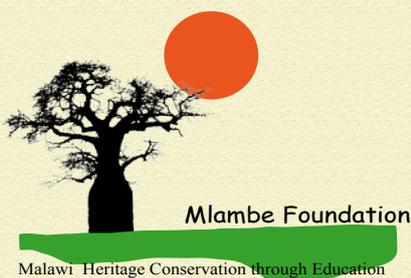


Mlambe Foundation Annual Accounts 2011



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Report by the Board of Mlambe Foundation

The fifth fiscal year running from 1 January 2011 through and including 31 December 2011

Introduction

This annual report, including the annual accounts and the budget, has been approved by the board of Mlambe Foundation on the 3rd of June 2012.

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 this objective 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.

The projects set up or supported by the Foundation make use of Malawian heritage in the structural fight against poverty (see Activities and Projects).

Members of the Board and Managing Director

We are very sorry to report that our Treasurer Yvonne Lammers resigned from the board due to personal circumstances. The resignation was accepted by the board effective 20th December 2011. We hope she may rejoin the Board at a later date. The Board is very happy to announce that it appointed one new board member – Willem Auping – in its meeting held on the 20th December 2011 and he has agreed to replace Yvonne Lammers as Treasurer of the Foundation. The amendments have been registered with the Chamber of Commerce.

Board in 2011

Drs. J.A. Welling (chairman)

Drs. H.W. Bakker (secretary)

Mrs. Dr. Y.M.J. Lammers-Keijsers (treasurer up to the 20th December 2011)

Drs. W. Auping (treasurer from the 20th December 2011)

Drs. W. de Ridder (member)
Mrs. H. Kurzbauer (LLM) (member)
Drs. B. Oldenburg (member)

Managing Director
Drs. M. Welling

Legal Advisor
Mrs. Dr. L.F.A. Welling-Steffens

Honorary Chairman

In 2005 the Board appointed Prof. dr. J.M. Schoffeleers s.m.m. as honorary chairman of the Foundation, due to his vast contribution to the collection and the dissemination of knowledge concerning the cultural heritage of Malawi. Prof. Schoffeleers lived and worked in Malawi for many years. Through his work as a catholic missionary he became interested in the cultures and history of the country which made him take up the study of anthropology. His many publications and his teaching as lecturer in Malawi and later as professor of Anthropology in the Netherlands (at the Free University of Amsterdam and the University of Utrecht), have been essential for the national and international recognition of the value and diversity of the cultural heritage of Malawi. Prof. Schoffeleers sadly passed away on Easter Sunday 2011. The Foundation aims to commemorate Schoffeleers in its future activities.

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, professor at the University of Rochester, NY, USA; Dr. B.W. Smith, Director of the Rock Art Research Institute, University of the Witwatersrand, Gauteng, South Africa; and Dr. Y.M. Juwayeyi, associate professor at Long Island University, NY, USA (former director of the Malawian Department of Antiquities, former Commissioner for Culture in Malawi and former Ambassador for Malawi to 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, Director for Culture, Malawi; Mrs. M. Sacranie, Dutch Consul in Malawi till November 2010, Prof. Dr. R.M.A. Bedaux, former Curator for Africa of the National Museum of Ethnology, Leiden, emeritus Professor of Archaeology/Antropology, Faculties of Archaeology and Social Sciences of the Leiden University; Prof. Dr. R. van der Ploeg, former Dutch Secretary of State of Culture, former member of the UNESCO World Heritage Committee and Professor of Economics at Oxford University; and Dr. Ilja Leonard Pfeijfer, poet, writer, *graecus*.

Partners in Malawi

Mlambe Foundation collaborates with the Department of Culture of the Malawian Government, the Department of Anthropology of the Catholic University of Malawi, the Lower Shire Heritage Trust, Malawi Coalition of Cultural Experts and African Heritage –*Research & Consultancy*.

