

A story of **resilience,**
hope and relief
act:onaid



ActionAid Malawi **2020 Annual Report**

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Key Organisational Identity

Who we are: ActionAid Malawi is a local organisation registered in 2007 under Companies Act Limited by Guarantee. ActionAid Malawi is an affiliate member of ActionAid Federation, established as a UK charity organization in 1972 and registered

as a Global Justice organisation that aims at addressing the root causes of poverty and injustice, with particular focus on women, young women and girls. ActionAid Malawi started its operations in Malawi in 1990.

Our Vision

A nation without poverty and injustice in which every person enjoys their right to a life of dignity.

Our Mission

To work with poor and excluded people to eradicate poverty and injustice.

Our Values

Mutual Respect; Equity and Justice; Honesty and Transparency; Solidarity with the poor; Courage of Conviction, Independence, Humility.



During the Covid-19 pandemic, mother groups supported by ActionAid Malawi ensured that girls stay in schools and continue learning.

Acronyms and Abbreviations

AAM	ActionAid Malawi
ADC	Area Development Committee
AEC	Area Executive Committee
AIDS	Acquired Immunodeficiency Syndrome
CBCC	Community Based Childcare Centres
CBFs	Community Based Facilitators
CDSS	Community Day Secondary Schools
CPCs	Civil Protection Committees
CISANET	Civil Society Agriculture Network
CRSA	Climate Resilient Smart Agriculture
CSO	Civil Society Organisations
CSP	Country Strategy Paper
COWFA	Coalition of Women Farmers
CDF	Constituency Development Fund
CPC	Civil Protection Committee
DDF	District Development Fund
DEC	District Executive Committee
DEM	District Education Manager
EGISA	Every Girl in School Alliance
ECD	Early Childhood Development
EU	European Union
FARMSE	Financial Access for Rural Markets Smallholders and Enterprises
FFS	Farmers Field Schools
FGG	Fair Green Global
GAWE	Global Action Week on Education
GRBA	Gender Responsive Budget Analysis
HIV	Human Immunodeficiency Virus

IHART	International Humanitarian Action and Response Team
LRP	Local Rights Programme
LTFFS	Long-Term Finance and Fundraising Strategy
LUANAR	Lilongwe University of Agriculture and Natural Resources
MISA	Media Institute for Southern Africa
NGO	Non-Governmental Organisation
OSISA	Open Society Initiative for Southern Africa
PPE	Personal Protective Equipment
PPL	People's Postcode Lottery
PSAM	Public Service Accountability Monitoring
RACs	Reflection Action Circles
SDG	Sustainable Development Goals
SGBV	Sexual and Gender-Based Violence
SIG	School Improvement Grant
SMC	School Management Committee
SRHR	Sexual and Reproductive Health Rights
TA	Traditional Authority
TB	Tuberculosis
UN	United Nations
VAWG	Violence Against Women and Girls
VATEW	Violence Against Targeted and Excluded Women
VCPC	Village Civil Protection Committee
VDC	Village Development Committee
VS&L	Village Savings and Loans

Message from the Board Chairperson



We are proud of the achievements that ActionAid Malawi team registered in the year 2020. Like every other organization in the year, AAM operated in an immensely difficult economic and political context given the Covid-19 global pandemic as well as political instability Malawi experienced following the disputed Presidential Election in late 2019.

Despite these challenges, AAM took advantage of available opportunities to continue defending rights in crisis and effectively stand in solidarity with its constituents in pushing for policy change, social justice, and accountability. The public social accountability drive was a major step in the right direction towards effective public resource management. Our engagements with Parliament and Parliamentary Committees, Government Ministries and Departments, District Councils and other stakeholders on public resource mobilization, allocation and utilization provided the foundation for effective gender responsive public services delivery.

The Covid-19 global pandemic has had unprecedented negative effects on public

service provision and worse still deeply undermined the rights of women, young women, and girls in multiple aspects of life. AAM interventions to lessen the burden through cash transfers, food distribution to people living in poverty, raising awareness on gender-based violence and ensuring continued learning amidst school closures and influencing policy to effectively change life prospects for people living in poverty remain key achievements for the year 2020.

The year 2020 was special to AAM as it marked the mid-term for the Organizations' Country Strategy Paper V. Coupled with an introspective review the global federation was going through, it was an opportunity to reflect on AAM's relevance in various contexts. The results of the strategy review re-affirms the relevance of the organization not only to Malawi's context but also its contribution to the global aspirations of the federation.

AAM continues to strive for excellence, doing more with less, learning each day. We appreciate our supporters, donors, partners and all stakeholders for supporting our work in the year 2020. Invaluable contributions from members of the Board and the General Assembly, in this year, cannot go unnoticed. Let us continue working together in ending poverty and social injustice in Malawi.

Let me wish well as you enjoy the read.

A handwritten signature in black ink that reads "A. Malata". The signature is enclosed within a hand-drawn oval shape.

Professor Address Malata
Board Chairperson

Message from the Executive Director



I have the pleasure to welcome you, our dear reader, to the 2020 Annual Report. The year 2020 was unprecedentedly challenging for ActionAid Malawi, as it was for other organizations, due to the unstable political environment resulting from the disputed 2019 tripartite election results and sustained people's movement which signified the maturity of our democracy.

In addition to this continued struggle for civil and political rights, Malawi was not spared from the Covid-19 pandemic which claimed lives, destabilized the economy, disrupted social service delivery and affected the livelihood of citizens at all levels. Those living in poverty and exclusion such as girls and women were the worst affected as there was an increase in numbers of reported cases of gender-based violence, child marriages and teenage pregnancies. Disruptions to learning occurred which also affected the growth and development of children as most depended on the school-feeding programmes to have access to nutritious food.

Nevertheless, we are grateful to our supporters, donors, and partners for the support they provided to the organisation during the pandemic as with the support from the Roger Federer Foundation and IHART, we were able to provide take-home rations for children in our ECD programme, and we provided cash and food transfers to vulnerable community members in 10 districts. With the financial support from the Global Fund Covid-19 response mechanism, we were able to procure and distribute PPEs and medical equipment. The support from other funders contributed to procurement of hand-washing supplies to schools and hospitals in our impact areas.

The support from UNFPA under the Spotlight programme enabled us to strengthen social protections systems and resilience to reduce GBV and vulnerability among the target groups.

I would also like to express my gratitude to the Board of Directors and General Assembly for their constructive oversight and guidance during the implementation of our programs. My sincere gratitude and appreciation to ActionAid members of staff, partners and our volunteers who braved the pandemic to reach out to those in desperate need of our support.

Limodzi Tingathe!

A handwritten signature in black ink, appearing to read 'Assan Golowa'. The signature is stylized and fluid, with a large initial 'A'.

Assan Golowa
ActionAid Malawi Executive Director

Executive Summary



A VSL group in Kholoso LRP, formed with facilitation of ActionAid Malawi partner, Tideco, in high spirits after sharing the savings and profits in December 2020.

The first half of 2020 was largely defined by electoral activities. This followed the February's Malawi constitutional court ruling that ordered the fresh Presidential Polls within 150 days. The ruling effectively nullified 2019 tripartite election results and ordered fresh presidential elections which led to the formation of a new government under the Tonse Alliance.

On the other hand, the Covid-19 pandemic had a vast socio-economic impact; it threatened the realization of human rights and laid bare the dire state of our health, education and social protection systems. The pandemic exposed the country's funding and human resource gaps in the health, education, and social sectors. With inadequate health personnel, testing kits, isolation facilities, Malawi's health

sector became increasingly fragile in the face of the Covid-19 pandemic.

