



act:onaid
MALAWI

2021 Annual Report

A pursuit for economic
and climate justice



Who we are:

ActionAid Malawi is a local organisation registered in 2007 under Companies Act as Company 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 working in Malawi in 1990.



Our Vision

A world without poverty and injustice in which every person lives 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

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1.0 Acronyms and Abbreviations

AAM	ActionAid Malawi
ADC	Area Development Committee
AEC	Area Executive Committee
AIDS	Acquired Immunodeficiency Syndrome
CBCC	Community Based Childcare Centres
CDSS	Community Day Secondary Schools
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
ECD	Early Childhood Development
EU	European Union
FFS	Farmers Field Schools
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
MISA	Media Institute for Southern Africa
NGO	Non-governmental Organisation
OSISA	Open Society Initiative for Southern Africa
PSAM	Public Service Accountability Monitoring
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
VATEW	Violence Against Targeted and Excluded Women
VCPC	Village Civil Protection Committee

2.0 Message from the Board Chairperson

The year 2021 was marred with social and economic crises as Covid-19 continued to rear its ugly head and disrupt people's livelihood. The pandemic affected social service delivery in almost every sector, including education, health, and the economy.

In Malawi, as in many other countries, those living in poverty and exclusion faced the disproportionate brunt of the pandemic. Vulnerable groups particularly children and women are basically at the receiving end of multiple forms of social injustice such as sexual and gender-based violence (SGBV), early marriages, and discrimination.

All that notwithstanding, ActionAid Malawi (AAM) and partners continued to serve the communities, guided by our Country Strategy Paper V: Action for Social Justice. AAM streamlined its interventions along Covid-19 response, through providing oxygen and PPE supplies to selected district hospitals and placed with much emphasis on rolling out campaigns on prevention and response through distribution of relevant supplies including food in among communities.

Our social protection structures supported in preventing and responding to SGBV. Jointly with our partners, AAM implemented economic activities such as Village Savings and Loans (VSL) and provided capacity building on entrepreneurship and business management. This was meant to mitigate the impact of the Covid-19 induced poverty among the vulnerable groups such as women, and children.

Cognizant of the linkage of the Covid-19 pandemic to other catastrophe, especially climate change, AAM teamed up with partners both at community and national levels to call for climate justice demanding action and accountability from those largely responsible for the climate crisis. The AAM organised and participated in the #EarthWalk campaign which was a landmark push for climate justice ahead of the Conference of Parties (CoP26) in Glasgow, Scotland.



AAM and partners further embarked on a debt cancellation campaign, which was a clarion call on wealthy nations and multilateral partners to write-off debt for developing countries like Malawi. This was to enable the developing countries improve service delivery in sectors hamstrung by the devastating Covid-19 and Climate Change crises.

We are grateful to our supporters, partners and donors who made it possible for us to take action and change lives in 2021. We largely owe our journey towards social justice to the continued partnership and support in the years ahead.

Limodzi Tingathe!

A handwritten signature in black ink, which appears to read 'Dorothy Nampota'.

**Professor Dorothy Nampota
Board Chairperson**

3.0 Message from the Executive Director

The year 2021 marked the fourth year of implementing the Country Strategy Paper V: Action for Social Justice. So far, the journey has been both fulfilling and challenging. In the reporting year, AAM formulated plans along the three program priority areas aimed at responding to the existing challenges facing children, youth, and women in all our impact areas.

Through human rights and feminist-intersectional programming, we have been working with local and national structures to challenge structural causes of social injustice such as poverty and exclusion. We have been able to grassroots a campaign on unpaid care work, reinvigorating the communities and local leaders to for the reduction and redistribution of unpaid care work both at household and community levels.

Furthermore, AAM has been building women and men's movements to challenge patriarchal social norms that perpetuate sexual and gender-based violence (SGBV) in communities. The organisation has been training the women, male champions, and local leaders in taking action against SGBV. The result of this has been increased reporting of SGBV cases, improved access to justice through legal recourse mechanisms including mobile courts.

The year 2021 further saw ActionAid Malawi continue enhancing the resilience of smallholder farmers in face of climate shocks through working with women-led organisations such as Coalition of Women Farmers (COWFA), agriculture extension workers and area civil protection committees in disseminating weather related information and building the capacity of farmers in agro-ecology. This has enabled smallholder farmers realise better yields thereby attaining food and nutrition security among households.

In the year, AAM continued its work on ensuring the provision of quality gender-responsive public services through progressive taxation. Evidence was generated on financing of education, health



and agriculture services highlighting key gaps in public service provision. Policy level engagements on progressive taxation have contributed to government's renegotiation of outdated and retrogressive double taxation treaties with over 10 countries.

The most historic milestone was the successful hand-over of 480 Community Based Child Care Centres (CBCCs) constructed during the 10-year Comprehensive Early Childhood Development Initiative to Malawi Government. We remain grateful to our supporters and partners for their financial support. I commend the Board and the General Assembly for their constructive oversight of the organisation. I also express my sincere gratitude to the country leadership team, staff and all volunteers for their dedication to the cause for social justice.

Regards,

Pamela Kuwali
Executive Director

4.0 Executive Summary

The 2021 Annual Report is an account of ActionAid Malawi's work in line with the Country Strategy, "Action for Social Justice" (2018-2023). Principally, the CSP V has three key program priority areas, namely;

1. Promoting and securing realization of women, young women, and girls' rights.
2. Building resilience of people living in poverty while strengthening women-led secure livelihoods, preparedness, and emergency response.
3. Enhancing civic participation and state accountability for the redistribution of resources and delivery of quality, gender-responsive public services

Under the first priority area, the organisation has, in the reporting year, implemented programs and projects that empowered a total of 12,628 girls and women who are now able to challenge oppressive patriarchy, and sexual and gender-based violence (SGBV). A further 3,471 SGBV survivors have been supported using the comprehensive Violence Against Women and Girls (VAWG) response package.

Furthermore, the organisation economically empowered 11,174 women and young women through land ownership, Village Savings and Loans Associations (VSLA) and vocational training. In line with promoting rights of women, young women, and girls to control their bodies, including sexuality and reproduction, the organisation empowered 68,379 girls and young women in Sexual and Reproductive Health and Rights (SRHR) information and linked them to relevant SRHR services.

