



# Content

	<b>Page</b>
<b>Report by the Board</b>	<b>1</b>
Introduction	1
Information about the reporting institution	1
Mission	1
Members of the Board and the Managing Director	1
Honorary Chairman	2
Advisory Committee	2
Committee of Recommendation	2
Appointment of (Legal) Advisor	2
Partners in Malawi	2
Policy	3
Acquisition of Funds	3
Publicity	4
Activities and Projects	4
Future Projects	8
Concluding Remarks	8
<b>Annual accounts</b>	<b>9</b>
Balance sheet	9
Profit and Loss account	11
Explanation of execution costs	13
<b>Explanatory notes</b>	<b>14</b>
Introduction	14
Explanatory notes to the balance sheet	14
Explanatory notes to the profit and loss account	16
<b>Annexes:</b>	
Annex I – Scholarships for students of the Catholic University of Malawi	
Annex II – Budget 2010	

# **Report by the Board of Mlambe Foundation**

*The fourth fiscal year running from 1 January 2009 through and including 31 December 2009*

## ***Introduction***

This annual report, including the annual accounts and the budget, has been approved by the board of Mlambe Foundation on the 20<sup>th</sup> October 2010.

## ***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.

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

## ***Members of the Board and Managing Director***

In 2009 there has been a change in the board due to the resignation by Ms. Drs. Kim Spijker, which resignation was accepted by the board effective 17 September 2009. The amendment has been registered with the Chamber of Commerce on 18 February 2010.

### ***Board in 2009***

Drs. J.A. Welling (chairman)

Drs. H.W. Bakker (secretary)

Mrs. Dr. Y.M.J. Lammers-Keijsers (treasurer)

Ms. Drs. K. Spijker (member) – resigned effective 17 September 2009

Mr. P.B. Bakker (member)

*Managing Director*

Drs. M. Welling

*Legal Advisor*

Ms. Dr. L.F.A. Steffens

***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 the 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.

***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 4<sup>th</sup> 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 4<sup>th</sup> September 2005 and has the following five members: Mrs. Dr. E. Gomani, 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, emeritus Professor of Archaeology/Anthropology, Faculties of Archaeology and Social Sciences of the Leiden University and former Dutch Secretary of State of Culture, member of the UNESCO World Heritage Commission and Professor of Economics at the Robert Schuman Centre, European University Institute, Oxford University; and Dr. Ilja Leonard Pfeijfer, poet, *graecus*.

***Partners in Malawi***

Mlambe Foundation collaborates with the Department of Culture of the Malawian Government, the Department of Anthropology of de Catholic University of Malawi, and the Lower Shire Heritage Trust.

Mlambe Foundation is a partner in the Lower Shire Heritage Trust, together with the following local partners:

- Department of Culture of the Ministry of Tourism, Wildlife and Culture

- Department of National Parks and Wildlife of the Ministry of Tourism, Wildlife and Culture
- Jambo Africa Limited, a local tour operator running Nyala Lodge in Lengwe National Park;
- Paramount Chief Lundu
- Chief Chapananga – chairman of de Lower Shire Natural Resources Association
- African Parks (Majete) Ltd.

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

In 2009 no other board members or other officers of the Foundation received compensation.

### ***Acquisition of Funds***

#### *Donations in cash*

In 2009 the Foundation did not receive any grants, but did receive many spontaneous gifts. One example is the substantial sum that was donated by Stichting Elisabeth to assist in building the maize mill at Tisunge! Lower Shire Heritage Centre (see Activities and projects). Furthermore, many people donated to the Study Fund and Education of the Foundation to specifically support Anthropology and History students in Malawi. Another donation was received to start a tree project with the schools around Lengwe National Park (see Activities and projects). In the 2008 report by the Board mention was made that the Foundation would apply for a grant from the Dutch Embassy in Lusaka to be able to realize both the maize mill and additional accommodation at Tisunge!, this was done by the local trust in which the Foundation is an active partner (see below). The Foundation is further funded by several periodical donors. In addition, the Foundation has again collected funds at several events in 2009, and it is still participating in the so called *association programs* of Amazon.com, Amazon.co.uk, Amazon.fr, Amazon.de, Bol.com, Barnes&Noble.com and Powellsbooks.com. These programmers guarantee a 5% share of all sales generated through the Foundation's website.