The pandemic exposed women and children to increased levels of vulnerability which worsened the poverty situation as economic activities slowed down, schools were closed and teenage pregnancies increased to 40,000 during the school closure period. Malawi registered 13,000 child marriages with Nsanje, Mangochi, Phalombe and Mchinji registering high numbers of teen pregnancy.

The country also registered a food crisis as 2.6 million Malawians were food insecure. This happened despite the fact that the country produced almost 3.7 million tons of maize during the 2019/2020 season.

This was exacerbated by high retail prices for the staple crop. The situation was worse in urban areas where many poor households experienced food and income gaps due to impacts of COVID-19 on the economy. Households dependent on trading, casual labour, and employment in domestic labour, teaching, hospitality, and the tobacco sector were the most affected by reduced income-earning (www.fews.net).

As an organisation committed to social justice, AAM, in 2020, streamlined its programming and interventions to respond to the Covid-19 context, with major inclination towards women, young women and girls' rights.

The organisation's interventions were within its program priority areas as guided by its current Country Strategy on Action for Social Justice. Therefore, AAM worked to promote the rights of women and girls, enhance resilience, and emergency response and state accountability for gender-responsive public services.

Under the first priority, AAM and partners continued empowering individual women and their collectives in challenging as well as taking action against structural causes of sexual and gender-based violence (SGBV). A total of 12, 482 women, young women and girls were empowered to take action against SGBV and 16, 034 mobilized to access Violence against Women and Girls (VAWG) response and comprehensive services.

Additionally, AAM through partnerships at Local Rights Programme (LRP) and national level, empowered a total of 34, 008 women, young women, and girls to demand economic justice, with 44,039 beneficiaries enjoying

access to productive resources such as land and finances through village loans and savings (VS&L).

Last year, AAM and its partners mobilized 21, 703 women, young women, and girls to access sexual and reproductive health services with support from UNFPA Spotlight programme in Ntchisi and Mzimba districts. In 2020, the project built onto the existing initiatives to empower girls and young women control their bodies inwardly and outwardly.

Under the second priority, AAM and its partners and allies empowered 10, 290 smallholder farmers, particularly women in practicing agroecology. We empowered 56, 573 women to be climate resilient and food secure. We worked with 4,262 women-led CPCs in our emergency response in Nsanje, Neno and Mzimba districts.

Under the third priority, AAM continued to influence citizen participation and state accountability for the redistribution of resources towards provision of quality public services in education, health, and agriculture. In 2021, AAM and partners mobilized citizens, especially the youth movements and allies championing gender-responsive budgeting and expenditure and improved governance of public resources at community, district, and national level. The results of this has been an increased number of girls, young women and women accessing quality services in the aforementioned sectors. For instance, at Mkumbanjala in Khosolo LRP and Mubanga in Chitipa LRP, there has been an improved academic performance among girls following the school infrastructure that AAM constructed in the schools.

Programme Priorities

Priority One

Promoting and securing realization of women, young women, and girls' rights



Members of the Safe Space under the UNFPA-funded Toto Nkhaza project in T/A Kalumo, Ntchisi District.

ActionAid Malawi interventions under this priority area were championed along four focus areas.

Addressing structural causes of violence against women, young women and girls and promoting effective response mechanisms for survivors of violence

ActionAid Malawi worked with its partners to build as the capacity of women, young women and girls, raise awareness, and advocacy campaigns against all forms of GBV. Through this work, we have strengthened the agency of women, young women and girls to

influence policy, practice and legislate changes on VAWG and their effective implementation using the evidence generated through research. This has led to an increased number of SGBV cases reported and addressed. In 2020, AAM local rights partners handled 546 GBV cases. A total of 432 cases were resolved amicably while 114 were referred to other institutions, especially police and courts. Due to coordination and strong case referral systems in the LRPs, the arbitration of cases involved other case handling bodies such as Police Victim Support Unit, Social Welfare and other relevant NGOs in the district. A total

of 2,643 GBV survivors accessed elements of the VAWG Response Package since January 2020 through various services through the Police, Social Welfare, the courts, health institutions and other psychosocial institutions. Prevalent cases handled in the reporting year included physical abuse, family abandonment, and forced marriages.

With our support, women movements in LRPs have advocated for state accountability in delivery of accessible, specialized and comprehensive services to survivors of VAWG which has led to increased access of VAWG services for 16,034 women across all the 11 LRPs.

AAM also worked with local partners to challenge norms, practices, systems, and structures that shape and normalize unjust distribution of unpaid care work.

The advocacy campaign has since had a significant shift in understanding by communities that women carry out quite a lot of household tasks that are unremunerated and prevent them from succeeding in the paid work, careers, or community leadership roles. Progressively, men are beginning to appreciate that women should participate in productive activities and that unpaid household chores should be shared among household members.



Some of the girls and young women participating in the Toto Nkhanza project in T/A Chindi, Mzimba.

Story of Change: Hope for GBV Survivor



When in July 2013, Nelie Mhango broke news of her HIV status to her husband, little did she know that would be the beginning of her troubled marriage life. Home turned hell for her as her husband started verbally abusing her. He even suggested that she should go back to her parents, saying he was no longer interested in sharing a bed with an HIV positive woman.

The husband's estranged conduct broke

down Nelie. She lost hope in love and life.

"I at times thought of filing for divorce but I feared for my two children whom I thought would miss my care and support once I leave them with my husband," says a 42-year-old Nelie, now a businesswoman in Chigwere Village, traditional authority Chikulamayembe in the district.

Mhango decided to stay in an abusive

marriage for the sake of her children. A ray of hope finally shone on her when in 2018, a friend referred her to Rumphu Women Forum, an ActionAid Malawi partner in Rumphu Local Rights programme.

The women forum brought together Nelie and her husband for counselling, a move that eventually compelled Nelie's husband to reconcile with his wife. Following the intervention by Rumphu Women Forum, Nelie and her husband started living happily again.

With proceeds from the 2018 farming season,

Nelie's husband gave her capital to start some kitchen utensil business. Two years later, Nelie's business takes on a steady growth.

“On a good day, I make about K15 000 from this business. The money realized from this business is helping us meet our family needs, including paying school fees for our two children. I am very grateful to ActionAid Malawi through Rumphu Women Forum for helping recover from emotional, physical and financial abuse at the hands of mu husband,” says Nelie.

Promoting Women's Economic Justice



Nthanda Manduwi, a social media influencer, engaging young women during the #SheTalks on macro-economic policies organised by ActionAid Malawi and allies.

Cognizant of the detrimental effect of decent work deficit and unpaid care work towards realisation of most sustainable development goals, AAM and partners in 2020 intensified campaigns on unpaid care work and decent work. The campaign focused on strengthening knowledge and skills capacity of women, young women, and community members. A total of 11,000 young women and girls were reached across all the eight local rights programs through awareness meetings targeting duty bearers such as traditional leaders, Area Development Committees and religious leaders. Most women and young women collectives engaged relevant duty bearers in a campaign aimed at reducing unpaid care work among women.

Furthermore, AAM supported a total of 44,038 women and young women in VS&L. Out of these, 16,123 beneficiaries emanated from Tilimbike Project with support from FARMSE where 865 VS&L groups were restructured and trained in Dedza and Machinga districts. The move has led to improved group coherence and group dynamics, and it has catalyzed people's saving culture. Furthermore, the project has cultivated a sense of business among women, with many of them now engaging in income generating activities such as selling farm produce to earn an income for VS&L and improve their household wellbeing. There is great likelihood that most of the VS&L will be linked to formal financial institutions in the second year of the project to spur economic empowerment among women.

We have supported income generating activities such as agri-business, goat pass-on and vocational skills, mainly in LRPs, which has led to notable improvements in economic wellbeing of women and young women, and redistribution of power at household and community levels in as far as providing support for the families is concerned.