Under the second priority area, ActionAid Malawi through capacity building initiatives, advocacy, and sensitization campaigns, empowered 47,345 smallholder farmers to attain food sufficiency at a household level. Out of these, 12,925 farmers have been empowered to adopt agro-ecology while 34,784 number of small holder farmers have developed absorptive, adaptive, and anticipatory capacities to natural disasters. The organisation

further provided food support to 1,150 disaster-hit households., trained 5,700 women in leadership in humanitarian preparedness and response and 420 number of Civil protection committees empowered in the climate change fight.

Under the third priority area, ActionAid Malawi empowered 996 women at community level to take up leadership positions in key governance structures. Furthermore, a total of 154,933 children are accessing Early Development Program services of which 12,121 children have transitioned to primary school. AAM has influenced the renegotiation of regressive and outdated double taxation treaties with over 10 countries which, once completed, will enable government to generate more revenue for financing gender responsive public services. The organisation further empowered 4,000 young women and girls in health rights advocacy.

Despite registering these milestones, threats such as persistent oppressive and gender inequitable cultural norms, climate change and corruption continued to push vulnerable groups such as children and girls into poverty and exclusion. The Covid-19 pandemic also continues to expose the country's weak social protection systems and insufficient resources to adequately deliver essential services in all the sectors, including health and education.

Achievements

12,628

girls and women empowered to challenge oppressive patriarchy, and GVB through sensitization

3,471

survivors linked to comprehensive VAWG response package.

47,345

number of smallholder farmers have been empowered to attain food sufficiency at a household level.

68,379

number AGYW empowered on SRHR information and linked to relevant SRHR services

1,150

disaster-affected households supported with food

11,174

women and young women economically empowered through land ownership, VSL and Vocational training.

420

number of Civil protection committees empowered in the climate change fight.

5,700

women trained in leadership in humanitarian preparedness and response

154,933

total number of children accessing Early Development Program services. Out of them 12,121 children have transitioned to primary school.

996

women empowered at community level to take up leadership positions in key structures.

4,000

number of young women and girls empowered in health rights advocacy.

5.0 Development Context



The corona virus (Covid-19) pandemic affected the provision of public services across the country and caused disruption to social and economic wellbeing. Cumulatively, Malawi recorded 85,025 cases including 2,596 deaths. With support from multiple partners, the country managed to administer Covid-19 vaccination doses to a total of 1,498,727 people.

The flipside of it all is that the pandemic continued to haunt other sectors including the economy which saw inflation rising to 11.5 percent on the back of rising food and non-food prices, especially in the fourth quarter of the year (www.tradingeconomic.com).

The year 2021 also saw developing countries continue experience economic liberalization policies such as privatization, austerity, deregulation, free trade, and reductions in government spending that increased the role of the private sector in the economy but yield negative impacts on the vulnerable groups, especially women and girls. The country's skyrocketing debts which accounted for almost



16 percent of the national budget had serious ramifications on government's delivery of gender-responsive public services. Most developed countries and multilateral institutions rendered deaf ears to the debt cancellation campaign, thereby overburdening the developing countries like Malawi with debt repayment.



Cases of gender-based violence against women continued to grow across the country

On the political governance front, there was a notable level of political stability in the country, evident by political tolerance both inside and outside parliament. However, one incident of political violence was recorded during the Karonga Northwest Constituency parliamentary by-election. But the political tolerance did little to obscure the citizens' disillusionment at the government's lackadaisical approach to fighting corruption and taming the rising cost of living. The growing citizen's distrust in Tonse Alliance-led government degenerated into nationwide citizen protests.

On the social front, the frequent closure of schools on the back of rising Covid-19 cases meant the right to education was severely threatened. Most learners in rural areas stayed weeks on end without accessing education due to the country's limited capacity to roll out digital learning.

The health sector was overwhelmed by Covid-19 cases, resulting in the people's failure to access

other health services including sexual and reproductive health. Others literally shunned health centres for fear of getting Covid-19 infection.

Overall, vulnerable groups such as women and girls continued to face widespread violence including sexual harassment and abuse in many of the spaces that they populate beginning from their homes, workplaces, the streets and in public transport.

In response, the judiciary continued to play its rightful role by meting out stiffer sentences on to convicts of sexual offences, as a deterrent measure. It is, however, worth underscoring that addressing structural causes of violence against women and girls, including the intersections between patriarchy, unequal access to power and resources, and social norms therefore remains vital. This includes addressing the deep-rooted unequal power relations that limit women and girls to realize their sexual and reproductive health rights.

6.0 Our impact along programme priority areas

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



A member of Kanyawayi Women Movement explaining how she is empowered

Under this priority area, AAM focused on addressing structural causes of violence against women, young women, and girls, and promoting effective response mechanisms for survivors of violence. This was achieved by empowering a total 12,628 girls and young women to challenge patriarchy that predisposes them to violence and exploitation through interventions such as engagement meetings, sensitizations, and litigations against Violence Against Women and Girls (VAWG). This resulted in a growing culture of reporting and recording VAWG cases, leading to an increase from 2,186 in 2020 to 3,471 in 2021.

Ntchisi Social Welfare Officer, Chikondi Macheso with some of the mentees in the district.



Furthermore, AAM structures facilitated access to VAWG response comprehensive service for all the 3,471 survivors, mainly women and girls in the organisations impact areas.

Cognizant of the importance of productive resources to economic empowerment, AAM empowered 111, 741 women with access to and land ownership, business capital, Village Savings and Loans (VSL) and vocational training.



The interventions have led to increased income generating activities among the beneficiaries and improved wellbeing at the household level.

