



**Community Partnership for Relief and Development**

**Financial Statements**

**31 December 2023**

# **Community Partnership for Relief and Development**

## **Financial Statements for the year ended 31 December 2023**

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# Community Partnership for Relief and Development

## Management Responsibility for the Financial Statements for the year ended 31 December 2023

The Malawi Trustees Incorporation Act, 1962, Cap 5:03 require the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the organisation as at the end of the financial year.

The Act also requires the trustees ensure that the trust keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the organisation.

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

- maintenance of proper accounting records;
- selection of suitable accounting policies and applying them consistently;
- making judgment 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;
- preparation of financial statements on a going concern basis unless it is inappropriate to presume that the organisation will continue in operations.

The trustees also accept responsibility for taking such steps as are reasonably open to them to safeguard the assets of the organisation and to maintain adequate systems of internal controls to prevent and detect fraud and other irregularities.

The trustees are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the organisation.

Board Chairperson:  .....

Executive Director:  .....

Date: 23 May 2024

**REPORT OF THE INDEPENDENT AUDITORS'**  
**To the Trustees of**  
**COMMUNITY PARTNERSHIP FOR RELIEF AND DEVELOPMENT**

**Opinion**

We have audited the financial statements of Community Partnership for Relief and Development, which comprise the statement of financial position as at 31 December 2023, and the statement of income and expenditure, statement of changes in funds and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes as set out on pages 4 to 17.

In our opinion, the financial statements give a true and fair view of the financial position of Community Partnership for Relief and Development as at 31 December 2023, and of its financial performance and its cash flows for the year then ended in accordance with accounting policies described in note 2 and the Trustees Incorporation Act, 1962, Cap 5:03.

**Basis for Opinion**

We conducted our audit in accordance with 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 organisation in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Responsibilities of Trustees and those Charged with Governance for the Financial Statements**

The trustees are responsible for the preparation of financial statements that give a true and fair view in accordance with accounting policies described in note 2 and the Trustees Incorporation Act, 1962, Cap 5:03 and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**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 judgment and maintain professional skepticism throughout the audit. We also:

## INDEPENDENT AUDITORS' REPORT

To the Trustees of

### COMMUNITY PARTNERSHIP FOR RELIEF AND DEVELOPMENT (continued)

- 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 management.
- 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 trustees, among other matters, planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during and audit.

*Chaula & Associates*

**Chaula & Associates**

Chartered Accountants

Bentry Chaula

Partner

Blantyre

23 May 2024

## Community Partnership for Relief and Development

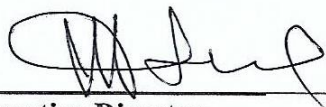
### Statement of Income and Expenditure for the year ended 31 December 2023

	<u>Note</u>	<u>2023</u> <u>MK</u>	<u>2022</u> <u>MK</u>
<b>Income</b>			
Donor income designated for projects	3	154,907,765	141,070,996
Other income	4	2,995,921	989,082
		-----	-----
		157,903,686	142,060,078
		-----	-----
<b>Expenditure</b>			
Staff costs	5	49,163,939	41,577,118
Office/ other direct expenses	6	4,547,414	13,502,862
Travel and transport	7	1,853,500	2,744,021
Program delivery / cost	8	84,516,625	80,581,496
		-----	-----
		140,081,478	138,405,497
		-----	-----
<b>Surplus for the year</b>		17,822,208	3,654,581
		=====	=====

# Community Partnership for Relief and Development

## Statement of Financial Position as at 31 December 2023

	<u>Note</u>	<u>2023</u> MK	<u>2022</u> MK
<b>ASSETS</b>			
<b>Non – current assets</b>			
Plant and equipment	9	13,237,312	3,412,687
		-----	-----
<b>Current assets</b>			
Bank balances	10	25,478,470	7,656,262
		-----	-----
<b>Total assets</b>		<u>38,715,782</u>	<u>11,068,949</u>
<b>FUNDS</b>			
<b>Funds</b>			
Capital fund	11	13,237,312	3,412,687
Accumulated fund	12	25,478,470	7,656,262
		-----	-----
		38,715,782	11,068,949
		-----	-----
<b>Total funds</b>		<u>38,715,782</u>	<u>11,068,949</u>



