

Mlambe Foundation Annual Accounts 2005-2006



Mlambe Foundation

Malawi Heritage Conservation through Education

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Report by the Board of Mlambe Foundation

The first fiscal year running from 9 Augustus 2005 through and including 31 December 2006

Information about the reporting institution

Name : Mlambe Foundation (*Stichting Mlambe*)
Address : Diependaalsedrift 32, 1213 CR Hilversum
Chamber of Commerce no. : 32110120

Mission

The objective of Mlambe Foundation is to conserve Malawi's cultural heritage for the future. The Foundation aims for sustainable cultural and economic development in Malawi and the rich history of Malawi is its source of inspiration. To achieve its objectives the Foundation initiates and supports projects and activities in the field of:

- Education and research in respect of the tangible and intangible cultural heritage of Malawi, regardless of ethnic origin or historical period;
- Supporting activities that lead to greater publicity and awareness of Malawian cultural heritage, and thus its conservation;
- Cultural resource management in Malawi; and
- Rural poverty alleviation by promoting cultural tourism and reviving ancient arts and crafts.

Dutch developmental aid policy endorses the importance of culture for economic development. Mlambe Foundation fully supports this view. Attention for local cultures and cultural heritage is essential, especially in this time of globalisation. Mlambe Foundation is committed to achieving this in close cooperation with her partners in Malawi.

Members of the Board and Managing Director

Board

Drs. J.A. Welling (chairman)
Drs. H.W. Bakker (secretary)
Ms. Dr. L.F.A. Steffens (treasurer)
Ms. Drs. K. Spijker (member)
Mr. J.G.M. Jacobs (member)

Managing Director

Drs. M. Welling

Honorary Chairman

The Board has appointed Prof. dr. J.M. Schoffeleers s.m.m. as honorary chairman of the Foundation, due to his vast contribution to the collection and distribution of knowledge in the field of the cultural heritage of Malawi. Prof. Schoffeleers lived and worked in Malawi for many years. Through his work as a missionary he became interested in the cultures and history of Malawi. His many publications and his dissemination of knowledge as a lecturer and, later, professor of Anthropology, first in Malawi and subsequently in the Netherlands (in Amsterdam (Vrije Universiteit) and Utrecht), have been essential for the national and international recognition of the value and idiosyncrasy of the cultural heritage of Malawi. The Foundation shall now for the first time publish Prof. Schoffeleer's dissertation, *Mang'anja Traditional*

Religion. Spirit beliefs and practices in Malawi's Lower Shire Valley (see below Activities and Projects; Publications).

Advisory Committee

In accordance with article 10.1 of the Foundation's articles of association the Board has the power to install an Advisory Committee. The Board has made use of this power and has found very capable persons willing to become a member of the Advisory Committee. The Committee was installed during the board meeting held on the 4th September 2005 and has the following three members: Dr. E.C. Mandala, associate professor at the University of Rochester, NY, USA; Dr. B.W. Smith, Director of the Rock Art Research Institute and Acting Head of Archeology and Environmental Studies, University of the Witwatersrand, Gauteng, South Africa; and Dr. Y.M. Juwayeyi, associate professor at the Long Island University, NY, USA (former director of the Malawian Department of Antiquities, former Malawi Commissioner for Culture in Malawi and former Ambassador for Malawi at the United Nations).

Committee of Recommendation

In accordance with article 10.6 of the Foundation's articles of association the Board has the power to install a Committee of Recommendation. The Board has made use of this power and has found persons committed to the objectives of the Foundation, willing to become a member of the Committee of Recommendation. The Committee was installed during the board meeting held on the 4th September 2005 and has the following five members: Mrs. Dr. E. Gomani, Deputy Director for Culture, Malawi; Mrs. M. Sacranie, Dutch Consul in Malawi, Prof. Dr. R.M.A. Bedaux, former Curator for Africa of the National Museum of Ethnology, Leiden; Prof. Dr. R. van der Ploeg, former Dutch Secretary of State of Culture and member of the UNESCO World Heritage Commission; and Dr. Ilja Leonard Pfeijfer, poet, *graecus*.

Policy

The policy of the Foundation in respect of the acquisition and acceptance of funds is that, in respect of the larger projects, the Foundation prepares and submits specific and focussed project proposals to different institutions that committed to the Foundation's objectives and goals and to companies who promote and practice social entrepreneurship, both in the Netherlands and abroad. The funds received by the Foundation that have not been earmarked for a specific project (*non-earmarked capital*) are (partly) used to fill any unforeseen gaps in the budget of the different projects.

The management costs of the Foundation are minimal (see the explanatory notes to the annual accounts). The director has, as of August 2006, been granted a monthly cost compensation of 250 Euro for all his activities. The director's activities can be split up as follows (see also the explanatory notes to the annual accounts): information and education in respect of the Foundation's mission and projects, both in the Netherlands and Malawi (400 Euro has been booked under the heading *information and education*); acquisition of funds (100 Euro has been booked under the heading *execution costs acquisition of funds*); and supervision of the projects in Malawi (750 Euro has been booked under the heading *execution costs projects abroad*). The director reports the actual costs made by him to the board at the end of each calendar year.