The AAM further focused on promoting women, young women, and girls to control their bodies. To this effect, the organisation empowered 68,379 girls and young women with SRHR sensitization meetings and comprehensive Adolescent Girls and Young Women (AGYW) core package which includes HIV testing, counselling information, treatment, life-skills and referrals

Summary of achievements under priority area 1:

- **12,628** girls and women empowered to challenge oppressive patriarchy, and GVB through sensitization, and **3,471** survivors linked to comprehensive VAWG response package.
- **11,1741** women and young women economically empowered through land ownership, VSL and Vocational training.
- **68,379** number AGYW empowered on SRHR information and linked to relevant SRHR services

STORY OF CHANGE: “My husband now supports me to access family planning methods”



Joyce participating at Safe Space meeting to discuss gender-based violence

Before “Toto Nkhanza” project came, marriage life was tough for a 22-year-old Joyce Mtonga of Stonya Village in Traditional Authority M’belwa, Mzimba District. Since getting married two years ago, Joyce says she lived like a slave in her matrimonial home.

“My husband expected total obedience from me; I was not allowed to question any of his decision as doing was deemed against the culture,” says Joyce.

“After giving birth to a first child, I suggested to him that we start using family planning methods but he refused, saying he does not believe in the methods. To avoid falling pregnant again, I would lie him that I was not feeling well, as one way of avoiding having sex with him during my fertilization period.”

Joyce’s spouse further stopped her from engaging any kind of

business. He just wanted me to be a housewife, she says.

Joyce was, however, relieved when in June 2020, she was selected to be one of the mentees under Chimwemwe Safe Space under the Spotlight Initiative’s “Toto Nkhanza” project implemented by ActionAid Malawi (AAM) in the area.

Joyce says her husband initially stopped her from joining the

safe space but upon noticing that the call for young women to join the project came from the chief, he let her join.

The Safe Space accorded Joyce and 29 other young women and girls a platform to learn about human rights, gender, gender-related laws and sexual and gender-based violence (GBV). Through various sensitization campaigns that targeted the chiefs and men and the larger community in the areas, there has been a notable behavioral change among men towards women and girls in the Stonya Village.

One year after joining the project, she is now enjoying her marriage life.

“My husband is now a changed man. He now supports me to use family planning methods after realizing that what he used to do was not part of culture but gender-based violence. He also supports me in my doughnuts business as one way of improving our family well-being,” she says.

Quick facts:

- Spotlight Initiative project is a global, multi-year initiative between the European Union (EU) and the United Nations (UN) focused on eliminating all forms of violence against women and girls (VAWG)
- ActionAid Malawi is implementing the Spotlight Initiative projects in Mzimba and Ntchisi through UNFPA and UN Women.
- The projects use safe space mentorship model and movement building to prevent and respond to Sexual and Gender-based Violence SGBV.
- The project has target of 27,510 beneficiaries in both Ntchisi and Mzimba districts.

STORY OF CHANGE: Challenging oppressive patriarchy through economic empowerment



Lifa standing in front of the house she singlehandedly constructed with VSL

The first part of a 51-year-old Rahema Lifa's story is not uncommon in Chikuse Village in Dedza District. After 26 years of marriage, her husband abandoned her in 2017 and went to South Africa where he married a young wife.

Lifa had to shoulder the burden of taking care of five children single-handedly. In the usual version of such tales, women are condemned to abject poverty. But Lifa's story does not end that hopelessly.

The same year, 2017, Lifa joined Chikondi Village Savings and Loans (VSL) group where she learned a saving culture and business skills.

Lifa's life got a major turning point in 2020, when ActionAid Malawi, through Tilimbike project, selected her as one of the village agents to supervise VSL groups in the area.

Tilimbike is one of the projects supported by Financial Access for Rural Markets Stallholder and Enterprises (FARMSE) which is a development program financed by the Malawi Government and the International Fund for Agricultural Development (IFAD).

ActionAid Malawi's Tilimbike project seeks to, among others, improve rural financial access for 37,500 poor and vulnerable people in Machinga and Dedza districts by 2022.

"As part of the job, I underwent a training organised by ActionAid Malawi to enable me effectively to supervise the VSL groups including Chikondi in my area. So far, I supervise 17 groups which were revamped under the Tilimbike project," she says.

Apart from supervising VSL groups, Lifa is still a member of her Chikondi VSL group which helps her borrow money to boost her business.

"Since 2018, I have been building a house at slow pace, but the Tilimbike project has helped me speed up my house construction project as it is now easy to borrow money from the group to run my businesses



Lifa: Now a relieved woman

whose part of the profits go to the house project. I can now easily feed my children; I no longer need a husband to survive,” she says.

Lifa is one of the 75 village agents trained under Tilimbike project in both Dedza and Machinga where ActionAid Malawi is implementing the project.

Quick facts:

The Tilimbike project, among others, seeks to:

- Increase access and utilization of innovative financial products for 37,500 people from Dedza and Machinga Districts through financial literacy and viable income generation activities and value chains by 2023.
- Enhance vertical and horizontal linkages for 1,500 Community Based Financial Organisations Village Savings and Loans Associations from Dedza and Machinga districts and formal financial service providers by 2023.
- Increase income for 1,500 Village Savings and Loans (37,500 people) from Dedza and Machinga Districts by 2023 (25 members per group)

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



Marietta Wikisi, a smallholder farmer in Mola Village, Chiradzulu district explaining the agro-ecology

Under this priority area, AAM and partners continued to champion food and nutrition sovereignty, agro ecology and natural resources governance and defence of the commons. Through capacity building initiatives, advocacy, and sensitization campaigns, 47,345 (31,450 women and 15,895 men) smallholder farmers have been empowered to attain food sovereignty at a household level. Out of these, 12,925 farmers have now adopted agro-ecology.



Some of the smallholder farmers practicing agro-ecology in Chiradzulu, where AAM is implementing the KULIMA-BETTER project

Furthermore, AAM and partners continued to champion climate justice at a community, district, and national levels to ensure the vulnerable groups such as women and youth have adaptive capacity to withstand the harsh effects of climate change. In 2021 a total of 34,784 (19,430 women 15,354 men) small holder farmers developed absorptive, adaptive, anticipatory capacities to natural disasters.



AAM further provided food support to 1,150 families worst affected by the hunger situation in disaster hit districts of Neno, Phalombe and Nsanje. This was supported by localizing the climate change fight through empowering 420 Area Civil Protection Committees and 5,700 women to lead in humanitarian preparedness and response.