#### *Donations in kind*

Effective per the 1<sup>st</sup> of January 2009 all donations in kind have been donated directly to 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).

### ***Publicity***

The Foundation and its projects, especially Tisunge! – Lower Shire Heritage Centre – have received a lot of publicity in 2009.

The most important publicity in Malawi was at the broadcast of the TVM awards, where Menno Welling, the Director of Mlambe Foundation, received one of the 12 TVM awards from the President of Malawi, Dr. Bingu wa Mutharika. The TVM awards honour (mainly Malawians) for their outstanding achievements and work for the benefit of Malawi. Menno Welling received the award for his tremendous efforts at Tisunge! Lower Shire Heritage Centre. The award ceremony was not only broadcast by TVM but also through satellite TV on the African Continent by Africa Magic.

Menno Welling recently gave a presentation on the heritage of the Lower Shire Valley and Tisunge! for the Blantyre Rotary Club, which was very well received.

At this moment the Foundations website is being updated. Due to technical problems this process has been slowed down which has led to fewer visits to the site.

The News Letter is distributed amongst around 300 people. Although we aim to distribute a newsletter 4 times a year, the reality is 2 times a year.

### ***Activities and Projects***

In 2009 the Foundation maintained and initiated the following projects. All projects were carried out in Malawi (except the fundraising activities that have mainly taken place in the Netherlands). The director of the Foundation supports and carries out the projects locally since 2006, in cooperation with the (former) treasurer and current Legal Advisor Lilian Steffens. Kim Spijker continued to work as a volunteer for Tisunge! Lower Shire Heritage Centre until the 1<sup>st</sup> of July 2009.

#### *Lobby*

In 2009 the Foundation continued to lobby for the preservation of cultural heritage with several governmental and non-governmental authorities.

#### *Publications*

The Foundation aims to broaden the knowledge of the cultural heritage of and within Malawi by the republication of several older publications.

#### *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.

By the end of 2009 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 store room, the sheltered weaving area and the meeting room. The first accommodation for volunteers and guest-researchers has been completed. Funding is however needed for the furnishing of the house. Both the manager's house and the maize mill had the walls standing by the end of 2009.

The library and arts and craft shop are both 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. Thanks to a generous donation of Carlsberg Malawi Brewery Limited the shop is now housing a brand new cooler for cold drinks!! Zikomo Kwambiri Carlsberg! This means that guests of the Centre can relax on the veranda of the shop with a cool drink. The shop achieved self-sustainability in 2009 although there is still a loan outstanding from the Lower Shire Heritage Trust to the Foundation (see notes on the Profit & Loss account).

#### Official hand-over to The Lower Shire Heritage Trust

The Lower Shire Heritage Trust is now operational and has been officially registered with the Registrar in Malawi. In anticipation of the registration and written promises by the Registrar General's office that registration would become effective at the beginning of 2009, Tisunge! Lower Shire Heritage Centre, including the buildings, all donated goods and the management, was transferred by way of donation to the Lower Shire Heritage Trust, effective the 1<sup>st</sup> of January 2009. 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 transfer to the Lower Shire Heritage Trust was discussed at length in the board meeting of the Foundation and it was decided that the transfer would benefit Tisunge! Lower Shire Heritage Centre and the projects that it runs. It shows that Tisunge! is owned by the local community which is extremely important for its continuity, the involvement of government as a partner is of great importance for local support and input and many organisations that are interested in funding the project demand that a local organisation puts in the funding request.

