation Kids unlimited	9,025	
Greenshoots Foundation	5,210	15,254
Hrothgar investment Ltd	2,935	
HSI/Mr Stanley	2,000	
Humanitarian Service International	1,000	
Kadoorie Charitable Foundation	41,047	
Kids International Development Society	3,000	
Kids International Development Society (TTW Calgary 2013)	28,700	
Kids International Development Society / Marily Means	10,000	
Lotte Ehrhardt Stiftung	6,631	
Mr.Joost&DawThinT	2,649	
Netherlands - Thai Chamber of Commerce	0	5,000
Other Income	7,228	69,748
Radcliffe Foundation (Cassils)	50,000	
SANNI Foundation	62,693	
Taste the World Calgary 2013	36,469	
Taste the World/CW Asia Fund	42,903	
The Radiology Assistant	17,241	26,212
UK Friends of MAM	4,500	4,976
Van Der Lande	2,035	
Van Kersbergen Invest	6,793	
Total	<u>362,445</u>	<u>134,177</u>

### *Donations in-kind received*

*(Donations in kind of pharmaceuticals and medical material are valued based on the MSF-H pricelist)*

	<b>31-12-2013</b>	<b>31-12-2012</b>
	<b>USD</b>	<b>USD</b>
ACF	0	811
PSI	0	2,520
Save the Children	0	391
Unilever	4,971	0
Various Other donations	<u>18,958</u>	<u>0</u>
Total	<u>23,929</u>	<u>3,722</u>



## 6.3 Expenses

### 6.3.1 Specification Expenditure

#### Expenses per project activity 2013

The expenses per project activity can be specified as follows:

	Hlaing tharyar Clinic	PSI_MARC Malaria	Shwe pyithar Clinic	Putao Clinic support	Kadoorie Malaria & BHC	Platet Wheeler BHC	Kyaik Kha Mi Care Centre	3MDG 3/5 Day Research	TOTAL
	USD	USD	USD	USD	USD	USD	USD	USD	
Personnel cost	155,350	501,563	108,199	7,417	118,545	19,231	1,317	1,998	913,621
Operating running costs	12,282	70,410	3,282	716	15,355	3,252	1,165	4,846	111,310
Medical / nutrition costs	492,189	305,645	168,598	35,893	165,596	28,538	3,579	10,858	1,210,896
Logistic & watsan expenses	17,329	2,048	41,412	733	300	7,477	0	4,136	73,435
Training & support	3,579	56,566	462	338	8,446	20,915	0	231	90,537
Transport / freight / storage	57,734	70,625	21,956	7,523	20,143	9,488	296	5,666	193,431
Consultants / external support	0	1,566	116	0	0	0	0	0	1,682
Miscellaneous expenses	1,108	30	0	-4	1	-1	0	0	1,132
<b>TOTAL EXPENSES</b>	<b>739,570</b>	<b>1,008,452</b>	<b>344,027</b>	<b>52,616</b>	<b>328,386</b>	<b>88,899</b>	<b>6,357</b>	<b>27,736</b>	<b>2,596,044</b>

#### Expenses per destination 2013

The expenses per destination can be specified as follows:

	Project activities	Fundraising activities	Operational activities	Total 31-Dec-13	Budget 2013
	USD	USD	USD	USD	USD
Personnel cost	913,621	0	0	913,621	1,005,767
Operating running costs	104,545	2,349	4,416	111,310	137,707
Medical / nutrition costs	1,210,896	0	0	1,210,896	859,091
Logistic & watsan expenses	73,435	0	0	73,435	114,255
Training & support	90,537	0	0	90,537	129,876
Transport / freight / storage	193,431	0	0	193,431	246,987
Consultants / external support	1,682	0	0	1,682	2,576
Miscellaneous expenses	-0	0	1,132	1,132	0
<b>TOTAL EXPENSES</b>	<b>2,588,146</b>	<b>2,349</b>	<b>5,548</b>	<b>2,596,044</b>	<b>2,496,259</b>

Nearly all of MAM expenditure over 2013 has been directly related to donor projects and was therefore eligible to be charged as direct costs under the project contracts. Only exchange rate losses (miscellaneous) and some general bank charges are therefore included as operational costs. Fundraising costs in 2013 were also minimal.