At a national level, AAM and allies that include EGISA and Feminist Macro-economic Alliance mobilized 3,000 young women and their allies who identified orthodox economic and political climate as a cause for serious concern in advancement of women's rights. The project facilitated the building of individual and collective power of young women to advocate for gender-just economic policies.

This empowered young women to successfully challenge regressive economic models and public debt. The initiative further generated knowledge and best practices on feminomics and feminist-economic movement building and policy influencing.

In collaboration with ActionAid International, AAM led national partners and allies during a "Global Week of Action for Debt Cancellation" that run from 10th – 17th October. In particular, AAM supported mobilisation of 200 young women in Malawi alongside their allies and movements to raise awareness debt and to call for debt cancellation for developing countries.

Promoting women, young women, and girls to control their bodies inwardly and outwardly

The Covid-19 pandemic exacerbated the existing social inequalities and vulnerability and it laid bare the lack of effective mechanisms relating to the protection of children and women. The pandemic has proven the need to ensure that social protection mechanisms are gender responsive and reduce the gender gap and respond to the rights and needs of women and children. AAM, its partners and allies such as the District Social Welfare offices and Health Surveillance Assistants, mobilized young women, and girls who were trained in Comprehensive Sexuality Education. This was conducted alongside massive awareness

campaigns on the Sexual and Reproductive Health Rights (SRHR) among the youth. Resultantly, there has been increased youth uptake in SRHR services as a total of 21, 703 youth in 2020 got empowered to access SRHR across all AAM impact areas, compared to previous years where less than 10,000 youth accessed SRHR services. This is a significant shift and the knowledge gained will go a long way in helping young people to prevent unplanned pregnancies, make informed choices pertaining their sexuality including decisions on when to marry and have children.

Story of Change:

Forearming the youth for a bright future

“I want to be the last girl to have fallen victim to unplanned pregnancy, especially while at school in this area,” confidently says a 19-year-old Linda Tembo, a Form Two girl at Ng’ombechinda Community Day Secondary School in Mzimba.

Since her pregnancy which led her to deliver a baby in June 2020, Linda, who hails from Makhangala Village in Traditional Authority Khosolo became an active member of Khosolo Youth Activista Network which is going around the village promoting access to sexual and reproductive health services among the youth.

The Khosolo Youth Activista Network is a youth platform under Khosolo Foundation for Development, one of the local partners working with ActionAid Malawi in advancing social justice, through various anti-poverty programmes including sexual and reproductive health rights (SRHR).

The youth group, which has a membership of about 30 in total, says it decided to take such a nature of intervention due to high rates of teenage pregnancies, leading to massive school dropout rates in the area.

“Initially, most girls including myself didn’t have access to sexual and reproductive health services. This was mainly due to a culture of silence as most people associated methods such as use



Linda, a young woman championing SRHR campaign in Khosolo, Mzimba with support from Khosolo Activista Youth Network.

Linda Tembo after one of the meetings with peers on SRRHR

of condoms, emergency pills and other family planning methods to promiscuity,” says Linda.

She says following the launch of the sexual and reproductive health rights (SRHR) campaign in the area, there has been an improvement in terms of awareness and demand for SRHR services among both in-school and out of school girls.

Priority Two

Building resilience of people living in poverty while strengthening women-led secure livelihoods, preparedness, and emergency response



Loveness Munyenyembe, one of 300 smallholder farmers benefitting from Mibanga Irrigation scheme constructed with financial support from Maukako CBO, a partner under ActionAid Malawi in Nthalire, Chitipa.

Climate justice through transformative resilience

ActionAid Malawi's interventions focused on raising awareness among women and young people and enhancing their capacity on climate justice, climate resilience and food security. In the reporting year, AAM and its local partners reached out to a total of 2, 462 women, young women, and community members with various capacity building initiatives in climate change.

Due to devastating impact of Covid-19 pandemic, AAM offered direct financial support to those worst affected by the pandemic. AAM and its local partners reached out to 36, 572 smallholder farmers with climate-resilient capacity building initiatives. A total of 43, 173 smallholder farmers benefitted through the support by projects such as IHART and KULIMA-BETTER in Nkhatabay, Khosolo, Phalombe, Nsanje and Chiradzulu districts.

The Farmers Field Schools (FFS), groups of smallholder farmers established under KULIMA-BETTER program in Chiradzulu and Nkhatabay, have been equipped with different agricultural productivity skills and extension services through their Community Based Facilitators (CBFs). Field observation and assessment indicate that over 67% of the total number of farmers are adopting the skills and knowledge from the FFS findings including early planting, pest and disease management, soil fertility, plant population, crop diversification leading to an increased agricultural productivity.

About 18, 451 farmers have benefited from the nutritional activities such as milk production from soy beans; mandazi from orange fresh sweet potato flour and coming up with seasonal food calendars. As a result, their households now have improved dietary

diversity due to crop diversification. Under crop enterprises, farmers were trained in homestead gardens where different types of exotic and local vegetable varieties are cultivated to provide improved nutrition for their households including women and children.

In addition to crop production, about 26% of these farmers have reported to have increased production levels of livestock. These farmers received goats and pigs at FFS level. As a result of the increased crop and animal diversification, about 17, 420 farmers, 9, 467 of whom are female, have reported to have increased production levels of crop products following the adoption of farming technologies from FFSs. About 67% of the members of the farmer field schools are applying the technologies they learn at the schools in their farms. This represents 63% in Chiradzulu and 71% Nkhatabay.



Grace Joseph, a member of Chisomo farmer field school, in Chiradzulu, explaining how field studies are helping them harvest more despite climate.

Resulting from our interventions, about 24,450 out of 43,173 farmers have acquired increased absorptive capacities for natural disasters. This represents 55% success rate. In addition to this, 30,400 farmers including 18,240 women farmers have been equipped with increased anticipatory capacities to natural disasters in Chiradzulu and Nkhatabay districts representing a 68% success rate.

This has been achieved through capacity building in cultivation of drought tolerant crops such as sweet potatoes and cassava targeting FFS, introduction and application of VSL methodologies and implementation of irrigation systems. Consequently, targeted farmers have enhanced their adaptive and transformative capacities to shocks arising due to natural disasters.

Localized women and young people-led emergency and humanitarian preparedness and response that promotes stronger accountability to affected population.



The AAM support through local partners and women forums, proved critical in reaching out to 15, 000 people with knowledge awareness campaigns on the COVID-19 pandemic. The forums and LRP partners assisted the District Health Offices with hand-hygiene equipment and infrared thermometers to curb the spread of COVID-19. The women forums also supported the district health offices in sensitizing the communities about COVID-19 preventive measures using a public address system and radio jingles. The awareness campaigns led to increased knowledge among community members on Covid-19 and preventive measures including encouraging health seeking behaviours if people suspected they had contracted the virus in all AAM impact districts.

Through numerous trainings and engagement on protection and accountability by AAM with support from IHART, there has been a notable transformation at community level with regards to Covid-19 leadership. More women are now taking leadership not only in emergency work but any other development

and empowerment initiatives. For example, in Phalombe, civil protection committees, which were predominantly comprised of men, are now able to appreciate the need for women leadership and centrality of protection in emergencies. These are promising building blocks for sustainable anticipatory, adaptive, and absorptive capacities among the affected people, thereby guaranteeing sustainable and resilient development.

Through the AAM's Covid-19 response initiative supported by PPL and IHART, a total of 300 women drawn from selected districts of Phalombe and Mzimba LRPs received unconditional cash transfers amounting to MK25,000.00 for a period of two months to enable them to improve their livelihood and food security at household level.

The beneficiaries of cash transfer managed to boost their household income and came up with diverse ways of enhancing food security at household level, including addressing social needs. The support boosted women's income generating activities such as VS&L.