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 are 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: information and education in respect of the Foundation's mission and projects, both in the Netherlands and Malawi; acquisition of funds; supervision of the projects in Malawi; and execution costs for the sale of goods.

In 2011 no other board members or other officers of the Foundation received compensation.

Acquisition of Funds

Donations in cash

In 2011 the Foundation did not receive any grants, but did receive many spontaneous gifts. We continue to receive generous donations for the Study and Education Fund to specifically support Anthropology, Archaeology and History students in Malawi. The Foundation is further funded by several periodical donors. In addition, the Foundation is still participating in the so-called *association programs* of Amazon.com, Amazon.co.uk, Amazon.fr, Amazon.de, Bol.com and Barnes&Noble.com. These programmers guarantee a 5% share of all sales generated through the Foundation's website.

Donations in kind

Effective per the 1st of January 2009 all donations in kind have been donated directly to the Catholic University of Malawi and the Lower Shire Heritage Trust (LSHT), a local Malawian trust that has, effective the same date, taken over the management of Tisunge!. The registration of LSHT became effective at the beginning of 2009 (see further below).

Structural support

African Heritage –*Research & Consultancy*, a Malawi based company, owned by the Mlambe Foundation managing director, has pledged 3% of its annual turnover to Mlambe Foundation to be donated in cash or kind (goods or staff time).

Publicity

In 2011 the Foundation overhauled its website with improved design and new features such as a video gallery. It further registered on Youtube and LinkedIn as a first step towards

incorporating the social media. For the print media, the managing director was interviewed for de Gooi & Eemlander. The interview is to appear January 2012.

Activities and Projects

In 2011 the Foundation maintained and initiated the projects below. All projects were carried out in Malawi (except the fundraising activities that have mainly taken place in the Netherlands). The managing director of the Foundation supports and carries out the projects locally since 2006, in cooperation with the (former) treasurer and current Legal Advisor Lilian Welling-Steffens.

Lobby

In 2011 the Foundation continued to lobby for the preservation of cultural heritage with several governmental and non-governmental authorities. As a result an salvage archaeology campaign was realized in Karonga where an important Middle Stone Age site was about to disappear under the new run way.

Publications

The Foundation aims to broaden the knowledge of the cultural heritage of and within Malawi by the republishing of several older publications. Two publication are ready for publishing in 2012.

The progress of Tisunge! Lower Shire Heritage Centre.

General information

'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 southernmost 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.

With the aid of Department of National Parks & Wildlife, Royal Netherlands Embassy (Zambia), Impulsis (ICCO), WWF (Netherlands) and many private donors, by the end of 2011 the following buildings, other than the external decorations, have been completed: the exhibition building, the arts and craft shop, the ablution block, 2 offices, the library, the repository, the sheltered weaving area and the meeting room. A double staff house and a manager's house are nearly completed. Further funds are needed for the septic tanks and some painting and fittings. A maize mill building has been completed with funding from the Dutch

embassy. The mill, which is hoped to bring a steady flow of revenue, still awaits electricity connection and is therefore not yet operational. The Foundation has therefore needed to increase its financial support to overcome this setback. The library and arts and craft shop are in operation. The arts and craft shop sells local products. In addition to the weaving products, these are different types of baskets, woodcraft and food items.

The Lower Shire Heritage Trust

The Lower Shire Heritage Trust is a Malawian partnership between the Foundation, Jambo Africa Ltd., the Department of Culture and the Department of National Parks and Wildlife of the Ministry of Tourism, Wildlife and Culture, paramount chief Lundu, Traditional Authority Chief Chapananga and African Parks (Majete) Ltd. The Lower Shire Heritage Trust continues to manage Tisunge! Lower Shire Heritage Centre. The managing director of Mlambe Foundation ended his term as chairman of the Board of Governors of the Trust in March 2011 and was elected treasurer. The Foundation continues to support Tisunge! through the Trust and in 2011 donated EUR 2,830.19 to the Trust for Tisunge! and the loan in the amount of EUR 3,270.87 that was granted to the Trust in 2010 has been set off against funds used on projects at Tisunge! that were part of the Embassy funded projects, and was effectively converted to a donation. The Trust is to report to the Board on the spending of this money which was meant for tree projects, operational expenditure and small projects including the commemoration of the 40th anniversary of the Lundu paramountcy. A project manager has been placed at Tisunge! to oversee implementation and the day to day running of Tisunge! in order to reduce reliance on Mlambe volunteers. The Financial Report reflects the donations made by the Foundation to the Trust. The detailed annual accounts of the Trust can be distributed to those interested.