Acquisition of Funds

Donations in cash

Apart from the specified subsidies received from the Dutch Embassy, Impulsis (ICCO) and World Wildlife Fund (the Netherlands) in response to submitted specific project proposals, the Foundation has received many spontaneous donations. A couple of those donors have

earmarked their donation for a specific project. This is reflected in the explanatory notes to the annual accounts. The Foundation has also collected funds at different functions. The Foundation has furthermore entered into so-called *association programmes* with Amazon.com, Amazon.co.uk, Amazon.fr, Amazon.de, Bol.com, Barnes&Noble.com and Powellsbooks.com. These programmes entail that these companies donate 5% of the, through the Foundation's website, generated turnover to the Foundation.

Donations in kind

The Foundation has received many donations in kind. These donations vary from computers, faxes and printers to books, bookcases, filing cabinets, mobile phones and cloths. These goods are and shall mainly be used for the realisation and set-up of Tisunge! Lower Shire Heritage Centre (mobile hones and clothes have served mainly as compensation for activities by the surrounding community based organisations). The goods that are used for the benefit of the heritage centre are still reflected on the balance sheet of the Foundation. It is intended that, in 2007, these goods shall be transferred to the Lower Shire Heritage Trust (see below under Activities and Projects; Tisunge!), as soon as this trust has been registered in Malawi.

A part of the goods has been donated to the Catholic University of Malawi. Books and shelving for its library which is currently under construction and computers for setting up a computer lab for the students. These goods have all been transferred in ownership to the Catholic University and are hence not reflected in the Foundation's accounts.

The transport from The Netherlands to Malawi has been partly financed by *Impulsis* (ICCO), partly by thus earmarked donations by other donors and partly from the non-earmarked capital of the Foundation.

Activities and Projects

As from the date of its establishment (9 Augustus 2005) the Foundation has initiated and/or supported the following activities and projects. All the activities (apart from activities to acquire funds, which have up till now all taken place in The Netherlands) and projects are located in Malawi. As of August 2006, the director of the Foundation supervises and executes the projects in Malawi.

Publications

By taking several publications into re-print the Foundation aims to make the cultural heritage of Malawi more widely known with the general public. The first publication that the Foundation shall take into re-print is: *Land of Fire. Oral literature from Malawi* – J.M. Schoffeleers and A.A. Roscoe. This publication contains Malawian folktales. Each folktale is preceded by an (anthropological) introduction and explanation. This book is widely used in schools and universities. In 2006 the Foundation entered into an agreement with the original publisher and printer of the book, Montfort Press, Limbe, Malawi, in which it was agreed that 2000 copies will be re-printed. Half of the printing costs (1,579.23 Euro) have been prepaid by the Foundation funded out of the non-earmarked capital. The other half shall be paid upon delivery out of funds that have been earmarked for this purpose. The publication of the reprint was expected at the end of 2006. Due, however, to unforeseen circumstances publication is now expected in August 2007 (see Budget 2007).

In 2006 the board resolved to publish two other books. The first is the as yet unpublished dissertation by J.M. Schoffeleers, *Mang'anja Traditional Religion. Spirit beliefs and practices in Malawi's Lower Shire Valley*. The Foundation has received specific funding for this purpose (see explanatory notes to the annual accounts). The second publication that shall be taken into reprint is *Religion and the Dramatisation of Life. Spirits Beliefs and Rituals in Southern Central Malawi* by J.M. Schoffeleers. It is intended that both books shall be published in 2007.

The establishment and support of Tisunge! Lower Shire Heritage Centre.

The Foundation, together with the Department of National Parks and Wildlife and the Department of Antiquities, has taken the initiative to establish a cultural education centre in the Lower Shire Valley – Tisunge! Lower Shire Heritage Centre. The centre is being established in cooperation with the Department of Antiquities, the Department of National Parks and Wildlife, the chiefs and the surrounding community based organisations and Jambo Africa (a well established tour operator in Malawi). To manage the centre a trust has been established under Malawian law (the Lower Shire Heritage Trust) in which the abovementioned parties (including the Foundation) are participating. At the time of writing (March 2007) the constitutional documents of the trust have been submitted for registration with the registry in Malawi.

The construction of the heritage centre has been funded by subsidies the Foundation has received from the Dutch Embassy in Zambia, Impulsis (ICCO) and World Wildlife Fund (The Netherlands). The Foundation fills any gaps in the budget due to unforeseen circumstances from the non-earmarked capital.

‘Tisunge’ means ‘Let us conserve’ in Chewa, the national language of Malawi. The aim of the centre is to protect the rich natural and cultural heritage of this southern most tip of Malawi and to bring it to the attention of national and international visitors and the local communities. Essential in this project is the close cooperation with the community based organisations (CBOs). The support of the local communities is indispensable for an effective resource management. Equally important is the recognition of the local communities as the rightful owners of these natural and cultural riches. They shall hence be entitled to the benefits of this project.