Story of change:

Finding resilience lessons from disaster

The perennial disasters that hit southern Malawi were compounded by the 2019 Cyclone Idai that drastically reduced the yields for most smallholder farmers in the 2019/2020 season leaving many households food insecure.

The food situation reached crisis level with the outbreak of the Covid-19 pandemic which significantly affected market supplies and other income generating activities for most of those living in poverty.



With support from Kuchene Women Forum, a partner in Nsanje District, Fatch is now able to harvest thrice a year.

However, with financial support from IHART, ActionAid Malawi, in partnership with grassroots women groups such as Kuchene Women Forum in Nsanje Local Rights Programme (LRP) and Chigwirizano Women Forum in Phalombe LRP, distributed crop seeds to 800 smallholder farmers, all women) in the two districts.

The seed support has helped farmers like 52-year-old Doreen Fatch of Felo Village, Traditional Authority Malemia in Nsanje LRP, to start focusing on resilience agriculture through winter cropping than hoping for handouts and donation from well-wishers and donors.

In May 2020, Fatch, who got maize, beans and groundnut seeds from ActionAid cultivated the crops on her one-acre dambo land and by the end of July, Fatch harvested enough to last her to the next growing season.

“Through this support, I have now switched my mindset from just relying on relief support to focusing on cultivating enough food for myself and family, and I can’t thank ActionAid Malawi enough for taking me and other smallholder farmers on this journey of hope and empowerment,” says Fatch with a smile on her face.

Priority Three

Enhancing civic participation and state accountability for the redistribution of resources and delivery of quality gender-responsive public services

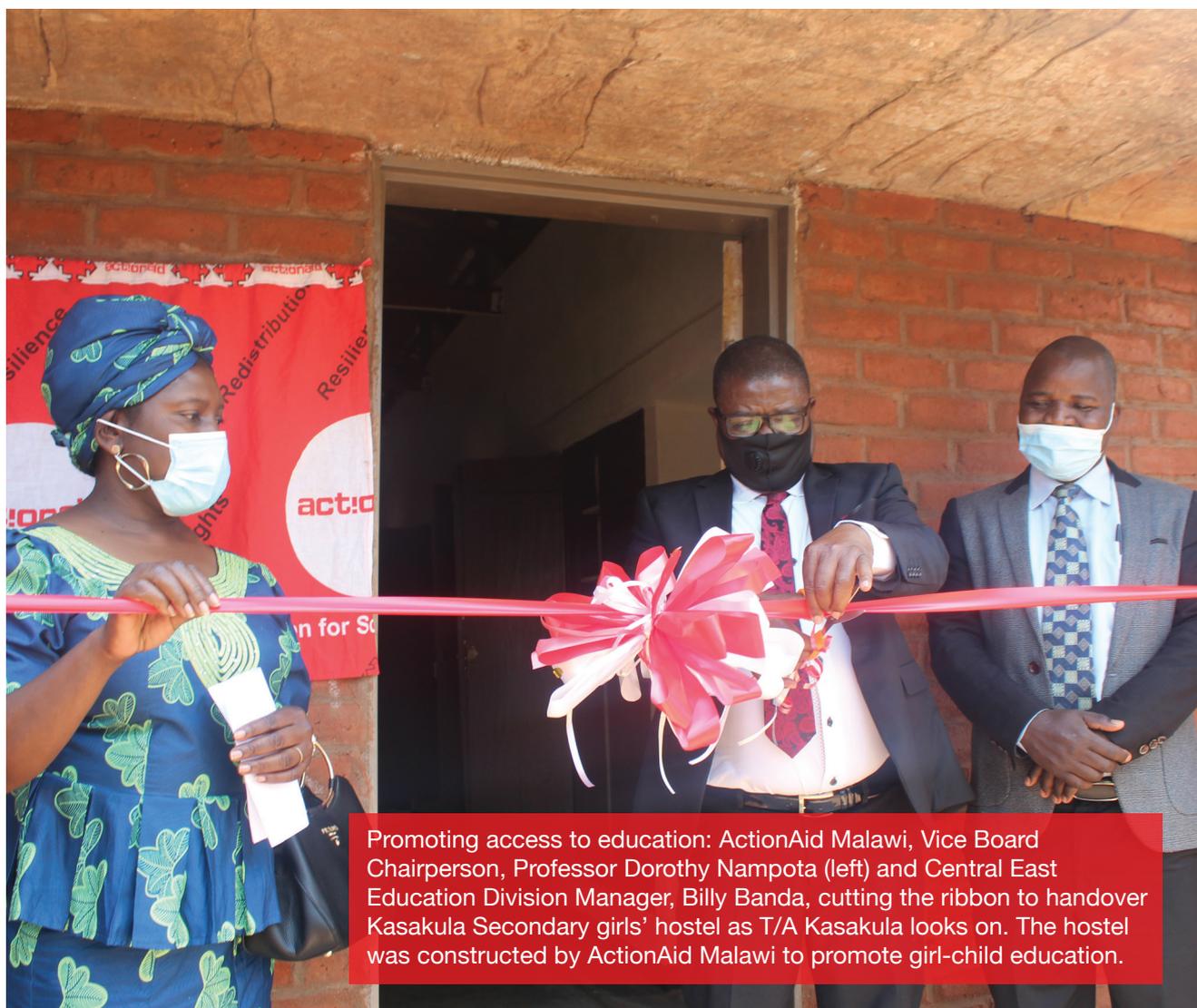


One of the girls from M'bobo Primary school, an ActionAid Malawi target school, engaging Malawi's President Lazarus Chakwera on provision of gender-responsive education and child protection services

To contribute to the civic participation and state accountability for redistribution of resources and delivery of quality gender-

responsive public services, AAM continued to streamline its interventions along the following focus areas:

Active participation-promoting and sustaining people's participation in democratic decision-making to influence and hold state accountable.



Under this, AAM continued to build the capacity of the youth and women in social accountability processes to enhance their capacity to participate in the monitoring and implementation of development plans and budget tracking in various LRP. In 2020,

AAM through structures such as Reflect Action Circles (RACs) learners' councils, girls' clubs engaged duty bearers to influence gender-responsive actions, allocations and expenditure of public resources in education, health and agriculture sectors.