Over the last years the stakeholders in Tisunge! as represented in the Lower Shire Heritage Trust, have worked on a memorandum of understanding. The Foundation has decided it will take a step back on funding the projects of the Trust till the MOU has been finalized and the roles and responsibilities of all parties have been agreed upon.

In 2011 Mlambe Foundation registered the domain tisunge.org and further developed and hosted the website for Tisunge!.

Weaving and Spinning

In 2011 tourist numbers in Malawi declined due to the dire political and economic situation. Although the weavers continue to weave and the shop continues to receive the occasional order, the political and economic situation must improve in order to get sustainable income for Tisunge!. Besides the required improvement in current circumstances there is still a need for product development and marketing. A reliable market needs to be found overseas.

Trees

The tree plantation at Singano Village is doing very well and the plantation currently comprises 24,400 trees. The CBO Chigoda is also continuing with the nursery and so we can expect the plantation to show a steady growth. The funds that the Foundation received to support this project were granted for over a period of five years until January 2012 and thus at the end of 2011 these funds have been depleted. The Foundation is trying to raise funds so that this project may continue.

Exhibition

The temporary exhibition that was set up in 2010 is still there and tours continued to be offered to visitors – both international and local. In 2011 Tisunge! welcomed to volunteers from the Reinwardt Academy in Amsterdam for their final year attachment and their assignment was to clean and make an inventory of all the ethnographic objects that were collected over the years

and to design an exhibition plan. Sadly the two volunteers did not attain all targets and no real progress has been made to set up the permanent exhibition at Tisunge!.

Volunteers

In 2011, through the Foundation, Tisunge! welcomed a few volunteers from the Netherlands and Malawi. There were two students from the Reinwardt Academy as mentioned above. The Malawian volunteers from the Catholic University worked very hard and contributed to maintaining Tisunge! in these troubled economic times.

Website Malawiheritage.info

The Foundation has reserved this domain to establish an informative and educational website in the future. In the mean time the Tisunge! website was placed here. This website has moved to a separate domain in 2011. The annual costs of the domain (14.88 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 kept in a separate account that the Foundation has opened with the ASN bank.

In 2011 the Foundation supported 7 students in paying their tuition fees for the Catholic University of Malawi, thanks to several ear-marked donations. Four of the students graduated in September with good marks and one has been employed by the Catholic University as assistant lecturer in Anthropology, one has set up his own business while teaching at a secondary school and one has found temporary employment in field research. The fourth is still looking for a job. Two others are in their final year and there is great promise for these students once they graduate. As these donations are guaranteed for the coming years, the Foundation is sure to continue this type of support in the future. In return the students do valuable work for Mlambe in their spare time.

In addition to tuition support Mlambe has given four students support for their thesis research, concerning such diverse topics as the colonial heritage of Zomba, gender aspects to cotton growing in the Chikwawa, the impact of tourism in Cape MacLear and Attitudes towards natural resources in Mulanje.

On the 31st of December 2011 there is EUR 549.36 in the Study and Education Fund.

Books

In 2011 the Foundation alas did not receive any book donations.