The centre has the following objectives:

- Dissemination of knowledge of Lower Shire cultural and natural heritage.
- Education on the importance of natural and cultural resource preservation.
- Promoting regional sustainable tourism.
- Facilitating sustainable income generation for local communities, like the re-introduction of an old weaving tradition (see below).
- Preserving archaeological sites of the Lower Shire Valley for future generations.
- Promotion and facilitation of national and international research and co-operation.
- Promotion of the community based natural and cultural resources management programmes.

At the time of writing (March 2007) the construction of the centre is in its final stages. The exhibition building is as good as ready, as are the arts and craft shop and the ablution block. Two offices, a library, a store room and an open meeting area are currently under construction and it is expected that these will be finalised by the end of March 2007.

We have also started collecting historical and ethnographic objects, like spears, arrow heads, (glass) beads, coins, *ngoti* (used by women to carry pots on their heads), plates, pots, flasks, grinding stones and gourds, in the villages of the Lower Shire Valley. A large number of these shall be displayed in the exhibition building. In this undertaking the Foundation has been assisted by government staff and enthusiastic volunteers. Prior to being purchased, the history and usage of the objects are well documented. The process of collecting has given the director ample opportunity to stress the importance of heritage preservation and to introduce the

heritage centre to the Lower Shire communities. Funds for the collection and the purchase of the objects have been provided by *Impulsis* (ICCO).

As an intrinsic part of the realisation of the heritage centre, the Foundation, in cooperation with Chichiri Museum and her abovementioned partners, has reintroduced the traditional weaving and spinning in six villages surrounding Lengwe National Park (Tomali, Ndakwera, Kanzimbi, Singano, Kampani and Mchenga). It is intended that the cloth shall be woven from hand spun locally cultivated cotton. Already many pieces of beautiful cloth have been woven (as yet with industrial cotton yarn), which can be used for placemats, table runners, chief chairs, or bags. The CBOs of the different villages are responsible and sell the woven cloth to the arts and craft shop of Tisunge!. The generated income from the sale at the shop will be reinvested in projects in the Lower Shire Valley. It is intended that Tisunge! becomes self sustainable. The reintroduction of the weaving and spinning tradition was funded by *Impulsis* (ICCO).

With a view to sustainability great effort was put into the planting of indigenous trees at Tisunge! and along the river Nkhomedzi. The trees planted at Tisunge! are there to make sure that Tisunge! produces enough wood to provide the woodcraftsmen with wood for their crafts that they may sell to the arts and craft shop and to maintain the buildings of Tisunge!. The purpose of the trees planted along the Nkhomedzi is to strengthen the banks of the river to prevent future flooding. The planting of the seedlings is being conducted under the supervision of the Department of National Parks and Wildlife and is executed by the local football and netball clubs who become the owners of the trees they plant. The Department of National Parks and Wildlife will supervise the condition of the seedling on a continuous basis. As compensation for the planting and continuous care of the seedlings each club will receive a new ball and uniforms. The planting programme was made financially possible with a grant from the World Wildlife Fund (the Netherlands).

Additional funds for setting up the exhibit in respect of the cultural and natural heritage of the Lower Shire Valley must be raised in 2007 (see Budget). It is intended that both the Foundation and the Lower Shire Heritage Trust shall engage in acquiring those funds. Tisunge! Lower Shire Heritage Centre should become operational in the second half of 2007.

The roofing of the iron smelting furnace in Kasungu National Park

Probably the last standing Chewa iron smelting furnace is to be found in Kasungu National Park. At the time of writing this iron smelting furnace is subject to erosion by wind and rain and must be provided with a roof to conserve it. The Foundation has already raised funds for this purpose. Contact has been made with the Department of Antiquities and the owner of the lodge at Kasungu National Park for the execution. It is expected that the construction of the roof shall be commenced in May/June 2007 (after the rains).

The royal stool of senior-Chief Chulu

Senior-Chief Chulu, Kasungu, has temporarily given his royal stool, according to oral tradition given to the first Chief Chulu by the great Chief Karonga, to the Foundation for research (dating) and conservation. The royal stool is currently being dated by experts in the United States. The cost of sending the stool to the United States has been financed out of the non-earmarked capital of the Foundation.

Website Malawiheritage.info

The Foundation has reserved this domain to establish an informative and educational website in the future. The annual costs of the domain (12.50 Euro) have been included in the balance sheet as fixed annual costs under the heading *working fund assets*.

Mlambe Foundation Study and Education Fund

Mlambe Foundation has set up a separate study and education fund. This fund helps students and organisations in Malawi to finance the costs of study and education in the field of cultural heritage. The funds are booked on a separate account that the Foundation has opened with the ASN bank.

Three applications have already been accepted. The first application came from a student for the financing of his tuition for his masters at Chancellor College, and particularly for his research in the field of the Nyau. The requested funds were granted to the student as an interest free loan. The student has successfully completed his masters and has repaid the whole amount. The second application came from the Catholic University of Malawi, which opened its doors in August 2006, for the acquisition of books in the field of cultural anthropology and archaeology. The third application came from GCAM in Blantyre, Malawi, seeking financial support for the publication of an educational magazine about the contribution culture can make to development and to poverty alleviation. On the 31st of December 2006 there is 970.05 Euro left in the fund.