Mzimba District Council Senior Agriculture officer, Esther Mwafurirwa facilitating a training on climate resilience for farmers

Summary of achievements under priority area 2:

- **47,345** number of smallholder farmers have been empowered to attain food sufficiency at a household level.
- Out of these, **12,925** farmers have now adopted agro-ecology.
- **34,784** number of small holder farmers have developed absorptive, adaptive, anticipatory capacities to natural disasters.
- **1,150** disaster-affected households supported with food
- **5,700** women empowered to take lead in humanitarian preparedness and response.
- **420** number of Civil protection committees empowered in the climate change fight.

National engagement

Later in the year, AAM and partners, including National Youth Network on Climate Change, Civil Society Network on Climate Change, Global Platform Malawi, Malawi Activista Youth Network, Coalition of Women Farmers and like-minded citizens walked and cycled for an eight-kilometre distance in a contribution to the #EarthWalk 2021 campaign aimed at pushing world leaders at Conference of Parties (CoP26) in Glasgow, Scotland, to deliver climate justice for communities worst affected by climate change. The #EarthWalk, which was conducted jointly with the Malawi-Scotland Partnership (MaSP), was presided over by the Minister of Gender, Children and Social Services, Honourable Patricia Kaliati. Among the key policy demands, the campaign called world leaders and governments to put women and youth at the centre of climate change fight interventions. The campaign further called upon the rich countries to fund adaptation capacity for developing countries including Malawi.



Cycling for Climate Justice: Honourable Kaliati (centre) flanked by ActionAid Malawi Head of Policy and Programs, Clement Ndiwo-Banda (left) and MaSp Executive Director Stella Masangano, during the event.

STORY OF CHANGE: Farmers empowered against hazards



Msofi now taking lead in agro-ecology farming

Martha Msofi, a farmer who is a member of Coalition of Women Farmers (COWFA) in Mapiri Village, Traditional Authority Khosolo, has no kind words for her past agricultural life. A mother of five, Msofi has been farming in the dark since she became a subsistence farmer some 20 years ago.

“Since I started farming, I rarely have access to extension services. In this era of unpredictable rainfall pattern, this makes it difficult for me to cultivate crops accordingly and realise good harvest,” she laments.

Msofi’s lamentation mirrors that of a majority of smallholder farmers who have fallen victim to climate-change induced weather patterns, marked by unreliable rainfall, flooding and dry spells.

Moved by the challenges facing helpless smallholder farmers, ActionAid Malawi (AAM) and its local partner, Khosolo Women Forum, have been empowering smallholder farmers in Khosolo in identifying and addressing issues on the elements of an early warning system- hazard monitoring, warning message generation, dissemination and communication of warning messages and response mechanisms and capacity of the people at risk.

The intervention by AAM and its partner is derived from an assessment which exposed lack of access to weather information by most women farmers to enable them take appropriate actions to address or avert the impacts of drought on farming activities.



Msofi and fellow smallholder farmers attending a climate change training

The assessment, which was conducted jointly with Khosolo District Agriculture Office, proposed establishing women-centred mechanisms for accessing district specific weather information, processing of the information into advisories and dissemination and communication of the advisories to those at risk for appropriate response and adaptation actions, as some of the solutions to the challenges facing smallholder farmers.

Such women-centred mechanisms involved training key stakeholders such as COWFA, Reflect Action Circles, Civil Protection Committees, Village Development Committees, Area Development Committees, and traditional leaders as one way of catalyzing the localized and sustainable approach to building farmers knowledge on agriculture and climate change related issues.

Today, Msofi one of the beneficiaries of the capacity building training sees a bright future in agriculture resilience.

“We will now no longer be farming in the dark. One thing I like about this training is its ability to integrate indigenous knowledge in Agriculture. Come next year, you will no longer hear us complain about agriculture hazards because we now know them and how to live with them,” she says.

Quick Facts:

- In 2021, ActionAid Malawi introduced the climate resilience project in Khosolo, Mzimba to among others:
- Reinvigorate Reflect Action Circles (RACs) to facilitate women’s rights protection and influence emergency response and adaptation to droughts.
- Provide cash transfer to households severely hit by hunger.
- Champion women-led Community Hazard and Vulnerability assessment and contingency/risk reduction planning:

The project has since:

- Mobilized ten RACs and equipped them with soft skills to facilitate climate smart and sustainable agriculture as well as protection of women’s and girls’ rights and accountability in emergency response.
- Provided cash support worth K50 000 to households severely affected by hunger
- Generated an understanding on social, economic, environmental and physical underlying factors that exacerbate the impacts of drought on the targeted 3000 smallholder farmers.

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



An engagement meeting between Mchinji District Council and COWFA members on women inclusion in climate change fight

AAM empowered 996 women at community level to take up leadership positions in key structures such as VSLs, CPCs, Reflect Action Cycles (RACs) School Management Committees (SMCs), Village Development Committees (VDCs) and Area Development Committees (ADCs).

AAM further facilitated robust engagements between duty bearers and people living in poverty for resource redistribution and provision of gender-responsive public services through advocacy on progressive taxation to enhance financing of public services and promoting social accountability in public resource management.

The actions were mainly through parliamentary engagements to influence increased funding for quality gender-responsive public services in areas of education, health and agriculture. The engagements contributed to improved allocations of national budgets to key sectors such as education which has consistently been allocated a share of 15-20 percent of the national budget, in line with the UNESCO benchmark.

Through engagements with Parliament and the Ministry of Finance, the Malawi government has undertaken to review over 10 double taxation agreements which were regressive and constrained the country's revenue generation drive.



ECD learners at Kankhate CBCC in Mchinji: some of the learners ActionAid has supported to access ECD

AAM has facilitated access to quality, equitable and inclusive public education for 154,933 children in pre-primary through the Early Development Initiative and the School Readiness Initiative. AAM has further built the capacity of 2000 members of school management committees, 1200 mother groups, 3000 youth and 14000 learners in Chitipa, Rumphi, Ntchisi, Lilongwe, Neno and at a national level in Promoting Rights in Schools and Tax Justice in Gender Responsive Public Education.

The organisation also strengthened community systems in addressing public health through the implementation of interventions that empowered 400 young women and girls on health rights advocacy.