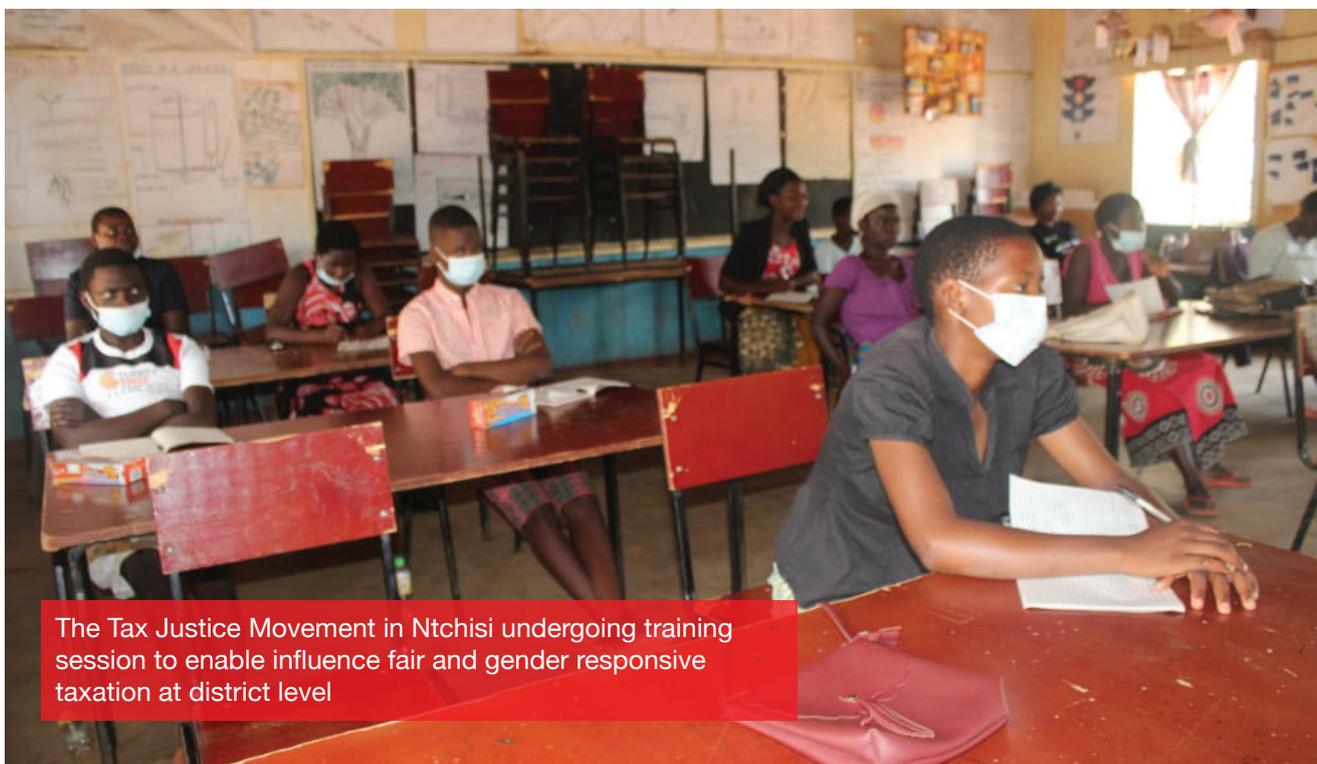


The engagement mainly focused on the ActionAid's flagship tax justice campaign that calls for progressive tax reforms in order to increase the size of the national budget which will in turn increase the share of the national budget towards the provision of inclusive, equitable, and quality education. The school visit was tied to the Mid-Term Budget review in order for members of Parliament to appreciate the state of schools and provision of education in public schools. Furthermore, through the PSA-funded "strengthening Social Accountability and oversight in health and agriculture" project AAM and partners, namely, National Smallholder Farmers' Association of Malawi (NASFAM) and Malawi Health Equity Network (MHEN), conducted analysis of 2020/2021 budget and engaged the relevant

duty bearers such as the parliamentary committee of agriculture and natural resources as well as the relevant targeted parliamentary committees and ministries on both agriculture, health, and gender on the findings.

The findings from the analysis helped to inform the discussion and debate in both parliamentary committee meetings and in parliament. This is further enhanced by investigative reports by journalists and community radio coverage which proved key in moving key governance institutions to take up the matter. For instance, the Office of the Ombudsman initiated investigations into the hospital malpractices at the Mchinji District Hospital following reports by Mudziwathu Community Radio and RAC.

Public resources management- demand for efficient, participatory, and progressive tax system and accountable state in the delivery of public services.



The Tax Justice Movement in Ntchisi undergoing training session to enable influence fair and gender responsive taxation at district level

Under this, AAM focused on building the capacity building of civil society networks, people living in poverty in social accountability processes to enhance their participation in the monitoring and implementation of development plans and budget tracking. Through the NORAD-funded “Tax Justice for Gender-Responsive Public Services” project with co-financing by Fair Green and Global Alliance (FGG) under the Improved Tax Management Systems and Policies for Gender Responsive Public Services project, AAM built the capacity of the Tax Justice movement in Ntchisi and Lilongwe Rural areas.

The initiative proved strategic in creating a critical mass at a community level as the trained

community members initiated own analysis on the gaps prevalent in their communities in relation to the provision of gender responsive public services especially in education and health.

In Ntchisi, for instance, the Tax Justice movement engaged their parliamentarian and Ntchisi District Council to support needy learners with bursaries using the Constituency Development Fund (CDF).

At a national level, AAM engaged parliamentary committees to highlight the detrimental effects of the harmful tax incentives on the delivery of public services.

Story of Change:

Tax Justice project keeps Sofie in school



Sofie explaining how the Tax Justice project has empowered them to influence gender-responsive expenditures of funds such as SIG and CDF at the school.

A 14-year Sofie Unjika, who wants to be a medical doctor after finishing education, feels that Karopa Primary School in Chitipa is the best place to help her realise her dream. Sofie, now in Standard 7, says the school has a conducive learning environment, especially for the girls.

Sofie is a member of the learners' council at school, a structure key in influencing good governance and gender-responsive public services at the institution.

“Through the learners’ councils, we are able to raise our issues and demands to

the school and it’s encouraging to note that the school management is responding to a number of them. For instance, when we noted that the school did not have enough washrooms for girls, we raised the matter with the management who took it up. As I speak, we have two newly constructed girls’ toilets at the school,” says Sofie.

Sofie also hails the transparent utilization of resources such as school improvement grants and constituency development funds, which she says resulted into building confidence in the school’s efforts to ensure they acquire quality education.

Sofie is one of the 30-member learners council which provides a governance interface between school management and the learners at Karopa Primary School. The governance structure is part of the Breaking Barriers: Tax Justice for Gender Responsive Public Service being implemented by ActionAid Malawi in Chitipa District. Other districts where the project is being implemented are Ntchisi, Lilongwe and Neno.

The project, among its key outcomes, includes calling upon government to increase the size of the national budget through raising fair tax, particularly corporate tax; asking the government to increase share of funds allocated to and spent on free, quality

and inclusive education, and scrutinizing the education budget and expenditure and holding the government to account for the provision of free, quality, and inclusive public education, especially for girls and marginalized children.

Reacting to the project's milestones at Karopa, matron Margret Sinkala says the project has helped improve girl retention at the school.

"Prior to the project, girls drop-out rates were high at the school. We would lose about 20 girls per term to either early marriages or teenage pregnancies. However, with the coming of the project, the dropouts have significantly reduced to about 3 or 4 girls per term," she says.

Promote access to quality, equitable and inclusive Early Childhood Development for 3 to 5 year old children.



Fruits of ECD: A learner at ActionAid Malawi-supported CBCC in Phalombe demonstrating her intellectual competence.

Through the Roger Federer Foundation support, ActionAid Malawi is implementing the Early Childhood Development (ECD) project that seeks to improve the lives and well-being of 58,000 poor and vulnerable children through promoting access to quality and sustainable ECD services. AAM has constructed 80 ECD centres and upgraded a total of 235 satellite centres which are at different stages in the 10 impact districts.

Our interventions on construction aim to increase access of children to early child education and reduce congestion in the ECD centres while providing a child-friendly and

conducive learning environment. In 2020, AAM disbursed a total of K98,000,000 to 280 CBCCs in 10 districts as seed money to enable caregivers run IGAs and advance their families' well-being.

In response to the devastating Covid-19 pandemic which disrupted ECD activities across the country with closure of all schools, AAM distributed corn soya blend also known as Likuni Phala and soap to a total of 29,624 children of which 12,481 were boys and 17,143 girls from 256 CBCCs in the six districts of Dedza Machinga, Neno, Nsanje, Phalombe and Rumphi.



Covid-19 food response: A parent of a CBCC going child carrying home a bag of corn flour

The objective of the support was to offer food to children to improve their nutrition status while they are home as for most children, their first meal of the day would be at the CBCCs. Furthermore, AAM provided 60 pieces of soap, 1 bucket with tap and basin to each centre for the 480 centres to be used for the prevention of COVID-19 when the ECD centres opened.