Future Projects

In 2007 the ongoing support and finalisation of the above-mentioned projects is first and foremost in the planning of the Foundation.

The Foundation shall furthermore start to raise funds for the following projects:

- The documentation of, and the production of a CD containing, old recordings of traditional music from Southern Malawi;
- The renovation of the Fathers House in Nguludi, Malawi and setting it up as an exhibition area. This project will be executed in cooperation with the Department of Antiquities, the Catholic University of Malawi and the diocese (owner of the Fathers House). A project proposal requesting funds for this specific project has already been submitted.
- The repatriation of valuable historical and ethnographic objects.

For the required and existing budget the board refers to the attached Budget 2007.

Concluding remarks

For a young organisation Mlambe Foundation has, in the modest opinion of the board, achieved a lot in her first (long) fiscal year. Through publications, the flyer, radio interviews given and presentations held by our director, both in the Netherlands and in Malawi, and the websites the Foundation and her objectives are gaining renown. The cooperation with her local partners in Malawi is very succesful. The board hence concludes this report with full confidence in the future both in respect of the acquisition of funds as well as the successful completion, continuation and sustainability of the projects.

Annual Accounts Mlambe Foundation – First fiscal year from 09-08-2005 to 31-12-2006

Balance Sheet

	31 December 2006	9 August 2005
Assets		
<i>Intangible assets</i>	0.00	0.00
<i>Tangible assets</i>		
Assets	0.00	0.00
directly used for the projects	2,330.26	0.00
	<hr style="width: 50%; margin-left: auto; margin-right: 0;"/>	<hr style="width: 50%; margin-left: auto; margin-right: 0;"/>
	2,330.26	0.00
<i>Financial assets</i>		
Loans and advances	0.00	0.00
Loans and advances in relation to the projects	43.35	0.00
	<hr style="width: 50%; margin-left: auto; margin-right: 0;"/>	<hr style="width: 50%; margin-left: auto; margin-right: 0;"/>
	43.35	0.00
<i>Investments</i>	0.00	0.00
<i>Stock</i>		
Working stock	0.00	0.00
directly used for the projects	1,151.27	0.00
	<hr style="width: 50%; margin-left: auto; margin-right: 0;"/>	<hr style="width: 50%; margin-left: auto; margin-right: 0;"/>
	1,151.27	0.00
<i>Receivables</i>	0.00	0.00
<i>Cash</i>	21,196.79	0.00
Total	24,721.67	0.00
	<hr style="width: 50%; margin-left: auto; margin-right: 0;"/> <hr style="width: 50%; margin-left: auto; margin-right: 0;"/>	<hr style="width: 50%; margin-left: auto; margin-right: 0;"/> <hr style="width: 50%; margin-left: auto; margin-right: 0;"/>

	31 December 2006	9 August 2005
Liabilities		
<i>Capital</i>		
Non-earmarked capital	2,186.35	0.00
Earmarked capital		
earmarked funds	15,902.29	0.00
project assets fund	6,494.03	0.00
company assets fund	<u>139.00</u>	<u>0.00</u>
	22,535.32	0.00
<i>Provisions</i>	0.00	0.00
<i>Debt</i>		
long term	0.00	0.00
short term	<u>0.00</u>	<u>0.00</u>
	0.00	0.00
Total	<u><u>24,721.67</u></u>	<u><u>0.00</u></u>

Profit and Loss Account

Acquisition of Funds

09-08-2005 through 31-12-2006

Proceeds arising out of acquisition of funds

Collection	3,346.01
Mailings	0.00
Contributions and donations	20,575.00
Contributions and donations in kind	2,330.26
Inheritances	0.00
Lotteries	0.00
Other	1,999.13

28,250.40

Costs of acquisition of funds (in)direct costs of acquisition execution costs

524.27
100.00

624.27

(in % of the proceeds of the acquisition of funds)

2.22%

Net proceeds

27,626.13

Proceeds sale of (used) goods

net turnover	0.00
Cost	0.00

gross profit	0.00
execution costs	0.00

net profit

0.00

Total acquisition of funds

27,626.13

Stake in joint actions

0.00

Stake in third party actions

0.00

Available from acquisition of funds

27,626.13

Subsidies governments and others

39,836.00

Proceeds investments

0.00

Other proceeds and liabilities

-472.01

Total available for projects

66,990.12

Expenditure09-08-2005 through 31-12-2006

Spent on the projects*Information/Education*

own activities	446.73
granted subsidies	800.00
execution costs	<u>0.00</u>

1,246.73

The Netherlands

projects managed by foundation	0.00
granted subsidies	0.00
execution costs	<u>0.00</u>

0.00

Abroad

projects managed by foundation	9,832.96
granted subsidies	29,438.76
execution costs	<u>1,750.00</u>

41,021.72**Total spent on projects**42,268.45*Surplus/deficit has been added
to/subtracted from*

Earmarked funds	19,383.81
Non-earmarked capital	<u>5,337.85</u>

24,721.67

Explanation of execution costs

Division of costs over projects

	Project Tisunge!	Information	Acquisition of Funds	Total fiscal year 2005/2006
Travel/accommodation expenses	1,000.00	0.00	0.00	1,000.00
Managing costs	0.00	0.00	0.00	0.00
Cost compensation	750.00	0.00	100.00	850.00
Printing costs	0.00	800.00	390.00	1,190.00
Total execution costs	1,750.00	800.00	490.00	3,040.00

Explanatory Notes to the Annual Accounts of Mlambe Foundation

The first fiscal year running from 9 Augustus 2005-31 December 2006

Introduction

The annual accounts have been drafted in accordance with the guidelines (*Richtlijn Fondsenwervende Instellingen*) published by CBF.