Summary of achievements under priority area 3:

- **996** women empowered at community level to take up leadership positions in key structures.
- **154,933** total number of children accessing Early Development Program services of which **12,121** children have transitioned to primary school.
- **4,000** number of young women and girls empowered in health rights advocacy.
- **2,000** members of school management committees, 1,200 mother groups and 3,260 youth trained in Promoting Rights in Schools and Tax Justice for Gender Responsive Public Education

STORY OF CHANGE: Washrooms - A gamechanger for girls' retention in School



Beauty Kaonga with a member of the mother group at Kamphyongo Primary School

Education is a key to success, they say. Uneducated community is doomed as it cannot meaningfully advance its wellbeing and contribute to the development of the community and country. This was the case for girls at Kamphyongo Primary School at Kapilinkhonde Zone, in Chitipa few years ago.

Due to limited financing towards primary schools, Kamphyongo has been grappling with challenges centering on inadequate infrastructure with regards to teachers' houses, school blocks and toilets.

Previously, the school had no girls' washrooms, forcing menstruating girls to abscond classes for up to two or three weeks in an academic term. Such a prohibitive learning environment contributed to 10 girls dropping out of school at Kamphyongo per academic year.

The situation started changing for the better when ActionAid Malawi came in with the "Tax Justice for Gender Responsive Public Services" project at the school. The project-oriented learners' councils, School Management Committees (SMC) Parents Teachers Associations (PTA) and Mother Group on the "Promoting Rights to Schools" and "Tax Justice" in relation to promotion of quality and inclusive education in the primary schools.

Among the issues identified by the mother group as critical to retaining girls at the school was construction of washrooms. The school used part of the 2020 School Improvement Grant (SIG) amounting to K250 000 (about US\$300) funds to construct two girls' washrooms at the school.

Beauty Kaonga, a standard six learner at the school, says the construction of the two washrooms at the school means she will not be missing classes during menstruation.

"The washroom is giving us privacy when washing our bodies during menstruation. We no longer stay at home or go to the bush during menstruation. This will motivate us to be focused on education. I want to fulfil my dream of becoming a teacher," says the 15-year-old Beauty

Headteacher Godfrey Kalua, says, the washrooms have reduced cases of girl school dropouts and absenteeism among girls from about 10 to about one or two per academic year.

"Girls are fully focused on education, and they no longer miss classes to stay at home during menstruation period," he says.

Quick facts:

- In 2017, ActionAid Malawi started implementing the 'Breaking Barriers' project aimed at ensuring that all children, especially girls and marginalized children, have access to free, quality, publicly funded, inclusive public education.
- The project impact areas included Chitipa, Ntchisi, Lilongwe Rural and Neno.
- The project focused on Governments' taking actions to increase the SIZE and Share of National Budgets through progressive taxation, particularly Corporate Tax while ensuring robust Scrutiny and Sensitivity to meet needs of the marginalized groups.
- Key structures such as schools, civil society organisations, parliamentarians and the private sector were the key stakeholders on the project.
- The project has contributed to improving equitable access and provision of quality gender-responsive public education and generating debate on progressive taxation as a sustainable alternative to enhance education financing.



7.0 Organisational Achievements

7.1 Enhancement of Programme Quality, and Effectiveness (PQE)

In the reporting year, the Program Quality and Effectiveness (PQE) Unit continued to enhance and integrate programme and projects monitoring and evaluation systems through joint review and planning meetings. This was supported by the continuous mentoring and coaching on quality data management and reporting. The Unit further supported fundraising initiatives through development of the project proposal Monitoring and Evaluation frameworks. Most importantly, the Unit conducted regular field monitoring visits for all the programmes and project to inform effective reporting as well as consolidate reports from programmes and projects activities, outputs, and achievements for the annual program report.

7.2 Championing Business Development, Grant Management and Communication

To strengthen grant management, the Unit continued to build capacity of programme and finance staff to fully utilize the Contract Management System (CMS). The Unit also led in the resource mobilisation processes through development of strategic partnerships and project proposals to support implementation of the country strategy paper.

The Unit continued with supporter servicing and engagement through child message collection and development of community voices for dissemination to supporters and potential donors. The Unit re-invigorated its communications and visibility portfolio through strengthening staff and media capacity in communicating ActionAid Malawi impact, refreshing, and expanding digital platforms for increased engagements on ActionAid Malawi work.

7.3 Strengthening Human Resource, Administration and Organisational Development

In the reporting year, the Human Resource, Administration and Organisation Development (HROD) unit continued to refresh the staff knowledge and understanding in policies. Principally, the organisation spearheaded the staff awareness campaign on Sexual Harassment Abuse and Exploitation (SHEA).

Furthermore, the HROD unit mainstreamed the SHEA policies in all contracts with staff, volunteers, and vendors as a proactive approach in creating a no-SHEA environment at the organisation.

Cognizant of the fast-paced digital world in the context of Covid-19 pandemic the unit has been enhancing the capacity of staff in implementing some of the key activities through virtual platforms such as zoom. The digital platforms were also key in ensuring that attend some online capacity building seminars and workshops.

7.4 Enhancing Internal Governance

The Governance of ActionAid Malawi is highly structured to ensure diversity both at Board and General Assembly level by gender, competency, and diversity.

In 2021, the Board of Directors held four quarterly Board and Committee meetings where strategic decisions were made to provide oversight and direction of the organization. The Board of Directors undertook several engagements during the year including financial, performance and risk management oversight. A number of visits were made to the partners and communities that we work with.

In 2021, ActionAid Malawi's Internal Governance went through leadership transition at both Board and Management level. Professor Dorothy Nampota was elected Board Chairperson, taking over from Prof. Address Malata. Mrs. Grace Mkupu was elected Vice Chairperson of the Board.

Three Board members were appointed to replace Prof. Address Malata, M/s Noris Chirwa and M/s Chipiliro Kansilanga. The General Assembly elected Mr Murphy Kajumi, Mrs. Madalitso Ngwira and Rev. Towera Masiku to replace the retired Board members.