Executive Director



Board Chairperson

Date: 23 May 2024

## Community Partnership for Relief and Development

### Statement of Changes in Funds for the year ended 31 December 2023

	<u>Capital Fund</u> <b>K</b>	<u>Accumulated Fund</u> <b>K</b>	<u>Total</u> <b>K</b>
Balance at 31 December 2021	4,829,062	4,001,681	8,830,743
Donated plant and equipment	384,000	-	384,000
Depreciation for the year	(1,800,375)	-	(1,800,375)
Deficit for the year	-	3,654,581	3,654,581
	-----	-----	-----
Balance at 31 December 2022	3,412,687	7,656,262	11,068,949
Donated plant and equipment	15,500,000	-	15,500,000
Depreciation for the year	(5,675,375)	-	(5,675,375)
Deficit for the year	-	17,822,208	17,822,208
	-----	-----	-----
Balance at 31 December 2023	13,237,312	25,478,470	38,715,782
	=====	=====	=====



## Community Partnership for Relief and Development

### Statement of Cash Flows for the year ended 31 December 2023

	<u>2023</u> K	<u>2022</u> K
<b>Cash flows from operating activities</b>		
Cash receipts from donors and others	157,880,170	142,049,475
Cash payments to projects and employees	(140,081,478)	(138,405,496)
Interest received	23,516	10,602
	-----	-----
Cash flows from operating activities	17,822,208	3,654,581
<b>Cash flows from investing activities</b>		
Cash and cash equivalents at beginning of year	7,656,262	4,001,681
	-----	-----
Cash and cash equivalents at end of year	25,478,470	7,656,262
	=====	=====

# Community Partnership for Relief and Development

## Notes to the Financial Statements for the year ended 31 December 2023

### 1. Nature of the programme

Community Partnership for Relief and Development is non-political and non-profit making, non-governmental organisation registered under the Trustees Incorporation Act of Malawi 1962, Cap 5:03.

The aim of project is to help improve the livelihoods of the society's most disadvantaged groups especially women and children.

### 2. Significant accounting policies and basis of preparation

The following is a summary of the significant accounting policies, adopted in the preparation of the financial statements.

#### a) Basis of preparation

These financial statements have been prepared in accordance with accounting policies described below and are in Malawi Kwacha. They are prepared on a historical cost basis.

#### b) Accounting for Income and Expenditure

Income is accounted for on a receipt basis. Expenditure is accounted for when incurred.

#### i) Donor funds

Designated funds are utilized only for the individual projects specified in the donor agreement. These are recognised in the respective project account when received from prospective donors.

#### ii) Bank interest

This comprises interest received from funds deposited with the bank. Interest income is recognised in the income and expenditure account of the respective project when it is received.

#### iii) Other income

This comprises of income received from various income generating activities undertaken by the organisation.

## Community Partnership for Relief and Development

### Notes to the Financial Statements for the year ended 31 December 2023

**c) Plant and equipment**

Plant and equipment procured for the purposes of the project are capitalized through Capital Fund.

Items of plant and equipment are written off over their anticipated economic useful life of four years.

**d) Accruals**

No provision is made for unpaid liabilities at the end of the year.

**e) Other receivables**

Other receivables are initially measured at fair value, and are subsequently measured at amortised cost using the effective interest rate method less impairment losses.

**f) Foreign currency transactions**

Transactions in other currencies are translated into Malawi Kwacha at the rate ruling at the date of the transaction.

**g) Accumulated Fund**

The projects' surpluses and deficits are accounted through the Accumulated Fund.

**h) Capital Fund**

All projects funds used for the acquisition of capital items are accounted through Capital Fund.