As the Foundation is an active partner in the Lower Shire Heritage Trust, the Board of the Foundation will continue to report on the progress of Tisunge! Lower Shire Heritage Centre and its projects in this annual report, and any other projects that the Trust will initiate or take part in. The Financial Report will, however, only show the donations made by the Foundation to the Trust and not how those funds were ultimately spent. When available we will distribute the annual accounts of the Trust to those interested.

#### Distinguished Guests

On the 22nd of February 2009 we received 3 distinguished guests at Tisunge! Lower Shire Heritage Centre: the Dutch ambassador to Zambia and Malawi, Mr. Harry Molenaar, his wife Dr. Loes Nas and the Dutch consul to Malawi, Mrs. Margriet Sacranie. The weavers and spinners showed their skills under the newly constructed weaving area and explained how their

lives have improved due to this income generating skill. Menno Welling gave our guests a complete tour of the project and explained our future plans. Both the Ambassador and his wife and the consul were very impressed with what the Foundation and its partners in the Lower Shire Heritage Trust had achieved in the past few years. Of course Tisunge! would not be what it is today without the initial support by the Dutch Embassy in Lusaka, Zambia and the Dutch Consulate in Blantyre/Limbe, Malawi.

### Funding

As mentioned in earlier reports the construction of the heritage centre has been made possible through funding of the Dutch Embassy in Zambia, *Impulsis* (ICCO) and the World Wildlife Fund (The Netherlands) and by many donations from generous donors and collections held several events. In January of 2009, the Trust applied to the Dutch Embassy in Lusaka for further funding for the construction of the maize mill, up to and including making it operational, the water tank and the manager's house. On the celebration of Queens Day at the Consulate it was announced that Tisunge! had been granted the full amount requested. This project proposal is one of only three proposals in Malawi that received funding from the Dutch Embassy in 2009. All the partners in the Lower Shire Heritage Trust are extremely grateful for this great donation. It means that the construction of the maize mill can now be completed. As the funding from the Embassy also includes the building of the manager's house, Tisunge! will soon be able to employ a Malawian manager to run the heritage centre.

### Construction

The environment friendly cement pressed bricks, we have been producing the past year, have been put to good use in the now completely finished weaving area, the double staff house, the maize mill and the manager's house. It is amazing to see how fast a building can be erected with these bricks. They have the volume of five normal fired bricks and are perfectly rectangular which makes the laying of the bricks easy and fast. The path has been extended to include the staff house.

### Donations to the Foundation for Tisunge!

The Foundation received several donations earmarked specifically for Tisunge!. In 2009 the Foundation continued to fill the gaps in funding for Tisunge! from its non-earmarked funds.

### Weaving and Spinning

The traditional weaving continues to be a success. In 2009 two of the weavers are weaving at the Centre every weekend to demonstrate and teach their art to visitors of Tisunge!. On most weekends they are joined by two of the spinners. The weavers still prefer to weave with the industrially processed Malawian cotton, but have started to alternate with the hand spun yarn. The weaving and the spinning continue to be a very considerable source of income for the villages. The sale of the shop keeps improving and the shop is now sustaining itself. The products continue to be sold by Paragon Ceramics, and the products are also used in their lodges at Lake Malawi. Large orders have come from a luxury guesthouse in Lilongwe and a hotel in Blantyre. The market still needs to grow, but progress is being made every year.

### Trees

The tree plantation at Singano Village is doing very well and the plantation currently comprises 18,000 trees. The CBO Chigoda is also continuing with the nursery and so we can expect the plantation to show a steady growth. In this financial year around 17 schools were contacted to take part in the re-forestation with indigenous trees of the area along the Nkhombedzi river.

Workshops were provided and we hope to be able to start planting in the rainy season of 2010, funds allowing.

### Library

The library received a donation of 80 children's books from the United States as a result of the tireless efforts by Ross, our local Peace Corps Volunteer. A big thanks to Ross and the generous donors back in the USA! These books are all in English. The library is still desperately in need of children's books in Chichewa.