Board and General Assembly Members interacting with KULIMA-BETER project beneficiaries in Nkhatabay

Board Members



Professor Dorothy Nampota,
Board Chairperson



Grace Mkupu
Vice Board Chair.
Management



Rogers Kamphinda
Treasurer
Finance



Mandala Mambulasa
Member
Law



Madalisto Chapera Ngwira
Member.
Human Rights



Murphy Kajumi
Member
Programmes Policy



Myness Mkandawire,
Member,
Education



Mary Msewa
Board Member
Social & Gender Activist



Felistas Chikusilo
Member
Audit

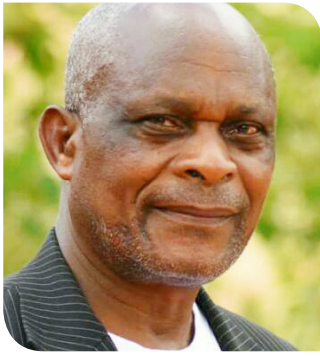


Gerrald Pute
Member
Audit



Rev. Towera Masiku,
Member | Conflict
Management Leadership

Members of the General Assembly



Alex Mzungu Jere
Member.
Rights Holder



Beatrice Makawa
Member
Rights Holder



Bethel Chihana
Member
Accounting



Catherine Chiwaya
Member.
Rights Holder



Lackson Kalua
Member
Rights Holder



Lilian Chirambo
Member
Governance.



Lilian Kufase Kumwenda
Member
Rights Holder



Linda Kabanda
Member
Women Empowerment



Ntonthozeni Kachitsa
Member
Management



Patrick Siwinda
Convener
Human Rights



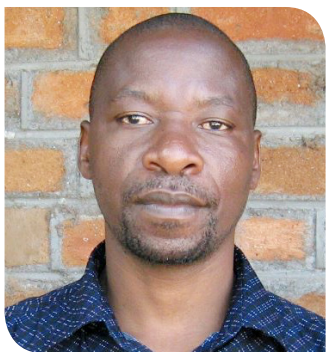
Roda Bakuwa
Member
Human Resource



Rose Muyaya
Member
Gender



Senior Chief Kachere
Member
Rights Holder



Sydney Mthatiwa
Member
Academia



Tiwonge Gondwe
Member
Rights Holder



Chandiwira Chisi
Member
Program Policy

Members of the General Assembly



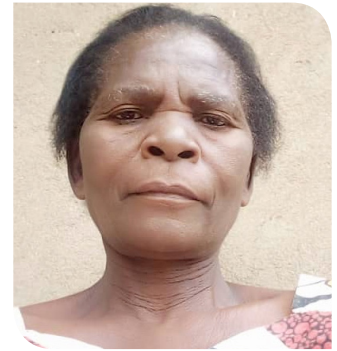
Ellen Matupi
Member
Rights Holder



Frank Godfrey Msiska
Member
Agriculturalist



Fred Mwafurirwa
Member
Expertise Finance



Getrude Chimbalanga
Member
Rights Holder



Saiti Chikwapulo
Member
Activism



Charity Kapalamula
Member
Rights Holder



Maganizo Mazeze
Member
Media



Charity Kapalamula
Member
Rights Holder



Jacgreen Chiwale
Member
Media



Ulemu Jumbe
Member
Finance



Natasha Mbalure
Member
Law



Ofwa Alide
Member
Governance



Pilirani Chuma
Member
Law

Financial Statements

Five Year Summary Financial Performance Report

Executive Summary

The year 2021 was the first year in six years where ActionAid Malawi (AAM) did not operate as a Principal Recipient (PR) for the Global Fund (GF) Joint TB, HIV/AIDs program in Malawi. 2021 also marked the year when AAM operated without a comprehensive Early Childhood Development (ECD) program supported by the Roger Federer Foundation (RFF) which officially came to an end in December 2020 after ten years of implementation. The two projects combined contributed about 80% to total income for AAM between 2016 and 2020. During this period, AAM's annual income averaged about MK11.4 billion.

In 2021, income dropped to about MK6 billion for the reasons stated above. AAM still implements follow-on projects for both GF (as Sub-Recipient), and ECD 's School Readiness Initiative (SRI) which has less funding and is co-implemented with other partners. Regular Giving Income increased slightly by 10% in 2021 compared to the previous year and ratio between Institutional Income and Regular Giving Income improved to 77:23 compared to 89:11 in 2020.

A deficit of MK385 million was incurred in 2021 compared to MK211 million in 2020. The deficit was mainly due to reduction in indirect cost recovery after the exit of the two programs: GF and ECD. AAM also incurred a loss on disposal of fixed assets for the GF program of MK135 million as these assets were transferred to the new PR at zero price while they had a net value of MK135 million. Depreciation of MK55 million also contributed to the deficit.