## Community Partnership for Relief and Development

### Notes to the Financial Statements for the year ended 31 December 2023

	<u>Note</u>	<u>2023</u> <u>MK</u>	<u>2022</u> <u>MK</u>
<b>3. Donor income designated for projects</b>			
ECD	13	1,093,243	154,066
Egmont	14	54,274,717	37,584,675
Copred - Roddenberry	15	20,340,500	-
Copred - Blood water	16	79,199,305	103,332,255
		-----	-----
		154,907,765	141,070,996
		=====	=====
<b>4. Other income</b>			
Exchange gain		2,972,405	978,480
Bank interest received		23,516	10,602
		-----	-----
		2,995,921	989,082
		=====	=====

## Community Partnership for Relief and Development

### Notes to the Financial Statements for the year ended 31 December 2023

	<u>Note</u>	<u>2023</u> <u>MK</u>	<u>2022</u> <u>MK</u>
<b>5. Staff costs</b>			
ECD	13	-	1,553,440
Egmont	14	17,683,549	12,041,403
Copred - Roddenberry	15	1,326,326	-
Copred - Blood water	16	30,154,064	27,982,275
		-----	-----
		49,163,939	41,577,118
		=====	=====
<b>6. Office / Other Direct Expenses</b>			
ECD	13	9,158	5,662
Egmont	14	1,765,373	3,839,797
Copred- Blood water	16	2,772,883	9,657,403
		-----	-----
		4,547,414	13,502,862
		=====	=====
<b>7. Travel and transport</b>			
Egmont	14	134,000	710,000
Copred - Blood water	16	1,719,500	2,034,021
		-----	-----
		1,853,500	2,744,021
		=====	=====
<b>8. Program delivery / Cost</b>			
ECD	13	1,554,374	-
Egmont	14	31,392,647	18,669,596
Copred - Roddenberry	15	6,441,200	-
Copred - Blood water	16	45,128,404	61,911,900
		-----	-----
		84,516,625	80,581,496
		=====	=====

## Community Partnership for Relief and Development

### Notes to the Financial Statements for the year ended 31 December 2023

#### 9. Plant and equipment

<u>Cost</u>	<u>Motor vehicles</u> K	<u>Computers</u> K	<u>Furniture and equipment</u> K	<u>Total</u> K
At 1 January 2023	14,052,300	4,453,178	4,790,670	23,296,148
Addition	15,500,000	-	-	15,500,000
	-----	-----	-----	-----
At 31 December 2023	29,552,300	4,453,178	4,790,670	38,796,148
	-----	-----	-----	-----
<b><u>Accumulated depreciation</u></b>				
At 1 January 2023	10,927,613	4,453,178	4,502,670	19,883,461
Charge for the year	5,579,375	-	96,000	5,675,375
	-----	-----	-----	-----
At 31 December 2023	16,506,988	4,453,178	4,598,670	25,558,836
	-----	-----	-----	-----
<b><u>Net book value</u></b>				
At 31 December 2023	13,045,312	-	192,000	13,237,312
	=====	=====	=====	=====
At 31 December 2022	3,124,687	-	288,000	3,412,687
	=====	=====	=====	=====

## Community Partnership for Relief and Development

### Notes to the Financial Statements for the year ended 31 December 2023

	<u>Note</u>	<u>2023</u> MK	<u>2022</u> MK
<b>10. Bank balances</b>			
ECD	13	4,935,355	3,467,544
Egmont	14	7,023,587	3,724,439
Copred - Roddenberry	15	12,572,974	-
Copred - Blood water	16	946,554	464,279
		-----	-----
		25,478,470	7,656,262
		=====	=====
<b>11. Capital Fund</b>			
<b>Analysed as:</b>			
Copred- Main		192,000	288,000
Copred- Blood water		13,045,312	3,124,687
		-----	-----
		13,237,312	3,412,687
		=====	=====
<b>Represented by:</b>			
Plant and equipment		13,237,312	3,412,687
		=====	=====
<b>12. Accumulated Fund</b>			
<b>Analysed as:</b>			
ECD	13	4,935,355	3,467,544
Egmont	14	7,023,587	3,724,439
Copred - Roddenberry	15	12,572,974	-
Copred - Blood water	16	946,554	464,279
		-----	-----
		25,478,470	7,656,262
		=====	=====
<b>Represented by:</b>			
Bank balances		25,478,470	7,656,262
		=====	=====