Explanatory notes to the Balance Sheet

On the 9th of August 2005 the Foundation did not have any *assets* or *liabilities*.

On the 31st of December 2006:

Assets

Mlambe Foundation does not have any *intangible assets*.

The *tangible assets* of Mlambe Foundation are all in direct use of the projects of the Foundation. Mlambe Foundation does not have company assets. The Foundation has received donations in kind which have all been put to direct use at Tisunge! Lower Shire Heritage Centre. The goods are owned by the Foundation. All goods have been completely depreciated in the Netherlands, but as they have been put to use in Malawi the balance sheet shows their value on the basis of present day value in Malawi. See Annex I – *Valuation of donated goods*.

In relation to the projects the Foundation has granted a loan to the Department of National Parks and Wildlife in respect of the Tisunge! Lower Shire Heritage Centre project. The amount of the loan is 7,750.00 Malawi Kwacha – which amounts to 43.35 Euro at an exchange rate of 178.2 Kwacha for 1 Euro over 2006.

Mlambe Foundation does not have any *investments*.

The *stock directly available for the projects* of Mlambe Foundation consists of the woven cloth that has been made by, and purchased from, the different villages in connection with the weaving project. The cloth has been valued at cost (cost of provided yarn and labour cost) – 377.47 Euro. See Annex II – *Cost of woven cloth*.

The Foundation has, furthermore, purchased historic and ethnographic objects for the benefit of the project. They will be used for the exhibit in the museum of Tisunge!. The objects have been valued at cost of acquisition – 773.80 Euro. See Annex III – *Cost of acquisition objects*.

Mlambe Foundation does not have any *receivables*.

Mlambe Foundation has *cash* in the amount of 21,196.79 Euro, divided as follows:

- 18,099.26 Euro on the Foundation's account with ABN AMRO Bank, Amsterdam;
- 442.52 Euro on the Foundation's account with the Postbank;
- 970.05 Euro on the Foundation's account with ASN (this is the account designated for the Mlambe Foundation Study- and Education Fund); and
- 1.684,98 Euro the Foundation holds in petty cash in Malawi: 112,73 Euro in Malawi Kwacha (= 20.084,92 MKw at an average exchange rate of 178.2 MKw for 1 Euro over 2006) and 1.575,25 Euro.

Liabilities

The *total capital* of the Foundation on the 31st of December 2006 amounts to: 24,622.20 Euro.

The *non-earmarked capital* on 31 December 2006 amounts to: 2,186.35 Euro

The *earmarked capital* is divided as follows:

- The following amounts are reflected under *project assets fund*: the agreed upon cost compensation for the director over 2007 (3,000.00 Euro); the fixed costs for the website malawiheritage.info (12.50 Euro); the value of the goods donated to Tisunge! (2,330.26 Euro – Annex I); the value (at cost) of the woven cloth (377.47 Euro – Annex II); and the value (cost of acquisition) of the objects (773.80 Euro – Annex III). Amounting to a total of 6,494.03 Euro.
- Under *company assets fund* 139.00 Euro is reflected. These are the following costs over 2007: registration with the Chamber of Commerce; the costs of the websites of the Foundation and the bank costs.
- The amount under *earmarked funds* of 15,902.29 Euro can be broken down as follows over the following projects:
 - 9,932.24 Euro for Tisunge! Lower Shire Heritage Centre. Of that amount 2,131,17 Euro are Impulsis (ICCO) funds; 7,466.07 Euro are World Wildlife Fund (the Netherlands) funds and 335.00 Euro has been specifically donated for the construction of the water tank;
 - 500.00 Euro is earmarked for the roofing of the iron smelting furnace in Kasungu National Park;
 - 3,000.00 Euro is earmarked for publications, including the dissertation of J.M. Schoffeleers;
 - 1,500.00 Euro for the publication of *Land of Fire*; and
 - 970.05 Euro is dedicated to the Mlambe Foundation Study and Education Fund.

Explanatory notes to the Profit and Loss Account

The *proceeds out of acquisition of funds* in the first fiscal year derive from four sources:

- *Collections* that have been held by the Foundation during several functions (3,346.01 Euro);
- *Contributions and donations* (20,575.00 Euro);
- *Contributions and donations in kind* (2,330.26 Euro – Annex I); and
- *Other proceeds*. These have arisen out of: (i) proceeds from *associate programmes* that the Foundation has entered into with Amazon.com, Amazon.co.uk and Bol.com (325.24 Euro); (ii) the interest earned on the bank accounts (98.62 Euro); (iii) the repayment of the interest free loan granted to a student (424.00 Euro); and (iv) the value (at cost) of the woven cloth (377.47 Euro – Annex II) and the value (at acquisition cost) of the objects (773.80 Euro – Annex III). The acquisition of the cloth and the objects has been funded by the proceeds arising out of the acquisition of funds and are hence reflected under *other proceeds*.