Malawi Coalition of Cultural Experts

In March 2011 the Malawi National Commission of UNESCO, in collaboration with the Malawi Department of Culture, organized a conference on the cultural sector and creative industries in Malawi. The participants coming from diverse of fields and institutional backgrounds concluded with a statement to the Minister calling for formalization of various policies and improved policy implementation. The meeting further resolved to initiate a coalition of cultural experts which is to act a partner to government and the donor community. The managing director of the Foundation is member of the steering committee of the coalition. Mlambe's legal advisor has been instrumental in drafting a constitution for the coalition.

Concluding remarks

In its sixth financial year the Foundation has experienced difficulties to continue its upward trend due to (i) the political and economic situation in Malawi and globally and (ii) the slow progress with the MOU for the Lower Shire Heritage Trust. The Foundation remains optimistic though for the future. One very positive point to mention is that despite the political and economic downturn in Malawi in 2011, Tisunge! continued to receive tremendous support from the local communities and interested individuals in Malawi. In light of the draft version of the Malawi Growth and Development Strategy Paper II, the Board is hopeful that the position of culture will strengthen in Malawi's development agenda. Mlambe Foundation as an international NGO has shown it has a part to play in this process. It manages to do so with the help of many local and international volunteers who bring their expertise and dedication to our projects. The Board hence concludes this report with a hopeful view to the future and will continue its efforts to re-commit its local partners to its goals.

Annual Accounts Mlambe Foundation – 6th fiscal year from 01-01-2011 to 31-12-2011

Balance Sheet

	31 December 2011	31 December 2010
Assets		
<i>Intangible assets</i>	0.00	0.00
<i>Tangible assets</i>		
Assets	0.00	0.00
directly used for the projects	<u>839.23</u>	<u>839.23</u>
	839.23	839.23
<i>Financial assets</i>		
Loans and advances	0.00	0.00
Loans and advances in relation to the projects	<u>1,043.60</u>	<u>4,314.47</u>
	1,043.60	4,314.47
<i>Investments</i>	0.00	0.00
<i>Stock</i>		
Working stock	0.00	0.00
directly used for the projects	<u>1,000.00</u>	<u>1,000.00</u>
	1,000.00	1000.00
<i>Receivables</i>	0.00	0.00
<i>Cash</i>	3,245.63	2,991.12
Total	<u><u>6,128.46</u></u>	<u><u>9,144.82</u></u>

	31 December 2011	31 December 2010
Liabilities		
<i>Capital</i>		
Non-earmarked capital	19.73	3.66
Earmarked capital		
earmarked funds	4,011.47	4,008.12
project assets fund	1,863.04	4,863.04
company assets fund	<u>234.22</u>	<u>270.00</u>
	6,108.73	9,141.16
<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>6,128.46</u></u>	<u><u>9,144.82</u></u>

Profit and Loss Account

Acquisition of Funds

01-01-2011 to 31-12-2011

Proceeds arising out of acquisition of funds

Collection	2,296.25
Mailings	0.00

Contributions and donations	12,000.00
Contributions and donations in kind	0.00
Inheritances	0.00
Lotteries	0.00
Other	84.19

14,380.44

Costs of acquisition of funds

(in)direct costs of acquisition	0.00
execution costs	200.00

200.00

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

1.39%

Net proceeds

14,180.44

Proceeds sale of (used) goods

net turnover	168.00
Cost	0.00

gross profit	0.00
execution costs	0.00

net profit

168.00

Total acquisition of funds

14,348.44

Stake in joint actions

0.00

Stake in third party actions

0.00

Available from acquisition of funds

14,348.44

Subsidies governments and others

0.00

Proceeds investments

0.00

Other proceeds and liabilities

6,944.40

Total available for projects

21,292.84

Expenditure

01-01-2011 to 31-12-2011

Spent on the projects*Information/Education*

Own activities	500.00
granted subsidies	0.00
execution costs	0.00
	<hr/>

500.00

The Netherlands

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

0.00

Abroad

projects managed by foundation	12,364.38
granted subsidies	0.00
execution costs	2,300.00
	<hr/>