AAM also launched the RFF- funded School Readiness Initiative project, a successor to the

ECD program which aims at making children ready for schools and schools ready for children. This innovative project links CBCCs with Primary Schools to ensure smooth transition from CBCCs to Standard 1.

AAM has distributed materials which included digital Lenovo Tablet, 40watt Solar panel, metal solar mounting kit, solar batteries, KnowHow manuals and project tablet covers to 690 centres and partners in the districts.

Organisational Achievements

Enhancement of Programme Quality, and Effectiveness (PQE)

To ensure quality implementation and capture of the results under the CSP V, the Programme Quality, and Effectiveness (PQE) Unit facilitated the mid-term review of the CSP V which aimed at analyzing progress towards achievement of objectives, changing national context and providing recommendations to ensure AAM remains relevant and achieves sustainable impact in its programmes.

Furthermore, the unit developed the M&E Matrix for monitoring and evaluation. The matrix was vital for implementation, reporting and monitoring and evaluation implementers were able to track the progress and achievements against targets set using the matrix. This was supported with orientation

to partners to understand the matrix.

To ensure alignment of projects to CSP V M&E framework, the Unit offered capacity building and quality assurance support to 'Tilimbike' 'Social Accountability' 'Toto Nkhanza' and 'IHART' projects. For instance, the unit developed the capacity assessment, data entry and analysis tools for Tilimbike Project. The tools were used to enter and analyse data collected from the Stakeholder Mapping and existing non supported Functional CBFOs.

Thirdly, the Unit conducted regular monitoring of the program and project interventions. The exercise helped enrich the quarterly reports being submitted to the Board and AA Federation 2020 Annual Report.

Championing Business Development, Grants Management and Communications

In 2020 AAM continued to implement program-led fundraising by strategically engaging donors, developing concept notes and proposals and strengthening the organizational profile and visibility. Efforts to grow the fundraising market has also seen investment in money market, thus generating flexible funds for the organisation.

Equally to note is that the Unit managed to institutionalize the Contract Management System and the Core Team continued to provide support to projects and programmes to ensure full adoption and compliance. This will improve AAMs grant management processes leading to successful programme and project delivery.

On Child Sponsorship, the Unit implemented a Lite Touch content gathering due to Covid-19 restrictions. In the course of the year, AAM provided Covid-19 Lite Content Collection for Ntchisi, Mchinji and Nsanje aimed at making supporters aware of how their funds are transforming communities. AAM

was also engaged in the Child Sponsorship Modernization Program, and AAM is in the process of engaging and migrating information in the new database, with support from Global Secretariat.

The Unit re-invigorated its communications efforts to ensure visibility and profiling the organisation for both fundraising and increased engagement with all its stakeholders. Various social media platforms such as Facebook and Twitter were intensely used to promote visibility and engagement including advocacy to pursue our social justice agenda. The media platforms have proven more than useful in the Covid-19 era and the Unit also maximized the same spaces to share and disseminate Covid-19 messages. The Unit also endeavored to have news articles published in all key media outlets; print, electronic, online, as part of sharing the success stories and also provision of general updates to all concerned stakeholders. Warm relationships with the members of the media also continued to flourish in the year.

Strengthening Human Resource, Administration and Organisational Development

The year 2020 proved turbulent for the Unit as the Covid-19 pandemic forced the organisation to resort to work-from-home arrangement. However, the organisation made necessary arrangements to equip staff with resources to ensure effective and optimal performance in line with their respective objectives.

Furthermore, the Unit conducted staff performance appraisals and those who performed well were rewarded with bonus. This proved key in boosting staff performance and morale. Additionally, as one way of retaining staff and remaining competitive on the labour market, the Unit undertook a salary survey to compare how ActionAid Malawi fares in comparison to other international social development organizations in Malawi. This was done through Birches Survey. The

survey results informed the salary adjustments and alignment to the recommended policy.

In the reporting year, the organisation further enhanced security of the office through installation of the alarm system and CCTV cameras. Cognizant of the detrimental effect of the sexual harassment, exploitation, and abuse (SHEA) on the rights of employees, the unit regularly oriented staff on the SHEA and other related administrative policies to ensure the institution remains safe.

ActionAid Malawi, through the Unit continued to strive to achieve the 60:40 staff representation in terms of gender. Women were encouraged to join the organisation which resulted in retaining 99% of women during the year.

Enhancing Internal Governance

In 2020, the Board of Directors and General Assembly continued to be the driving force in shaping the direction and control of the organization's affairs.

In the context of the Covid-19 pandemic that slowed down organisation activity implementation, the Board provided its oversight role and supported the organization to ensure program implementation was on course and streamlined within the context of the pandemic.

To rise to its mandate, the Board held four quarterly Board and Committee meetings to discuss and review the quarterly results and other items of the agenda.

The Board and General Assembly held the Annual General Meeting held in October 2020

to elect new General Assembly members, adopt the 2019 Annual report and 2019 Audited Accounts. The General Assembly also approved the Local Fundraising Business Strategy and the 2020 Auditor's remuneration.

As part of the Annual General Assembly, the Board and General Assembly members toured some of the ActionAid Malawi impact areas in the central cluster, particularly, Ntchisi and Mchinji, to appreciate the change in lives the interventions are having on the people.

Additionally, the Board performed key roles including inputting into the CSP V Mid-team review, reviewing, and providing feedback on the 2021 plan and budget and reviewing AAM risk profile with the threat of COVID 19 with respect to safety and program implementation.



General Assembly and Board of Directors in the company of ActionAid Malawi management team during one of the project tours in Central Cluster.

Our supporters and donors in Action for Social Justice

Name of supporter/donors	Programme/Project Name
Italy	Khosolo, Dedza, Phalombe, Nsanje LRP
UK	Rumphi and Chitipa
Spain	Ntchisi, Neno and Machinga
Global Fund	Joint TB, HIV and AIDS Global Fund Program
Roger Federer Foundation	Comprehensive Early Childhood Development Program and School Readiness Initiative
European Union	KULIMA-BETTER Program
NORAD	Tax Justice for Gender-Responsive Public Services Project
SDC	Partnership for Social Accountability project
OSISA	Activist Her
UNFPA	Toto Nkhanza Spotlight Programme
ActionAid Denmark	Global Platform
International Humanitarian Action and Relief Team IHART (Project)	Emergency Response

Board Members



Professor Address Malata
Chairperson
Expertise; Fundraising



Professor Dorothy Nampota
Vice Chairperson
Expertise; Education, Gender and Community Development



Rogers Kamphinda
Treasurer
Expertise; Finance



Chipiliro Kansilanga
Member
Expertise; Communications



Noris M. Chirwa
Member
Expertise; Human Rights



Gerrald Pute
Member
Expertise; Audit



Felistas Chikusilo
Member
Expertise; Audit



Mandala Mambulasa
Member
Expertise; Legal



Myness Mkandawire
Member
Expertise; Education



Mary Msemwa
Member
Expertise; Social and Gender Activist



Grace Mkupu
Member
Expertise; Management

2020 Financial Report and Audited Reports

2020 Summary Financial Performance

The year 2020 has been a mixed bag for ActionAid Malawi, just like it has been for the country and the world at large due to the Covid-19 pandemic. There was great uncertainty about continuity of implementation of key activities as people movements became restricted in order to stop the spread of the pandemic. Donor support became uncertain as funds were re-allocated to provide response to the pandemic.

For ActionAid Malawi, the year 2020 also marked the successful conclusion of the Joint TB, HIV/ AIDs, and Malaria Global Fund Programme as Principal Recipient for five years, having led a consortium of approximately thirty partners. It also marked the end of the first 10-year phase of the Rodger Federer Foundation supported Early Childhood Development Initiative (ECD). These two key programmes contributed over 80% of ActionAid Malawi's total funding and investment into the communities. ActionAid also successfully handed over three Local Rights Programmes (LRPs) to the communities in Ntchisi, Neno and Machinga.