### Exhibition

In 2010 a temporary exhibition will be set up in the museum building and tours of Tisunge! will be offered to visitors – both international and local. The actual exhibit shall be set up in 2011 with the assistance of two volunteers from the Rijnwardt Academy in Amsterdam, who will join us at Tisunge! for their Master project in Museum Studies.

### Volunteers

In 2009, through the Foundation, Tisunge! has welcomed many volunteers from the Netherlands and Malawi. All have worked very hard and the volunteers have been instrumental in the progress that Tisunge! has made in 2009.

### *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. This iron smelting furnace however suffers from erosion due to the weather conditions and needs to be protected with a shelter in order to maintain it. The Foundation has already found funding to do so. In the beginning of January 2008 the director made drawings of the current situation and we are still trying to find volunteers to help construct the shelter.

### *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 (14.88 Euro) have been included in the balance sheet as fixed annual costs under the heading *working fund assets*. A volunteer has made a start designing this website in 2008 and it is to be expected that the website will be online in 2009.

### *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 2009 the Foundation supported 6 students in paying their tuition fees for the Catholic University of Malawi, thanks to several ear-marked donations. 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 Tisunge! in their spare time.

The Anthropology Club of the Catholic University of Malawi was assisted in organising the first Cultural Day at the university which is to be an annual event.

On the 31<sup>st</sup> of December 2009 there is EUR 2,061.28 in the Study and Education Fund.

### *Books of Prof.G.N. Nurse*

The books collected by Harrie Bakker were handed over to the Catholic University in 2009.

### *Zomba Colonial Heritage*

In 2009 the Foundation started a new project Zomba Colonial Heritage. Zomba was the capital of Nyasaland in colonial times. When Nyasaland/Malawi became independent the capital was moved to Lilongwe and Zomba has maintained the feel of the old colonial capital. Many of the beautiful old colonial buildings are however in a dire state and in desperate need of restoration and renovation. In 2009 the Foundation enlisted the help of the Anthropology department of the Catholic University of Malawi to start making an inventory of the colonial buildings in Zomba and their history. The Foundation furthermore contacted GTZ, a German NGO that is active in Zomba, to discuss future cooperation on this project. In the coming years the Foundation hopes to be able to attract funding for this project, which should ultimately lead to restoration of these buildings and the development of historical tours through Zomba.

### ***Future Projects***

From 2010 onwards, the ongoing support and finalisation of the above-mentioned projects is the first and foremost goal 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).
- The publication of the Malawian edition of *Mang'anja Traditional Religion* and other re-prints of works by Prof. Schoffeleers.

For the required and existing budget the board refers to the attached Budget 2010.

### ***Concluding remarks***

In its fourth financial year the Foundation has continued its trend and has achieved a lot. Despite the abovementioned setbacks the projects are extremely successful. The Board is therefore convinced that the self sustainability of the projects can be attained. This is mainly due to the large support the projects receive from the communities in Malawi and their effort to make the projects a success. Furthermore, without the many volunteers and their dedication to the projects we would not have come so far. Through publications, the flyer, several articles in journals, radio interviews given and presentations held by our director, both in the Netherlands and in Malawi, and the websites the Foundation and its objectives are gaining renown. The cooperation with her local partners in Malawi is very successful. 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 – 4<sup>th</sup> fiscal year from 01-01-2009 to 31-12-2009

### Balance Sheet

	31 December 2009	31 December 2008
<b>Assets</b>		
<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>3,018.23</u>
	839.23	3,018.23
<i>Financial assets</i>		
Loans and advances	0.00	0.00
Loans and advances in relation to the projects	<u>2,660.31</u>	<u>3,660.31</u>
	2,660.31	3,660.31
<i>Investments</i>	0.00	0.00
<i>Stock</i>		
Working stock	0.00	0.00
directly used for the projects	<u>1000.00</u>	<u>7,740.81</u>
	1,000.00	7,740.81
<i>Receivables</i>	0.00	0.00
<i>Cash</i>	13,228.60	13,372.69
<b>Total</b>	<u><u>17,728.14</u></u>	<u><u>27,792.04</u></u>