14,664.38

Total spent on projects15,164.38

*Surplus/deficit has been added
to/subtracted from*

Earmarked funds	6,108.73
Non-earmarked capital	19.73
	<hr/>

6,128.46

Explanation of execution costs

Division of costs over projects

	Project Tisunge!	Information	Acquisition of Funds	Total fiscal year 2011
Travel/accommodation expenses	0.00	0.00	0.00	0.00
Managing costs	0.00	0.00	0.00	0.00
Cost compensation	2,300.00	500.00	200.00	3,000.00
Printing costs	0.00	0.00	0.00	0.00
Total execution costs	2,300.00	500.00	200.00	3,000.00

Explanatory Notes to the Annual Accounts of Mlambe Foundation

The third fiscal year running from the 1st of January to the 31st of December 2011

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 31st of December 2010 the *assets/liabilities* stood at EUR 9,144.82.

On the 31st of December 2011: EUR 6,128.46

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 and are hence recorded under *assets directly used for the projects*.

- The objects that have been purchased in 2006 and 2007 by the Foundation, with a value of EUR 839.23, have in 2009 been given on loan to the Lower Shire Heritage Trust for the exhibit at Tisunge! Lower Shire Heritage Centre.

The *financial assets* consist of *one loan in relation to our projects* granted to the Lower Shire Heritage Trust for Tisunge! Lower Shire Heritage Centre with a value of EUR 1,000.00.

This loan was granted in the course of 2008 to buy stock for the arts and craft shop in the amount of EUR 2,043.60. In 2009 and 2010 the Trust repaid part of this loan in kind with a value of EUR 1,000 and in 2011 a further EUR 43.60 was repaid in kind. On the 31st of December 2011 the outstanding amount of this loan is EUR 1,000.00 (woven cloth - see below *stock directly available for the projects*).

The second loan, in the amount of EUR 3,270.87 was granted in the course of 2010 awaiting the second tranche of the donation from the Dutch Embassy in Lusaka, Zambia. This loan has been repaid by the LSHT through set-off with donations from the Foundation to several projects within Tisunge! Lower Shire Heritage Centre in 2011, which project was not covered by funds received from the Dutch Embassy in Lusaka, Zambia.

Mlambe Foundation does not have any *investments*.

The *stock directly available for the projects* of Mlambe Foundation consists of the arts and crafts received from the Lower Shire Heritage Trust in part repayment of the loan granted to the Trust for the purchase of stock for the Tisunge! shop. These consist of woven cloth (table runners, placemats, potholders, bags, bathmats, wall hangings and rugs). The stock is valued at EUR 1,000.00 at cost. The Foundation will sell this cloth in the Netherlands for fundraising purposes.

Mlambe Foundation has no *receivables* in 2011.

Mlambe Foundation has *cash* in the amount of EUR 3,245.63, divided as follows:

- EUR 2,370.52 on the Foundation's account with ABN AMRO Bank, Amsterdam;

- EUR 875.11 on the Foundation's accounts with ASN Bank. One of these accounts is designated for the Mlambe Foundation Study- and Education Fund (EUR 632.85 – the actual amount left over in the fund is EUR 549.36). The other account is a savings account (EUR 242.26); and
- On 31st December 2011 there was no cash in hand.

Liabilities

The *total capital* of the Foundation on the 31st of December 2011 amounts to: EUR 6,128.46.