The *costs of the acquisition of funds* are the following:

- *Indirect acquisition costs*: existing of the costs for the flyer that the Foundation has (partly) financed out of the proceeds of the acquisition of funds (390.00 Euro), the printing of posters and cards (67.83 Euro), the costs of cashing the cheques received in connection with the abovementioned associate programmes (35.49) and other office costs like stamps, telephone cards etc. (30.93 Euro).

- *Execution costs*: the director spends a lot of time on the acquisition of funds. Part of his cost compensation (100.00 Euro) has hence been booked under this heading.

The Foundation did not acquire any proceeds out of the *sale of (used) goods*.

The Foundation did not acquire any proceeds out of *joint actions or actions of third parties*.

The Foundation has received the following *subsidies*, all earmarked for Tisunge! Lower Shire Heritage Centre:

- From the Dutch Embassy in Zambia: 9,836.00 Euro (deposited in Malawi Kwacha against an exchange rate of 145 MKw for 1 Euro). These funds have been spent in accordance with the agreement entered into with the Embassy.
- From Impulsis (ICCO): 20,000.00 Euro (in accordance with the agreement entered into with Impulsis (ICCO) the Foundation must file a report in May 2007 showing the breakdown of the way these funds have been spent); and
- From World Wildlife Fund (The Netherlands): 10,000.00 Euro (in accordance with the agreement entered into with WWF (The Netherlands) the Foundation must file a report in May 2007 showing the breakdown of the way these funds have been spent).

The *other proceeds and liabilities* of the Foundation in the first fiscal year can be split up as follows:

- The costs of the establishment of the Foundation and the costs of management have been reflected as liabilities (in total 515.36 Euro).
- The loan granted to the Department of National Parks and Wildlife in relation to the Tisunge! project of 43.35 Euro (granted in Malawi Kwacha against an exchange rate of 178.2 MKw for 1 Euro).

The proceeds have been *spent on the projects* as follows:

For *information and education*:

- the Foundation has bought two copies of Doug Curran's book (about masks that are mainly used for the Nyau dances) at 46.73 Euro.
- The director of the Foundation has given several presentations in Malawi and the Netherlands to inform and educate the public about the work of the Foundation and the cultural heritage of Malawi. Of the cost compensation he has received 400.00 Euro has been booked under this heading.
- Under the heading *subsidies* the amount that Impulsis (ICCO) earmarked for the printing of an informative flyer (800.00 Euro). Besides an informative function the flyer also aids the acquisitions of funds (see the explanatory note relating to the heading *indirect cost of the acquisition of funds* above).

The Foundation does not have any *projects in the Netherlands*.

In the first fiscal year the Foundation has initiated and manages the following *projects abroad* (i.e. in Malawi):

- Projects that the Foundation has (partly) financed out of the proceeds of the acquisition of funds and have hence been booked under the heading *projects managed by the Foundation*, are:
 - Tisunge! Lower Shire Heritage Centre: 1,880.96 Euro.
 - Website Malawi Heritage: 12.50 Euro.
 - Chief Chulu royal stool: 185.08 Euro.

- Publications (*Land of Fire*): 1,579.23 Euro.
- Mlambe Foundation Study and Education Fund: 1,500.00 Euro.
- Transport of donated goods for Tisunge! and the Catholic University of Malawi: 4,675.19 Euro.
- The *subsidies* that have been received by the Foundation have been spent on Tisunge! Lower Shire Heritage Centre as follows:
 - The subsidy, in the amount of 9,836.00 Euro, received from the Embassy has been fully spent on Tisunge! in this first fiscal year.
 - Of the subsidy, in the amount of 20,000.00 Euro, received from Impulsis (ICCO), 13,768.83 Euro has been spent on Tisunge! in this first fiscal year.
 - Of the subsidy, in the amount of 10,000.00 Euro, received from WWF (The Netherlands), 2,533.93 Euro has been spent on Tisunge! in this first fiscal year.
 - Of the subsidy, in the amount of 20,000.00 Euro, received from Impulsis (ICCO), 3,300.00 Euro has been spent on the transport of the donated goods for Tisunge!.
- The following costs (see also Explanation of Execution Cost) have been booked under the heading *execution costs*:
 - 750.00 Euro of the cost compensation paid to the director; and
 - 1,000.00 Euro as contribution to the costs of the airplane ticket from the Netherlands to Malawi of the director.