	31 December 2009	31 December 2008
<b>Liabilities</b>		
<i>Capital</i>		
Non-earmarked capital	2,919.63	354.57
Earmarked capital		
earmarked funds	9,773.65	11,810.87
project assets fund	4,854.11	13,773.92
company assets fund	<u>180.75</u>	<u>1,852.68</u>
	14,808.51	27,437.47
<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
<b>Total</b>	<u><u>17,728.14</u></u>	<u><u>27,792.04</u></u>

# Profit and Loss Account

## Acquisition of Funds

01-01-2009 t/m 31-12-2009

### *Proceeds arising out of acquisition of funds*

Collection	1,240.00
Mailings	0.00
Contributions and donations	13,085.00
Contributions and donations in kind	0.00
Inheritances	0.00
Lotteries	0.00
Other	175.97

14,500.79

### *Costs of acquisition of funds*

(in)direct costs of acquisition	35.49
execution costs	800.00

835.49

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

6.00%

### **Net proceeds**

13,665.30

### *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**

13,665.30

### *Stake in joint actions*

0.00

### *Stake in third party actions*

0.00

### **Available from acquisition of funds**

13,665.30

### *Subsidies governments and others*

0.00

### *Proceeds investments*

0.00

### *Other proceeds and liabilities*

17,857.58

### **Total available for projects**

31,522.88

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**Expenditure**

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01-01-2008 t/m 31-12-2008

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**Spent on the projects***Information/Education*

own activities	700.00
granted subsidies	0.00
execution costs	0.00

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700.00

*The Netherlands*

projects managed by foundation	0.00
granted subsidies	0.00
execution costs	0.00

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0.00

*Abroad*

projects managed by foundation	8,612.52
granted subsidies	0.00
execution costs	4,482.22

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13,094.74

**Total spent on projects**

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13,794.74

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

Earmarked funds	14,808.51
Non-earmarked capital	3,919.63

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17,728.14

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## Explanation of execution costs

### Division of costs over projects

	Project Tisunge!	Information	Acquisition of Funds	Total fiscal year 2009
Travel/accommodation expenses	1,382.22	0.00	0.00	1,382.22
Managing costs	0.00	0.00	0.00	0.00
Cost compensation	3,100.00	700.00	800.00	4,600.00
Printing costs	0.00	0.00	0.00	0.00
<b>Total execution costs</b>	<b>4,482.22</b>	<b>700.00</b>	<b>800.00</b>	<b>5,982.22</b>

# **Explanatory Notes to the Annual Accounts of Mlambe Foundation**

*The third fiscal year running from the 1<sup>st</sup> of January to the 31<sup>st</sup> of December 2009*

## ***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 31<sup>st</sup> of December 2008 the *assets/liabilities* stood at EUR 27,792.04.

On the 31<sup>st</sup> of December 2009:

### **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. For the valuation see Annex I: *Cost value of historical and ethnographical objects*.
- All other goods donated to the Foundation for Tisunge! and that were indicated in the accounts of the Foundation of the previous financial year have in 2009 been donated to the Lower Shire Heritage Trust, and shall thus appear on the annual accounts of the Trust.

The *financial assets* consist of *two loans in relation to our projects* granted to the Lower Shire Heritage Trust for Tisunge! Lower Shire Heritage Centre with a value of EUR 2,660.31.

The first loan was granted on the 6<sup>th</sup> of May 2008 for the repair of the transformer that will be used for the maize mill (EUR 1,616.71 (MWK 356,000)). The loan will be repaid from funds received by the Trust from the Dutch Embassy in Lusaka, Zambia.