During the five years that the Global Fund programme has been running from 2016

to 2020, total income has averaged about MK11 billion per year, with about MK10.5 billion invested directly in the communities each year representing about 92% of the resources used to support communities in various ways. During the same period, Child Sponsorship income has declined by close to 50% due to normal attrition and withdrawal of some funding affiliates as a result of economic challenges. In December 2020, we saw the complete withdrawal of Spain as a funding affiliate in all ActionAid countries across the Federation.

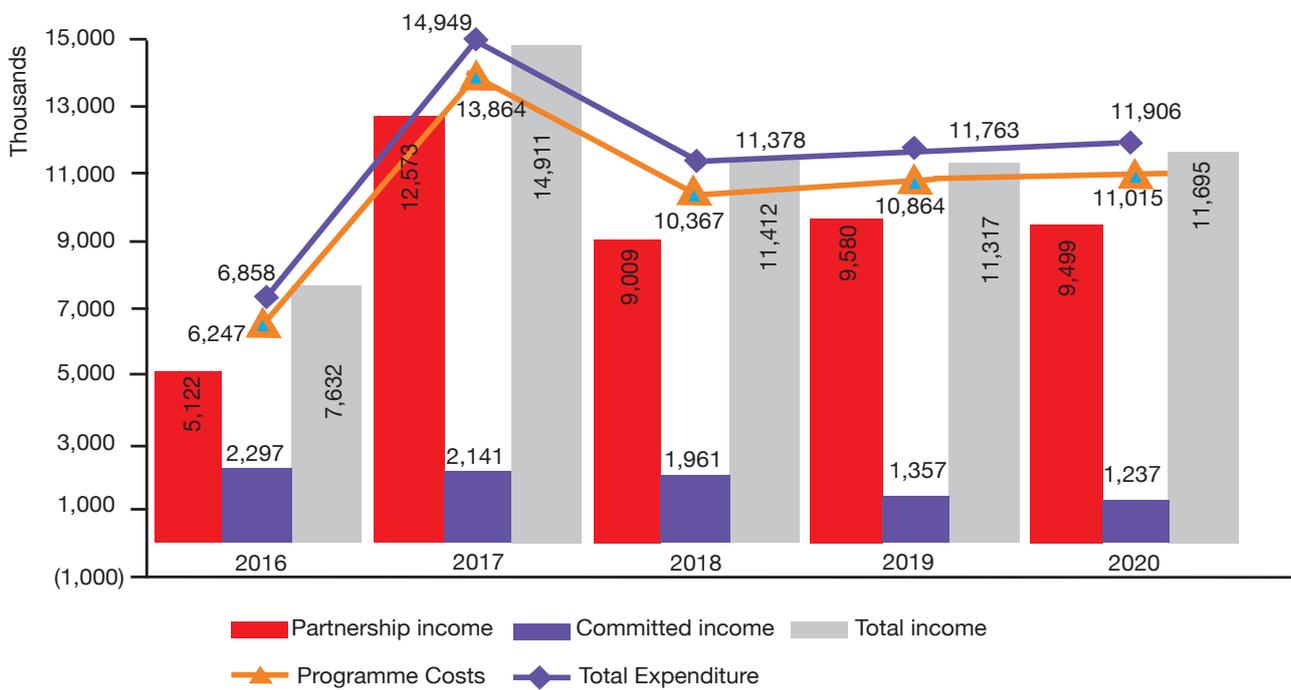
Despite the challenges brought about by the pandemic, AAM financial performance was positive. Total income of MK11.695 billion was second only to that reported in 2017. AAM also benefitted significantly from the pandemic as it raised about MK700 million to support the fight against the pandemic. AAM also will continue to implement activities supported by Global Fund, especially the flagship program of Adolescent Girls and Young Women (AGYW) until 2023 and we remain a key partner in the next phase of the School Readiness Initiative (SRI) funded by the Roger Federer Foundation.

AAM transitions into the future with focus on sustainability for our community partners in the middle of declining resources and uncertain economic environment. The main focus therefore moving into 2021 and beyond

will be:

- Humanitarian and Resilience
- System change for Economic Justice
- System change for climate justice

Graph Showing Summary Financial Performance 2016-2020



ActionAid Malawi-Summary Income Statements for the years ended

	2020	2019	2018	2017	2016
	K'000	K'000	K'000	K'000	K'000
Income					
Committed income	1,236,852	1,356,877	1,960,772	2,140,715	2,297,040
Partnership income	9,498,820	9,580,217	9,009,260	12,572,742	5,121,539
Emergency Income-Partnerships	571,061	-	-	-	
Emergency Income-Internal Grants	139,088	51,677	-	-	
Other income	249,342	328,214	441,648	197,609	213,883
Total Income	11,695,163	11,316,985	11,411,680	14,911,066	7,632,462
Expenditure					
Programme Costs	11,014,736	10,863,826	10,366,713	13,864,437	6,247,097
Support Costs	564,215	501,876	427,137	476,196	299,674
Fundraising Costs	107,898	153,007	146,228	147,298	140,019
Governance Costs	154,871	135,103	197,966	127,037	61,879
Transfer to AAI	64,469	108,832	240,185	333,998	109,096
Total Expenditure	11,906,188	11,762,644	11,378,229	14,948,966	6,857,765
Surplus/(Deficit) for the period	(211,026)	(445,659)	33,451	(37,900)	774,697

ACTIONAID MALAWI**DIRECTORS' REPORT**

For the year ended 31 December 2020

Incorporation and registered office

ActionAid Malawi is a company limited by guarantee incorporated in Malawi under the Companies Act 2013. It is engaged in development advocacy and relief work across three priority areas which include; "Promote and secure the realization of women, young women and girls' rights", "Build resilience of people living in poverty whilst strengthening women-led secure livelihoods, preparedness and emergency response" and Enhance civic participation and state accountability for the redistribution of resources and delivery of quality, gender-responsive public service."

The address of its registered office is

ActionAid Malawi
P.O. Box 30735
LILONGWE

Financial performance:

The results and state of affairs of the Company are set out in the accompanying statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in reserves, statement of cash flows, significant accounting policies and notes.

Board of Directors

The following Directors served office during the year:

Professor Address Malata	- Chairperson	Full year
Professor Dorothy Nampota	- Vice Chairperson	Full year
Mr. Rodgers Kamphinda	- Treasurer	Fully year
Mrs. Noris Mangulama Chirwa	- Director	Full year
Ms. Chipiliro Kansilanga	- Director	Full year
Mr. Gerald Pute	- Director	Full year
Mr. Mandala Mambulasa	- Director	Full year
Mrs. Felistas Chikusilo	- Director	Full year
Mrs Myness Mkandawire	- Director	Full year
Mrs. Mary Nsemwa	- Director	Full year
Mrs. Grace Mkupu	- Director	Full Year
Mr. Assan Golowa	- Executive Director	Full year

Bankers

Standard Bank plc
National Bank of Malawi plc

Legal Counsel

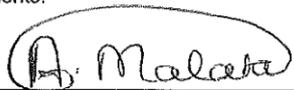
Lloyds and Associates
P.O. Box 2103
LILONGWE

Independent auditor

Grant Thornton
Anamwino House
P.O. Box 30453
LILONGWE 3

The Company's independent auditors, Grant Thornton Chartered Accountants and Business Advisors, have indicated their willingness to continue in office as independent auditors of the Company's 31st December 2021 financial statements.