The surplus of 24,622.20 Euro has been added to:

- Under the heading *earmarked funds* an amount of 19,383.81 Euro has been booked, which is divided over the following projects:
 - 9,932.24 Euro for Tisunge! Lower Shire Heritage Centre. Of that amount 2,131.17 Euro are Impulsis (ICCO) funds; 7,466.07 Euro are WWF (The Netherlands) funds and 335.00 Euro has been specifically donated for the construction of the water tank;
 - 500.00 Euro has been earmarked for the roofing of the iron smelting oven in Kasungu National Park;
 - 3,000.00 Euro has been earmarked for publication including the dissertation by J.M. Schoffeleers;
 - 1,500.00 Euro has been earmarked for the publication of *Land of Fire*;
 - 970.05 Euro is for the Mlambe Foundation Study and Education Fund;
 - 2,330.26 Euro is the value of the donated goods (see Annex I) for Tisunge!;
 - 377.47 Euro is the value of the woven cloth valued at cost (see Annex II) for Tisunge!; and
 - 773.80 Euro is the value of the historic and ethnographic objects valued at the cost of acquisition (see Annex III) for Tisunge!.
- Under the heading *non-earmarked capital* an amount of 5,337.85 Euro has been booked. Of that amount 2,186.35 Euro is truly non-earmarked capital whereas the remaining amount is to be used for the managing costs of the Foundation and the cost compensation owed to the director over 2007 (see the explanatory notes on the balance sheet).

Annex I - Valuation of donated goods 2005/2006

Computer materials	No. of items	Value per item in Euros	Total value in Euros
BJC250 Canon printer	1	15.00	15.00
Lexmark scanner and printer	1	20.00	20.00
HP scanjet Canon 3690 printer	1	20.00	20.00
HP deskjet 500 color printer	1	25.00	25.00
HP Laserprinter	1	25.00	25.00
HP deskjet 500 printer	1	15.00	15.00
UPS	5	25.00	125.00
Keyboards	8	2.00	16.00
HP pentium III computer	2	30.00	60.00
Compaq presario 7230 computer	1	20.00	20.00
Commodore pentium I computer	1	5.00	5.00
FiF pentium I computer	1	5.00	5.00
IBM Aptiva computer	1	5.00	5.00
Packard Bell pentium mmx223 computer	1	5.00	5.00
Dell pentium III computer	1	30.00	30.00
Targa pentium III computer	3	30.00	90.00
Q pentium III computer	1	30.00	30.00
Fuji Siemens computer	1	20.00	20.00
Speakerset	1	5.00	5.00
Compaq P1210 19" screen	2	10.00	20.00
Compaq P110 19" screen	6	10.00	60.00
HP 71 17" screen	2	7.50	15.00
Compaq P710 17" screen	1	7.50	7.50
HP 72 17" screen	2	7.50	15.00
17" screen (make unknown)	5	7.50	37.50
Philips 201 19" screen	1	10.00	10.00
Vision Master 511 19" screen	1	10.00	10.00
Vision Master 450 17" screen	2	7.50	15.00
Sub total			726.00

Annex I (cont.)

Other goods	No. of items	Value per item in Euros	Total value in Euros
Mattress	2	29.38	58.75
Chest of drawers (4)	2	15.00	30.00
Filing cabinet (4 drawers)	5	25.00	125.00
Small fridge with freezer	1	35.00	35.00
Amplifier Marquant	1	50.00	50.00
Chest of drawers (4)	4	20.00	80.00
Large filing cabinets	5	50.00	250.00
Flipover	1	15.00	15.00
Whiteboard	1	30.00	30.00
Iron	1	5.00	5.00
Filing cabinet (3 drawers)	1	20.00	20.00
Videorecorder Philips	1	20.00	20.00
Press	1	58.51	58.51
Wooden bed	2	13.50	27.00
Books			800.00
Sub total			1,604.26
Total			2,330.26

Annex II - Cost traditionally woven cloth

	MKw	Euro (€1 = Mk178.2)
Cost of purchase industrially processed cotton	50,825.00	285.21
Labour costs for 144 woven cloth (size placemat) at 100 MKw	14,400.00	80.81
Labour costs for 2 x table runner at 600 MKw	1,200.00	6.73
Labour costs for 2 x chief chair cover at 420 Mkw	840.00	4.71
Total	67,265.00	377.47

Annex III - Costs of acquisition of historical and ethnographic objects

Documented objects for exhibit	MKw	Euro (€1 = Mk178.2)
Total of 292 objects	98,660.00	553.65
Other objecten	MKw	Euro (€1 = Mk178.2)
Total of 203 objects	39,000.00	220.15
Total	137,660.00	773.80

Existing Funds at 1 March 2007

Surplus 2006	Tisunge!	Iron Smelting Furnace	Publications	Studyfund	Fathers House	Music	Photo Archive	Transport	Fixed costs Foundation	Non-earmarked
21,240.14	9,932.24	500.00	4,500.00	970.05					3,151.50	2,186.35

Income 2007	Tisunge!	Iron Smelting Furnace	Publications	Studyfund	Fathers House	Music	Photo Archive	Transport	Fixed costs Foundation	Non-earmarked
1,000.00	1,000.00									
3,200.00	1,600.00			1,600.00						
3,200.00								3,200.00		
1,500.00										1,500.00
100.00										100.00
750.00	750.00									
70.00	70.00									