Income Trends and Distribution

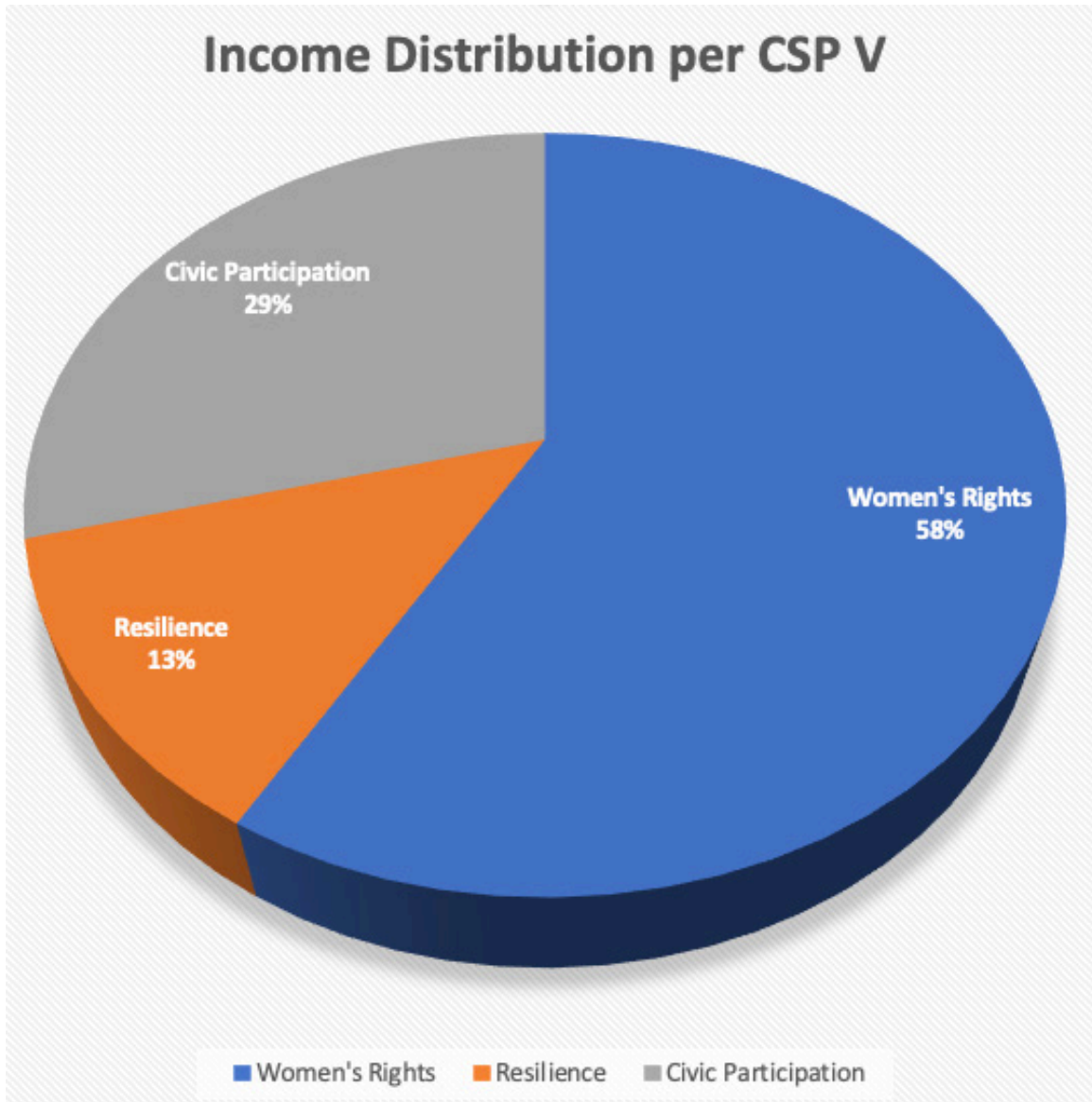
The downward trend of income in 2021 is due to exits of two main programs, the GF Joint TB, HIV/AIDs program and the RFF's ECD program. However, comparing the income in 2016 when the GF was introduced, institutional income has been relatively stable with increase in emergency incomes due to natural disasters occurring in the recent years. The table below summaries income trends since 2016 when institutional income became significant due to the GF grant.

Description	2021 MK'000	2020 MK'000	2019 MK'000	2018 MK'000	2017 MK'000	2016 MK'000
Income						
Committed income	1,355,335	1,236,852	1,356,877	1,960,772	2,140,715	2,297,040
Partnership income	3,622,972	9,498,820	9,580,217	9,009,260	12,572,742	5,121,539
Emergency -Internal Grants	107,610	139,088	51,677	-	-	-
Emergency In-Institutional	774,142	571,061	-	-	-	-
Other income	98,883	249,342	328,214	441,648	197,609	213,883
	5,958,942	11,695,163	11,316,985	11,411,680	14,911,066	7,632,462
Expenditure -Statutory Classification						
Programme Costs	5,331,795	11,014,736	10,863,826	10,366,713	13,864,437	6,247,097
Support Costs	534,652	564,215	501,876	427,137	476,196	299,674
Fundraising Costs	47,306	107,898	153,007	146,228	147,298	140,019
Governance Costs	190,641	154,871	135,103	197,966	127,037	61,879
Contribution to AAI	104,626	64,469	108,832	240,185	333,998	109,096
Loss on Disposal of FA	135,142					
Total Expenditure	6,344,161	11,906,189	11,762,644	11,378,229	14,948,966	6,857,765
Surplus/(Deficit) for the period	(385,220)	(211,026)	(445,659)	33,451	(37,900)	774,697

In terms of strategic focus, AAM is implementing Country Strategy Paper V (CSP V) which runs from 2018 to 2023. The CSP has three priority areas, summarised as follows:

- Women's Rights
- Resilience
- Civic Participation

The graph below demonstrates the relative (in percentage form) investment AAM made in 2021.



The Women's Rights remain the main strategic focus area for AAM with over 50% investment in 2021 where AAM leads the pack of other players.

The abstract financial statements are presented in the following pages.

Directors' Report

ACTIONAID MALAWI

DIRECTORS' REPORT

For the year ended 31 December 2021

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	Up to June 2021
Professor Dorothy Nampota	- Chairperson	Full year
Mr. Rodgers Kamphinda	- Treasurer	Full year
Mrs. Noris Mangulama Chirwa	- Director	Up to June 2021
Ms. Chipiliro Kansilanga	- Director	Up to June 2021
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	Up to September 2021
Mr. Murphy Kajumi	- Director	From July 2021
Mrs. Madalitso Ngwira	- Director	From July 2021
Rev. Towera Masiku	- Director	From July 2021

Bankers

Standard Bank plc
National Bank of Malawi plc

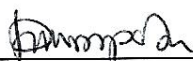
Legal Counsel

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 2022 financial statements.

Chairperson 

Authorised Director 

Date: 08/07/2022 2022

Statement of Directors' Responsibilities

ACTIONAID MALAWI

STATEMENT OF DIRECTORS' RESPONSIBILITIES For the year ended 31 December 2021

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 2021, 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.

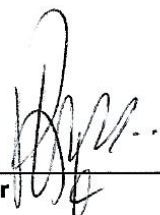
The auditor is responsible for reporting on whether the annual financial statements are fairly presented in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act, of Malawi.

Approval of financial statements

The financial statements of the Company, as indicated above, were approved by the Board of Directors on 8/07/2022 and are signed on its behalf by.

By order of the Board.


Chairperson


Authorised Director

Independent Auditor's Report



20230084

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 19 which comprise the statement of financial position as at 31 December 2021, 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 2021, 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.

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.