The second 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 the Trust repaid part of this loan in kind (woven cloth see below *stock directly available for the projects*) with a value of EUR 1,000. ON the 31<sup>st</sup> of December 2009 the outstanding amount of this loan is EUR 1,043.60.

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 2009.

Mlambe Foundation has *cash* in the amount of EUR 13,228.60, divided as follows:

- EUR 8,355.45 on the Foundation's account with ABN AMRO Bank, Amsterdam;
- EUR 4,787.25 on the Foundation's accounts with ASN. One of these accounts is designated for the Mlambe Foundation Study- and Education Fund (EUR 2,061.28 of which only EUR 1,287.25 is actually in Fund. The remaining amount of EUR 774.03 has to be transferred to this savings account). The other account is a savings account (EUR 3,500.00); and
- EUR 201.27 the Foundation holds in petty cash in Malawi (MWK 44,884.00).

### **Liabilities**

The *total capital* of the Foundation on the 31<sup>st</sup> of December 2009 amounts to: EUR 17,728.14.

The *non-earmarked capital* on 31 December 2009 amounts to: EUR 2,919.63

The *earmarked capital* (EUR 14,808.51) is divided as follows:

- The amount under the heading *earmarked funds* of EUR 9,773.65 has been divided over the following projects:
  - EUR 4,573.27 for Tisunge! Lower Shire Heritage Centre. Divided in EUR 2,725.97 for the tree plantation in Singano Village; EUR 1,847.30 for the maize mill;
  - EUR 139.10 was given as a loan to the Foundation for the benefit of a new project in Zomba by the director, which amount is due to be refunded in 2010.
  - EUR 500.00 is earmarked for the iron smelting furnace in Kasungu National Park;
  - EUR 1,000.00 is earmarked for publications such as *Mang'anja Traditional Religion* by J.M. Schoffeleers;
  - EUR 1,500.00 is earmarked for *Land of Fire*; and
  - EUR 2,061.28 is the amount in the Mlambe Foundation Study and Education Fund.
- The following amounts are reflected under the heading *project assets fund*: the agreed upon cost compensation for the director over 2009 (3,000.00 Euro); the fixed costs for the website malwiheritage.info (EUR 14.88); 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). In total an amount of EUR 4,854.11.
- Under the heading *company assets fund* EUR 180.75 is reflected. These are the following fixed costs over 2010: 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***

De *Proceeds arising out of acquisition of funds* in the third fiscal year derive from four sources:

- *Collections* that have been held by the Foundation during several functions (EUR 1,240.00);
- *Contributions and donations* (EUR 13,085.00); and
- *Other proceeds*. (EUR 175.79). 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 (EUR 147.28); and the sale of woven cloth (EUR 28.50)

The *costs of the acquisition of funds* are the following (EUR 835.49):

- *Indirect acquisition costs*: the costs of cashing the cheques received in connection with the abovementioned *associate programmes* (EUR 35.49).
- *Execution costs*: the director has spent a lot of time in Malawi and the Netherlands on the acquisition of funds. Part of his cost compensation (EUR 800.00) has hence been booked under this heading.

This fiscal year the only sale of goods that has taken place is as a fundraising tool and has been accounted for under that heading. The arts & craft shop of Tisunge! and all its stock has been donated to the Lower Shire Heritage Trust. Hence there have been no proceeds out of the *sale of (used) goods* in 2009.

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

The Foundation has not received any *subsidies* in 2009.

The Foundation did not have any *investments* in 2009.

The *other proceeds and liabilities* 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 153.75) (the costs of printing the annual report 2008 were donated)
- The following items have been recorded as *other proceeds* (total of: EUR 18,011.33):
  - 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 monies credited to the bank account as per the 1<sup>st</sup> of January 2009: EUR 13,171.42;
  - The loan granted by the director to the Foundation: EUR 139.10;
  - The monies in petty cash as per the 1<sup>st</sup> of January 2009: EUR 201.27; and
  - The value of the loan granted by the Foundation to the Lower Shire Heritage Trust: EUR 2,660.31.