Total budget 2007	Tisunge!	Iron Smelting Furnace	Publications	Studyfund	Fathers House	Music	Photo Archive	Transport	Fixed costs Foundation	Non-earmarked
31,060.14	13,352.24	500.00	4,500.00	2,570.05	0.00	0.00	0.00	3,200.00	3,151.50	3,786.35

Funds to be raised	Tisunge!	Iron Smelting Furnace	Publications	Studyfund	Fathers House	Music	Photo Archive	Transport	Fixed costs Foundation	Non-earmarked
72,283.86	50,127.15	0.00	1,600.00	-2,570.05	25,000.00	300.00	200.00	874.31	538.80	-3,786.35

Budget 2007

Fixed costs Foundation	Budgetted		Existing budget		Funds to be raised	
	EURO	Mkw	EURO	Mkw	EURO	Mkw
Costs Foundation websites chamber of commerce bankcosts	139.00		139.00		0.00	
Cost Compensation	3,000.00		3,000.00		0.00	
Malawiheritage.info	12.50		12.50		0.00	
Costs of acquisition of funds	200.00		0.00		200.00	
Congoma: annual fee + initial costs	178.80	32,900.00	0.00		178.80	
Antiquities	160.00		0.00		160.00	
Total	3,690.30	32,900.00	3,151.50		538.80	

Budget 2007

Project Tisunge!	Budgetted		Existing budget		Funds to be raised	
	EURO	MKw	EURO	MKw	EURO	MKw
Construction						
Paths and drainage	3,158.25		3,158.25		0.00	
4 Staff houses	32,000.00		0.00		32,000.00	
kids club	2,000.00		0.00		2,000.00	
completion storeroom	200.00		0.00		200.00	
completion library	900.00		1,139.92		-239.92	
completion 2 offices	300.00		126.58		173.42	
completion meeting area	100.00		0.00		100.00	
construction watertank	335.00		335.00		0.00	
Travel & communication	800.00		0.00		800.00	
					0.00	
Exposition						
set up of exhibition	5,000.00		2,670.00		2,330.00	
collection artefacts	546.25		546.25		0.00	
Travel & communication	400.00		0.00		400.00	
					0.00	
Wages						
Director Tisunge!	3,000.00		750.00		2,250.00	
					0.00	
Weaving & Spinning						
Weaving area	800.00		0.00		800.00	
Education	1,100.00		1,100.00		0.00	
Cotton	1,000.00		300.00		700.00	
Tools	100.00		58.35		41.65	
Travel & communication	500.00		0.00		500.00	
					0.00	
Planting Seedlings						
Purchase seedlings	640.00		668.00		-28.00	
Travel & communication	200.00		0.00		200.00	
sponsoring school/sportclubs	4,000.00		2,500.00		1,500.00	
	EURO	MKw	EURO	MKw	EURO	MKw
Education						
Lengwe Guide <i>printing costs 1000c.</i>	800.00		0.00		800.00	
Map of Lengwe, 2000c.	600.00		0.00		600.00	
Unforeseen						
Unforeseen	5,000.00		0.00		5,000.00	
Total	63,479.50		13,352.35		50,127.15	

Budget 2007

Project: Fathers House	Budgetted		Existing budget		Funds to be raised	
	EURO	MKw	EURO	MKw	EURO	MKw
Renovation	25,000.00		0.00		25,000.00	

Budget 2007

Project: Publications	Budgetted			Existing budget			Funds to be raised	
	EURO	MKw		EURO	MKw		EURO	MKw
Land of Fire	1,500.00			1,500.00			0.00	
Dphil Schoffeleers	3,000.00			3,000.00			0.00	
Religion and Dramatization of Life	600.00			0.00			600.00	
Post cards	1,000.00			0.00			1,000.00	
Total	6,100.00			4,500.00			1,600.00	

Budget 2007

Project: Study fund	Budgetted			Existing budget			Funds to be raised	
	EURO	MKw		EURO	MKw		EURO	MKw
Upon request	0.00			2,570.05		-2,570.05		

Budget 2007

Project: Roofing Kasungu Iron Smelting Oven	Budgetted		Existing Budget		Funds to be raised	
	EURO	MKw	EURO	MKw	EURO	MKw
	Contribution material costs	500.00		500.00		0.00

Budget 2007

Project: Music Van Zanten	Begroot			Bestaand budget			Te verwerven fondsen	
	EURO	MKw		EURO	MKw		EURO	MKw
Initial costs for publication in 2008	300.00			0.00			300.00	

Budget 2007

Project: Photo archive	Budgetted			Existing budget			Funds to be raised	
	EURO	MKw		EURO	MKw		EURO	MKw
Costs of creation	200.00			0.00		200.00		

Budget 2007

Transport	Budgetted			Existing budget			Funds to be raised	
	EURO	MKw		EURO	MKw		EURO	MKw
20 ft container	3,653.85			3,600.00			53.85	
Transport in the Netherlands	420.46			0.00			420.46	
Transport in Malawi	400.00			0.00			400.00	
Total	4,474.31			3,600.00			874.31	