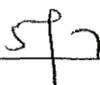
Chairperson



Authorised Director



Date:



2021

ACTIONAID MALAWI

STATEMENT OF DIRECTORS' RESPONSIBILITIES

For the year ended 31 December 2020

The Directors and management are responsible for the preparation and fair presentation of the annual financial statements of ActionAid Malawi, comprising the statement of financial position as at 31 December 2020, and the statements of profit or loss and other comprehensive income, changes in reserves and cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, and the directors' report, in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act, 2013 of Malawi.

The Act also requires the directors to ensure that the Company keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and ensure the financial statements comply with the Companies Act, 2013 of Malawi.

In preparing the financial statements, the directors accept responsibility for the following:

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

The Directors are also responsible for such internal controls as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for maintaining adequate accounting records and an effective system of risk management.

The Directors have assessed the Company's ability to continue as a going concern and have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

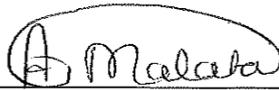
The Directors have made an assessment and they attest to the adequacy of accounting records and effectiveness of the systems of internal controls and effective risk management for the Company.

The auditor is responsible for reporting on whether the annual financial statements are fairly presented in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act, of Malawi.

Approval of financial statements

The financial statements of the Company, as indicated above, were approved by the Board of Directors on 05/07 2021 and are signed on its behalf by.

By order of the Board.


Chairperson


Authorised Director

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ACTIONAID MALAWI

Opinion

We have audited the financial statements of ActionAid Malawi set out on pages 5 to 20 which comprise the statement of financial position as at 31 December 2020, and the statements of profit or loss and other comprehensive income, changes in reserves and cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view, of the financial position of the ActionAid Malawi as at 31 December 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards .

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' (*Code for Ethics of Professional Accountants (IESBA Code)*) and we have fulfilled our ethical responsibilities in accordance with the IESBA code. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Directors are responsible for the other information. The other information comprises the Directors' Report, the Statement of Directors Responsibilities and Supplementary Information but does not include the financial statements and our auditor's report there on.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors for the financial statements

The Directors are responsible for the preparation of these financial statements that give a true and fair view in accordance with International Financial Reporting Standards and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

ACTIONAID MALAWI

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

For the year ended 31 December 2020

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company's to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



Grant Thornton



Joel Mwenelupembe
Chartered Accountant (Malawi)
Partner

Lilongwe, Malawi

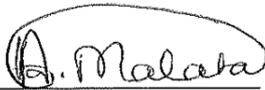
ACTIONAID MALAWI**STATEMENT OF FINANCIAL POSITION**

For the year ended 31 December 2020

In thousands of Malawi Kwacha

ASSETS	Note	2020	2019
Non-Current Assets			
Plant and equipment	5	361,381	456,642
Right of use assets	6	<u>112,117</u>	<u>176,184</u>
Total Non-Current Assets		<u>473,498</u>	<u>632,826</u>
Current Assets			
Amount due from implementing partners	7.1	699,196	688,852
Other receivables	8	469,826	321,149
Amount due from related parties	9.2	253,602	224,032
Cash and cash equivalents	10	<u>1,830,106</u>	<u>2,381,026</u>
Total Current Assets		<u>3,252,730</u>	<u>3,615,059</u>
Total Assets		<u>3,726,228</u>	<u>4,247,885</u>
RESERVES AND LIABILITIES			
Reserves			
General reserve		<u>1,440,755</u>	<u>1,651,781</u>
Non-Current Liabilities			
Lease liability	13	<u>60,509</u>	<u>125,915</u>
Current Liabilities			
Deferred income	11	1,599,329	1,436,795
Amounts due to related parties	9.3	401	161,163
Amounts due to implementing partners	7.2	90,440	264,014
Other payables	12	469,388	557,948
Lease liability	13	<u>65,406</u>	<u>50,269</u>
Total Current Liabilities		<u>2,224,964</u>	<u>2,470,189</u>
Total Liabilities		<u>2,285,473</u>	<u>2,596,104</u>
Total Reserves and Liabilities		<u>3,726,228</u>	<u>4,247,885</u>

These financial statements were approved by the Board of Directors on 5/07 2021 and were signed on its behalf by:


Chairperson


Authorised Director

ACTIONAID MALAWI

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2020

In thousands of Malawi Kwacha

	<u>Note</u>	<u>2020</u>	<u>2019</u>
Income			
Committed income	14	1,236,852	1,408,554
Partnership income	15.1	9,498,820	9,383,095
Partnership Income-Emergency	15.2	571,061	-
Emergency Income	16	139,088	197,122
Other income	17	<u>249,341</u>	<u>328,214</u>
Total Income		<u>11,695,162</u>	<u>11,316,985</u>
Expenditure			
Programme expenditure	18	11,014,736	10,863,826
Support expenditure	19	564,215	501,875
Fundraising expenditure	20	107,898	153,007
Governance expenditure	21	154,870	135,103
ActionAid charges	22	<u>64,469</u>	<u>108,833</u>
Total Expenditure		<u>11,906,188</u>	<u>11,762,644</u>
Deficit for the Year		<u>(211,026)</u>	<u>(445,659)</u>

ACTIONAID MALAWI**STATEMENT OF CHANGES IN RESERVES**

For the year ended 31 December 2020

In thousands of Malawi Kwacha

		<u>General Reserves</u>
Balance as at 1 January 2020	<u>Note</u>	1,651,781
Deficit for the year		<u>(211,026)</u>
Balance as at 31 December 2020	23	<u>1,440,755</u>
Balance as at 1 January 2019		2,071,291
IFRS 16 transition (note 6.3)		<u>26,149</u>
Restated balance as at 1 January 2019		<u>2,097,440</u>
Deficit for the year		<u>(445,659)</u>
Balance as at 31 December 2019		<u>1,651,781</u>

ACTIONAID MALAWI

STATEMENT OF CASH FLOWS

For the year ended 31 December 2020

In thousands of Malawi Kwacha

	<u>Note</u>	<u>2020</u>	<u>2019</u>
Cash flow from operating activities			
Deficit for the year		(211,026)	(445,659)
Adjustments for:-			
Depreciation	5	<u>122,285</u>	<u>135,388</u>
Net cash utilized in operating activities before working capital changes		<u>(88,741)</u>	<u>(310,271)</u>
Movement in working capital			
Changes in amounts due from implementing partners		(10,344)	499,187
Changes in in other receivables		(148,677)	(77,847)
Changes in amount due from related parties		(29,570)	(71,475)
Changes in amount due to related parties		(160,762)	(115,380)
Changes in amounts due to implementing partners		(173,574)	158,910
Changes in other payables		(88,559)	(17,009)
Changes in lease liability		(114,336)	26,149
Changes in deferred income		<u>162,532</u>	<u>(218,556)</u>
Cash utilized in operating activities		<u>(563,290)</u>	<u>(126,293)</u>
Investing activities			
Purchase of plant and equipment	5	(33,964)	(147,612)
Disposal of fixed assets		<u>135,075</u>	<u>2,767</u>
Cash generated from/(used in) investing activities		<u>101,111</u>	<u>(144,845)</u>
Net decrease in cash and cash equivalents		(550,920)	(271,137)
Cash and cash equivalents at the beginning of the financial year		<u>2,381,026</u>	<u>2,652,163</u>
Cash and cash equivalents at the end of the financial year	10	<u>1,830,106</u>	<u>2,381,026</u>



A learner at Makunje Primary School in Lilongwe practicing COVID-19 measures.



ActionAid Malawi

Art Business Park Unit 3-5

Bwaila 47/122

Behind Kaunda Service Station

Private Bag 30735

Lilongwe, Malawi

Tel: +265 1 779 002



ActionAid International Malawi



@ActionAidM



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