The *non-earmarked capital* on 31 December 2011 amounts to: EUR 19.73

The *earmarked capital* (EUR 6,108.73) is divided as follows:

- The amount under the heading *earmarked funds* of EUR 4,011.47 has been divided over the following projects:
 - EUR 500.00 is earmarked for the iron smelting furnace in Kasungu National Park;
 - EUR 1,500.00 is earmarked for *Land of Fire*;
 - EUR 549.36 is the amount in the Mlambe Foundation Study and Education Fund; and
 - EUR 1,462.11 is the amount borrowed from the Director in 2011, which was donated to LSHT for its projects and will be repaid in 2012
- The following amounts are reflected under the heading *project assets fund* (EUR 1,863.04):
 - EUR 23.81 is the fixed costs for the website malawiheritage.info;
 - EUR 1,839.23 is the value of the fixed tangible assets (EUR 839.23) and the value (at cost) of the woven cloth received from the Lower Shire Heritage Trust in repayment of part of its loan (EUR 1,000.00).
- Under the heading *company assets fund* EUR 234.22 is reflected. These are the following fixed costs over 2011: registration with the Chamber of Commerce; the costs of the websites of the Foundation and the bank costs.

Explanatory notes to the Profit and Loss Account

Acquisition of funds

The *Proceeds arising out of acquisition of funds* (EUR 14,380.44) in this fiscal year derive from four sources:

- *Collections* that have been held by the Foundation during several functions (EUR 2,296.25);
- *Contributions and donations* (EUR 12,000.00); and
- *Other proceeds* (EUR 84.19) comprising of interest on the Foundation's bank accounts.

The *costs of the acquisition of funds* are the following (EUR 200.00):

- *Indirect acquisition costs*: there were no indirect acquisition costs in 2011.
- *Execution costs*: the director has spent time in Malawi and the Netherlands on the acquisition of funds. Part of his cost compensation (EUR 200.00) has hence been booked under this heading.

Under *sale of (used) goods* EUR 168.00 has been booked. These are the net proceeds arising out of the sale of woven cloth that was acquired from LSHT in repayment of part of its outstanding loan to the Foundation.

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

The Foundation has not received any *subsidies* in 2011.

The Foundation did not have any *investments* in 2011.

The total amount available from Acquisition of funds in 2011: EUR 14,348.44

The *other proceeds and liabilities* (EUR 6,944.40) of the Foundation in this fiscal year can be split up as follows:

- The management costs of the Foundation have been recorded as a *liability* (EUR 391.24), which includes the costs of printing the annual report 2010.
- The following items have been recorded as *other proceeds* (total of: EUR 7,335.64):
 - The value of the woven cloth for sale as a fundraising tool: EUR 1,000.00;
 - The value of the objects for the exhibition: EUR 839.23;
 - The loan granted by the director to the Foundation: EUR 1,462.11
 - The monies credited to the bank account as per the 1st of January 2011: EUR 2,362.24;
 - The monies in petty cash as per the 1st of January 2011: EUR 628.46; and
 - The value of the loan granted by the Foundation to the Lower Shire Heritage Trust: EUR 1,043.60 (lent in 2009 to buy stock for the arts & craft shop).

Total available funds for projects in 2011: EUR 21,292.84

Expenditure

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

For *information and education* (EUR 500.00)

- 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 500.00 Euro has been booked under this heading.

- No *subsidies* have been received for information and education.
- There are no execution costs.

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

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

- Projects that the Foundation has financed out of the proceeds of the acquisition of funds and have hence been booked under the heading *projects managed by the Foundation* (EUR 12,364.38), are:
 - Tisunge! Lower Shire Heritage Centre: EUR 2,830.19. The donated funds were spent on: tree plantation at Singano; General operations of Tisunge!; Paramount Chief Lundu's 40 year Paramountcy Celebration; Tree planting by schools; Fruit Drying; and the Staff House.
 - Mlambe Foundation Study and Education Fund: EUR 9,510.38.
 - Malawi Heritage Website: EUR 23.81
- The following costs (see also Explanation of Execution Cost) have been booked under the heading *execution costs*: EUR 2,300.00 of the cost compensation paid to the director.