## 6.3.2 Key Indicators

### *Percentage Project Expenses / Total Expenses*

	<b>31-12-2013</b>	<b>2012</b>
	<b>USD</b>	<b>USD</b>
Project expenses	2,588,146	1,773,082
Total expenses	2,596,044	1,836,842
Percentage	99.7%	96.5%

### *Percentage Fundraising expenses / Total donations and grants received*

	<b>31-12-2013</b>	<b>2012</b>
	<b>USD</b>	<b>USD</b>
Fundraising expenses	2,349	22,820
Total Income	2,796,872	2,072,480
Percentage	0.1%	1.1%

## 6.3.3 Other Explanation

### *Employees*

*The number of employees is as follows:*

	<b>31-12-2013</b>	<b>31-12-2012</b>
Expatriate Staff	3	3
National Staff	219	139
Total	<u>221</u>	<u>142</u>

### *Salary payment to board members*

The members of the board are not employed by the organization. The members of the board do not receive any remuneration during the financial year. No loans or advances were made and no guarantees were issued to the members of the board.

### *Remuneration General Director*

	<b>2013</b>
	<b>EUR</b>
Gross Salary	54,708
Perdiem	5,040
Medical Insurance	3,240
Social Security	9,300
Holiday Pay	4,380
Total Remuneration	<u>76,668</u>

## **6.4 Other Information**

### **6.4.1 Allocation of Result**

The result of the year subtracted with not yet spent allocated project funds will be added to the reserves.

### **6.4.2 Approval Annual Report by the Board**

The annual account have been acknowledged and approved by the board on .....

### **6.4.3 Auditors Statement**

An independent auditor has reviewed the financial statements and procedures, validation of documents and the annual report. A copy of the official statement of the auditor is attached below.

## ***JF Group- Certified Public Accountants & Auditors***

*Room No. 503, (5<sup>th</sup> Floor) , No.33-49, Strand Condo, Mahabandoola Garden Street, Corner of Bank Street & Mahabandoola Garden Street, Kyauktada Township, Yangon Region, The Republic of the Union of Myanmar*

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***Audit Report of Independent Auditor for "Management Team" of  
"Medical Action Myanmar (MAM)"  
For the operational year from 1 January to 31 December 2013***

Our group has audited the accompanying annual report-financial statements of "Medical Action Myanmar - MAM" which is annual activities report ( *as per attachments* ) and Financial Statement ( *as per attachments* ) have been implemented by Management Team of "MAM" for the operational year from 1 January to 31 December 2013.

### ***Responsibilities of Management Team of "MAM"***

"MAM" is responsible for the maintenance of proper financial records and the preparation of the financial statements relating to the activities of "MAM".

### ***Responsible of External Audit Team***

External Auditor / Independent Auditor is responsible to give the professional opinion upon the observations for annual financial statements.

### ***Opinion of Independent Auditor***

Our group has audited the attached annual report of "MAM" in accordance with "Myanmar Standards on Auditing" in compliance with "General Accepted Auditing Standards" and "International Standards on Auditing" where necessary. An audit includes examination, test basis, supporting evidence for such other amounts and necessary disclosure in the annual report-financial statements. An audit also includes an assessment of whether the accounting policies, procedures and guidelines used are appropriate, consistently applied and disclosed necessary.

Our group has conducted our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the annual report- financial statements are free from material misstatement, misuse, any fraud and irregularity or error.

Overall opinion on annual report – financial statements have been show fairly presented of its financial position.

## ***JF Group- Certified Public Accountants & Auditors***

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### ***Internal Control***

Internal control procedures has been set up adequately and sufficient control procedures and control frameworks for making the payments and uses of expenses during the course of audit.

### ***Financial Risk Assessment***

During the course of audit, there is no material financial risk upon implementing of activities of "MAM".

***Best regards,***



***(Wan Tin)***

***B.Com, Q, C.P.A, ACCA (Affiliate-UK)***

***Certified Public Accountants, Auditors & Financial Consultants***

***JF Group***

WAN TIN

B.Com, Q, C.P.A, ACCA (Affiliate-UK)

Certified Public Accountant and Auditor