## Community Partnership for Relief and Development

### Statement of Income and Expenditure for the year ended 31 December 2023

13. ECD	<u>2023</u> MK	<u>2022</u> MK
<b>Income</b>		
Donation from ECD	1,093,243	154,066
Exchange gain	1,923,004	978,480
Interest received	15,096	-
	-----	-----
	3,031,343	1,132,546
	-----	-----
<b>Expenditure</b>		
Staff costs	-	1,553,440
Office expenses	9,158	5,662
Program delivery/cost	1,554,374	-
	-----	-----
	1,563,532	1,559,102
	-----	-----
Surplus / (Deficit) for the year	1,467,811	(426,556)
Surplus brought forward	3,467,544	1,223,516
Transfer from Blood water	-	2,670,584
	-----	-----
Surplus carried forward	4,935,355	3,467,544
	=====	=====
<b>Represented by:</b>		
Bank - National Bank of Malawi plc - Dollar account	4,935,355	3,467,544
	=====	=====



## Community Partnership for Relief and Development

### Statement of Income and Expenditure for the year ended 31 December 2023

14. Egmont	<u>2023</u> MK	<u>2022</u> MK
<b>Income</b>		
Donation from Egmont	54,274,717	37,584,675
	-----	-----
<b>Expenditure</b>		
Staff costs	17,683,549	12,041,403
Office expenses	1,765,373	3,839,797
Travel and transport	134,000	710,000
Programme delivery/cost	31,392,647	18,669,596
	-----	-----
	50,975,569	35,260,796
	-----	-----
Surplus for the year	3,299,148	2,323,879
Surplus brought forward	3,724,439	1,400,560
	-----	-----
Surplus carried forward	7,023,587	3,724,439
	=====	=====
<b>Represented by:</b>		
Bank - National Bank of Malawi plc - Current account	7,023,587	3,724,439
	=====	=====

## Community Partnership for Relief and Development

### Statement of Income and Expenditure for the year ended 31 December 2023

	<u>2023</u> MK	<u>2022</u> MK
<b>15. Copred – Roddenberry</b>		
<b>Income</b>		
Donation	20,340,500	-
	-----	-----
<b>Expenditure</b>		
Staff cost	1,326,326	-
Programme delivery/cost	6,441,200	-
	-----	-----
	7,767,526	-
	-----	-----
Surplus for the year	12,572,974	-
	-----	-----
Surplus carried forward	12,572,974	-
	=====	=====
<b>Represented by:</b>		
Bank - National Bank of Malawi plc - Current account	12,572,974	-
	=====	=====

## Community Partnership for Relief and Development

### Statement of Income and Expenditure for the year ended 31 December 2023

	<u>2023</u> MK	<u>2022</u> MK
<b>16. Copred - Blood water</b>		
<b>Income</b>		
Donation	79,199,305	103,332,255
Exchange gains	1,049,401	-
Interest received	8,420	10,602
	-----	-----
	80,257,126	103,342,857
	-----	-----
<b>Expenditure</b>		
Staff cost	30,154,064	27,982,275
Office expenses	2,772,883	9,657,403
Transport and travel	1,719,500	2,034,021
Programme delivery/cost	45,128,404	61,911,900
	-----	-----
	79,774,851	101,585,599
	-----	-----
Surplus for the year	482,275	1,757,258
Surplus brought forward	464,279	1,377,605
Transfer to ECD	-	(2,670,584)
	-----	-----
Surplus carried forward	946,554	464,279
	=====	=====
 <b>Represented by:</b>		
Bank - National Bank of Malawi plc - Current account	87,034	324,243
Bank - National Bank of Malawi plc - Dollar account	859,520	140,036
	-----	-----
	946,554	464,279
	=====	=====