The surplus of EUR 6,128.46 has been added to:

- Under the heading *earmarked funds* an amount of EUR 6,108.73 has been booked, which is divided over the following projects:
 - **EUR 839.23** for Tisunge! Lower Shire Heritage Centre (the value of the objects for the museum).
 - **EUR 500.00** has been earmarked for the roofing of the iron smelting furnace in Kasungu National Park;
 - **EUR 1,500.00** has been earmarked for the publication of *Land of Fire*;
 - **EUR 549.36** is for the Mlambe Foundation Study and Education Fund;
 - **EUR 234.22** has been earmarked for the operational costs of the Foundation;
 - **EUR 1,000.00** has been booked as the value of the woven cloth in part repayment of the outstanding loan to the Lower Shire Heritage Trust;
 - **EUR 23.81** is earmarked to cover the costs of the Malawian Heritage website; and
 - **EUR 1,462.11** is earmarked for the repayment of the loan to the Director.
- Under the heading *non-earmarked capital* an amount of EUR 19.73 has been booked.

Further remarks:

1. Due to insufficient funds no funds have been reserved to pay the agreed cost compensation to the Director. These will have to be raised in 2012.
2. The funds donated for the tree plantation at Singano village covered 5 years of expenses. These 5 years came to an end in 2011.

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Overview of present funds and Budget 2012

Surplus 2011	Operational Costs	Tisunge!	Furnace	Publications	Study Fund	Website	Repayment Loan	Non-earmarked
4,289.23	234.22	0.00	500.00	1,500.00	549.36	23.81	1,462.11	19.73

Required for 2012	Operational Costs	Tisunge!	Furnace	Publications	Study Fund	Website	Repayment Loan	Non-earmarked
33,743.81	3,400.00	16,420.00	0.00	6,000.00	7,900.00	23.81	0.00	0.00

Pledged Funds for 2012	Operational Costs	Tisunge!	Furnace	Publications	Study Fund	Website	Repayment Loan	Non-earmarked
2,580.00	0.00	0.00	0.00	0.00	2,280.00	0.00	0.00	300.00

Funds to be Acquired	Operational Costs	Tisunge!	Furnace	Publications	Study Fund	Website	Repayment Loan	Non-earmarked
26,874.58	3,165.78	16,420.00	-500.00	4,500.00	5,070.64	0.00	-1,462.11	-319.73

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Operational Costs	Budgetted	Present Funds	Funds to be acquired
	EURO	EURO	EURO
Costs Foundation websites chamber of commerce bank costs	400.00	400.00	0.00
Cost compensation	3,000.00	-165.78	3,165.78
Totaal	3,400.00	234.22	3,165.78

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Project Tisunge!	Budgetted	Present Funds	Funds to be acquired
	EURO	EURO	EURO
Maize mill costs	4,000.00	0.00	4,000.00
Website	20.00	0.00	20.00
Container store room	1,000.00	0.00	1,000.00
IT lab development	2,500.00	0.00	2,500.00
Product development	2,000.00	0.00	2,000.00
Operational costs	4,000.00	0.00	4,000.00
Tree plantation Singano	2,900.00	0.00	2,900.00
Total	16,420.00	0.00	16,420.00

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Project: Roofing Kasungu Furnace	Budgetted	Present Funds	Funds to be acquired
	EURO	EURO	EURO
Material and transport costs	0.00	500.00	0.00

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Project: Publications	Budgetted	Present Budget	Funds to be acquired
	EURO	EURO	EURO
Land of Fire	1,500.00	1,500.00	0.00
Mang'anja Traditional Religion	2,500.00	0.00	2,500.00
In Search of Truth & Justice	2,000.00	0.00	2,000.00
Totaal	6,000.00	1,500.00	4,500.00

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Project: Study Fund	Budgetted	Present Funds	Pledged Funds	Funds to be acquired
	EURO	EURO	EURO	EURO
Sponsored Students	2,400.00	0	2,280.00	120.00
Upon request	1,500.00	549.36	0.00	950.64
Building up of fund	4,000.00	0.00	0.00	4,000.00
Totaal	7,900.00	549.36	0.00	5,070.64