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

For *information and education*:

- 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 700.00 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 third 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 8,612.52), are:
  - Tisunge! Lower Shire Heritage Centre: EUR 5,688.66 (specific projects: tree plantation at Singano; Maize Mill; Staff house; Tree planting by schools; and arts & crafts.
  - Mlambe Foundation Study and Education Fund: EUR 2,784.75.
  - Zomba project (to make an inventory of colonial architecture and monuments): EUR 139.10.
- The following costs (see also Explanation of Execution Cost) have been booked under the heading *execution costs*: (EUR 4,482.22)
  - EUR 1,500.00 of the cost compensation paid to the director;
  - EUR 1,600.00 of the cost compensation paid to Kim Spijker; and
  - EUR 1,382.22 on airplane ticket for 1 volunteer;

The surplus of EUR 17,728.14 has been added to:

- Under the heading *earmarked funds* an amount of EUR 14,808.51 has been booked, which is divided over the following projects:
  - EUR 5,412.50 for Tisunge! Lower Shire Heritage Centre. Of that amount EUR 2,725.97 is for the tree project in Singano Village; EUR 1,847.30 for the maize mill; and EUR 839.23 the value of the objects for the museum.
  - EUR 500.00 has been earmarked for the roofing of the iron smelting oven in Kasungu National Park;
  - EUR 1,000.00 has been earmarked for publication including *Mang'anja Traditional Religion* by J.M. Schoffeleers;
  - EUR 1,500.00 has been earmarked for the publication of *Land of Fire*;
  - EUR 2,061.28 is for the Mlambe Foundation Study and Education Fund;
  - EUR 3,180.75 has been earmarked for the costs of the Foundation (EUR 3,000.00 cost compensation director; operational costs EUR 180.75);
  - 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 139.10 is earmarked to repay the loan granted by the director; and
  - EUR 14.88 is earmarked to cover the costs of the Malawian Heritage website
- Under the heading *non-earmarked capital* an amount of EUR 2,919.63 has been booked.

## Annex II - Budget 2010 *page 9*

<b>Project: Music Van Zanten</b>	<b>Budgetted</b>	<b>Present Funds</b>	<b>Funds to be acquired</b>
	EURO	EURO	EURO
Publication	1,000.00	0.00	1,000.00

## ANNEX I

**Study and Education Fund 2009**

<b>Name Student</b>	<b>Purpose</b>	<b>Amount in Kwacha</b>	<b>Amount in Euro's (1:223)</b>
Hellen Zalira -	Scholarship	260,000.00	1,165.92
Davie Simengwa	Scholarship	100,000.00	448.43
Kingsley Pamanda	Scholarship	100,000.00	448.43
John Mankomwa	Scholarship	60,000.00	269.06
Rachel Warren	Contribution for Workshop	10,000.00	44.84
Anthropology Club	Cultural Day at CUNIMA	41,000.00	183.86
Anthropology Club	Fieldtrip	50,000.00	224.22
<b>Total</b>		<b>621,000.00</b>	<b>2,784.75</b>

Annex II - Budget 2010 - page 1

Overview of present funds and Budget 2010

Surplus 2009	Tisunge!	Iron Smelting Oven	Publications	Study Fund	Fathers House	Zomba	Music	Transport	Operational Costs	Loan	Website	Non-earmarked
17,728.14	6,412.50	500.00	2,500.00	2,061.28	0.00	0.00	0.00	0.00	3,180.75	139.10	14.88	2,919.63

Required for 2010	Tisunge!	Iron Smelting Oven	Publications	Study Fund	Fathers House	Zomba	Music	Transport	Operational Costs	Loan	Website	Non-earmarked
139,703.98	60,450.00	500.00	6,050.00	14,550.00	50,000.00	1,000.00	1,000.00	1,000.00	5,000.00	139.10	14.88	0.00