**Grant Thornton
Malawi**
**Chartered
Accountants and
Business Advisors**
Nurses Council Building
New Capital City
Centre
P.O. Box 30453
Lilongwe 3, Malawi

T +265 01 773 855

T +265 0212 859 653

email: mw-information@mw.gt.com

Independent Auditor's Report (Continued)

ACTIONAID MALAWI

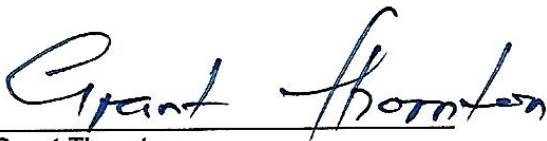
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
For the year ended 31 December 2021

Auditor's responsibilities for the audit of the financial statements (continued)

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

Date: 15/07/ 2022

Statement of Financial Position

ACTIONAID MALAWI

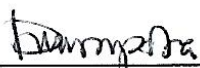
STATEMENT OF FINANCIAL POSITION

As at 31 December 2021

In thousands of Malawi Kwacha

ASSETS	<u>Note</u>	<u>2021</u>	<u>2020</u>
Non-current assets			
Plant and equipment	5	176,118	361,381
Right of use assets	6	<u>48,050</u>	<u>112,117</u>
Total non-current assets		<u>224,169</u>	<u>473,498</u>
Current assets			
Amount due from implementing partners	7.1	42,091	699,196
Other receivables	8	306,460	469,826
Amount due from related parties	9.2	316,547	253,602
Cash and cash equivalents	10	<u>1,701,423</u>	<u>1,830,106</u>
Total current assets		<u>2,366,521</u>	<u>3,252,730</u>
Total Assets		<u>2,590,690</u>	<u>3,726,228</u>
RESERVES AND LIABILITIES			
Reserves			
General reserve		<u>325,148</u>	<u>1,440,755</u>
Non-current liabilities			
Lease liability	13	—	<u>60,509</u>
Current liabilities			
Deferred income	11	1,480,372	1,599,329
Amounts due to related parties	9.3	0	401
Amounts due to implementing partners	7.2	232	90,440
Other payables	12	724,426	469,388
Lease liability	13	<u>60,509</u>	<u>65,406</u>
Total current liabilities		<u>2,265,539</u>	<u>2,224,964</u>
Total liabilities		<u>2,265,539</u>	<u>2,285,473</u>
Total reserves and liabilities		<u>2,590,690</u>	<u>3,726,228</u>

These financial statements were approved by the Board of Directors on 8/07/ 2022 and were signed on its behalf by:



 Chairperson



 Authorised Director

Statement of Profit or Loss and Other Comprehensive income

ACTIONAID MALAWI

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2021

In thousands of Malawi Kwacha

	<u>Note</u>	<u>2021</u>	<u>2020</u>
Income			
Committed income	14	1,355,335	1,236,852
Partnership income	15.1	3,622,972	9,498,820
Partnership income-emergency	15.2	774,142	571,061
Emergency income	16	107,610	139,088
Other income	17	<u>98,883</u>	<u>249,341</u>
Total income		<u>5,958,942</u>	<u>11,695,162</u>
Expenditure			
Programme expenditure	18	5,331,795	11,014,736
Support expenditure	19	669,793	564,215
Fundraising expenditure	20	47,306	107,898
Governance expenditure	21	190,641	154,870
ActionAid charges	22	<u>104,626</u>	<u>64,469</u>
Total expenditure		<u>6,344,161</u>	<u>11,906,188</u>
Deficit for the Year		<u>(385,220)</u>	<u>(211,026)</u>

Statement of Changes in Reserves

ACTIONAID MALAWI

STATEMENT OF CHANGES IN RESERVES

For the year ended 31 December 2021

In thousands of Malawi Kwacha

	<u>Note</u>	<u>General reserves</u>
Balance as at 1 January 2021		1,440,755
Deficit for the year		(385,220)
Reserve project balances transfer	23	<u>(730,387)</u>
Balance as at 31 December 2021		<u>325,148</u>
Balance as at 1 January 2020		1,651,781
Deficit for the year		<u>(211,026)</u>
Balance as at 31 December 2020		<u>1,440,755</u>

Statement of Cash Flows

ACTIONAID MALAWI

STATEMENT OF CASH FLOWS For the year ended 31 December 2021 In thousands of Malawi Kwacha

	Note	2021	2020
Cash flows from operating activities			
(Deficit) for the year		(385,220)	(211,026)
Adjustments for:-			
Depreciation charge		54,920	122,285
Difference in opening balance in FA		(194)	-
Disposal of vehicle-Transfer back to the donor		135,142	135,075
Change in accounting principle		(730,387)	-
Net cash (utilized in)/ generated from operating activities before Working capital changes:		<u>(925,739)</u>	<u>46,334</u>
Movement in working capital			
Changes in amounts due from implementing partners		657,105	(10,344)
Changes in other receivables		163,366	(148,677)
Changes in amount due from related parties		(62,946)	(29,570)
Changes in amounts due to related parties		(401)	(160,762)
Changes in amounts due to implementing partners		(90,207)	(173,574)
Changes in other payables		255,086	(88,559)
Changes in lease liability		(1,339)	(114,336)
Changes in deferred income		(119,005)	162,532
Cash generated from/ (utilized in) operations		<u>801,659</u>	<u>(563,290)</u>
Investing activities			
Purchase of vehicles and equipment	5	(4,605)	(33,964)
Cash used in investing activities		<u>(4,605)</u>	<u>(33,964)</u>
Net (decrease) in cash and cash equivalents		<u>(128,685)</u>	<u>(550,920)</u>
Cash and cash equivalent at beginning of the financial year		<u>1,830,106</u>	<u>2,381,026</u>
Cash and cash equivalents at end of the financial year	10	<u>1,701,421</u>	<u>1,830,106</u>

Our Partners





act:onaid

MALAWI



Private Bag, 30735
Area 9 Plot No.5/350
Lilongwe

+265 (0) 1 759 861 / +265 (0) 1 759 865  +265 (0) 1 755963

 admin@actionaid.org  <https://malawi.actionaid.org>

 ActionAid Malawi  @actionaidM  @actionaidm  ActionAid Malawi