Funds to be Acquired	Tisunge!	Iron Smelting Oven	Publications	Study Fund	Fathers House	Zomba	Music	Transport	Operational Costs	Loan	Website	Non-earmarked
121,975.84	54,037.50	0.00	3,550.00	12,488.72	50,000.00	1,000.00	1,000.00	1,000.00	1,819.25	0.00	0.00	-2,919.63

## Annex II - Budget 2010 - page 2

<b>Operational Costs</b>	<b>Budgetted</b>	<b>Present Funds</b>	<b>Funds to be acquired</b>
	EURO	EURO	EURO
Costs Foundation websites chamber of commerce bank costs	200.00	180.75	19.25
Cost compensation	3,000.00	3,000.00	0.00
Cost of acquisition of funding	200.00	0.00	200.00
Congoma: annual fee + operational costs	200.00	0.00	200.00
Tickets volunteers	1,400.00	0.00	1,400.00
<b>Totaal</b>	<b>5,000.00</b>	<b>3,180.75</b>	<b>1,819.25</b>

## Annex II - Budget 2010 *page 3*

<b>Project Tisunge!</b>	<b>Budgetted</b>	<b>Present Funds</b>	<b>Funds to be acquired</b>
	EURO	EURO	EURO
Car	5,000.00	0.00	5,000.00
Housing	40,000.00	0.00	40,000.00
Community bush camps	10,000.00	0.00	10,000.00
Collection of artefacts	200.00	0.00	200.00
Tree plantation Singano **	1,250.00	800.00	450.00
Tree project Schools	1,000.00	450.00	550.00
Contingent	3,000.00	0.00	3,000.00
<b>Total</b>	<b>60,450.00</b>	<b>1,250.00</b>	<b>59,200.00</b>

\*\* An amount of EUR 3.166,02 was donated for this purpose spread out over 4 yrs

## Annex II - Budget 2010 *page 4*

<b>Project: Fathers House</b>	<b>Budgetted</b>	<b>Present Funds</b>	<b>Funds to be acquired</b>
	EURO	EURO	EURO
Restoration	50,000.00	0.00	50,000.00

## Annex II - Budget 2010 *page 5*

<b>Project: Publications</b>	<b>Budgetted</b>	<b>Present Budget</b>	<b>Funds to be acquired</b>
	EURO	EURO	EURO
Land of Fire	1,500.00	1,500.00	0.00
Mang'anja Traditional Religion	2,550.00	1,000.00	1,550.00
In Search of Truth & Justice	2,000.00	0.00	2,000.00
<b>Totaal</b>	<b>6,050.00</b>	<b>2,500.00</b>	<b>3,550.00</b>

## Annex II - Budget 2010 *page 6*

<b>Project: Study Fund</b>	<b>Budgetted</b>	<b>Present Funds</b>	<b>Funds to be acquired</b>
	EURO	EURO	EURO
Sponsored Students	7,550.00	2,061.28	5,488.72
Upon request	3,000.00	0.00	3,000.00
Building up of fund	4,000.00	0.00	4,000.00
Totaal	14,550.00	2,061.28	12,488.72

## Annex II - Budget 2010 *page 7*

<b>Project: Inventory of colonial heritage of Zomba</b>	<b>Budgetted</b>	<b>Present Funds</b>	<b>Funds to be acquired</b>
	EURO	EURO	EURO
General costs	1,000.00	0.00	1,000.00

## Annex II - Budget 2010 *page 8*

<b>Project: Roofing Kasungu Iron smelting oven</b>	<b>Budgetted</b>	<b>Present Funds</b>	<b>Funds to be acquired</b>
	EURO	EURO	EURO
Material and transport costs	500.00	500.00	0.00

## Annex II - Budget 2010 *page 10*

<b>Transport</b>	<b>Budgetted</b>	<b>Present Funds</b>	<b>Funds to be acquired</b>
	EURO	EURO	EURO
General costs	1,000.00	0.00	1,000.00