



A SCOTTISH CHARITABLE INCORPORATED ORGANISATION

Charity No. SC050781

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31st March 2025

Scotland Malawi Partnership

For the year ended 31 March 2025

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Scotland Malawi Partnership

Reference and administrative information

For the year ended 31 March 2025

The charity registration number of the Scotland Malawi Partnership (SMP) is SC050781.

Trustees

The trustees serving during the year and since the year end were as follows:

Prof. Jeremy Bagg	Chair		
John Wylie	Co Vice Chair		Dr Yonah Matemba
Susan Dalgety	Co Vice Chair		John Fanning
Dr Sharon Brown		Appointed 23 rd Nov 2024	Susan Dalgety
Bosco Chinkonda		Appointed 23 rd Nov 2024	Prof. Tracy Morse
Prof. Heather Cubie		Resigned 23 rd Nov 2024	Dr Rachel Phillips
Prof. Edward Duncan			Sally Rae
Dr Blessings Kachale			Kevin Simpson
Dr Barry Klassen			Dr Judith Turbyne
Davie Luhanga		Retired 23 rd Nov 2024	Emma Wood

Chief Executive

Stuart Brown

Honorary Co-Patrons

His Excellency Lazarus Chakwera
President of Malawi (ex officio)

HRH Princess Anne
The Princess Royal

Honorary Co-Presidents

Councillor Robert Aldridge
Lord Provost of the City of Edinburgh (ex officio)

Councillor Jacqueline McLaren
Lord Provost of the City of Glasgow (ex officio)

Bankers

Co-operative Bank
1 Balloon Street
Manchester
M60 4EP

Independent Examiner

Wbg Services LLP
168 Bath Street
Glasgow
G2 4TP

Registered Office

Room 3/1
Edinburgh City Chambers
High Street
Edinburgh
EH1 1YJ

Scotland Malawi Partnership

Report of the Trustees

For the year ended 31 March 2025 (continued)

The trustees present their annual report and financial statements of the charity for the year ended 31 March 2025. The financial statements have been prepared in accordance with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP FRS 102).

Objectives and activities

The Scotland Malawi Partnership SCIO (SMP), per its constitution, exists to coordinate, represent and support the many civic links between Scotland and Malawi. It is the national umbrella network for Scottish organisations and individuals involved with Malawi. The membership is diverse, consisting of schools, colleges, universities, churches, hospitals, international development organisations, businesses, charities, community organisations and individuals.

Our vision

To inspire and support Scottish society to work in solidarity with the people of Malawi in an informed, co-ordinated, and equitable way – ever mindful of the legacy of colonial rule - for the benefit of both nations.

The Scotland Malawi Partnership promotes a people-to-people model of development, rooted in the shared history between our two countries. It focuses on active relationships between people to foster a shared understanding of the development challenges facing Malawi and to support the formation of practical, sustainable solutions. It is through this friendship, trust and shared understanding that the people of Scotland and Malawi will be able to effect real and lasting change, both through their own activity and by influencing the policies and actions of governments, parliaments and national institutions. The model is predicated on mutuality of benefit, enabling both nations to overcome social challenges and meet the aspirations of the United Nations' Sustainable Development Goals.

Our mission is to:

- Embrace a just approach to global development, promoting mutually beneficial civil society partnerships to help address the primary challenges facing Malawi.
- Develop the SMP as an inclusive national network, in which all feel welcome to contribute, including diaspora communities and under-represented groups.
- Encourage and support children and young people to play a full role in the partnership between our two nations so that they can deepen and expand it for the future.
- Develop practical and sustainable solutions that will have a positive impact on Malawi society, through our own activity and by influencing the policies and actions of governments and institutions.
- Support our members and Scottish civil society to gain a deeper understanding of Malawi's development priorities and policies and how they can work in support of these.
- Act as a forum for encouraging best practice through sharing information and reciprocal learning and the provision of relevant training.
- Better understand and constructively challenge the power imbalance which exists between our two nations, and advance our cultural, political and economic understanding.
- Work with our sister network in Malawi, the Malawi Scotland Partnership (MaSP) to optimise our collective impact.
- Demonstrate the relevance of Scotland's civil society contribution to the attainment of the Government of Malawi's 'Vision 2063' and the UN Sustainable Development Goals.

Our work is underpinned by our Partnership Principles and guided by our core values of mutual respect and solidarity.

Achievements and performance

To improve readers' understanding we have aligned our achievements with our published strategic goals.

Scotland Malawi Partnership (SMP) events to connect, inform and share learning were highly rated by participants. There continued to be cross-party support and engagement from senior political and civic society leaders.

Scotland Malawi Partnership

Report of the Trustees

For the year ended 31 March 2025 (continued)

Public support

- Public interest online in SMP activity reached its highest level in recent years with over 29,000 newsletter opens, more than 130,000 website page views, 36,000 new website visitors and social media increases.

Connecting political leadership with civic society

- Key civic and political leaders from Scotland and Malawi, including Scotland's First Minister, High Commissioners of the UK and Malawi, the Lord Provosts of Edinburgh and Glasgow, cross-party MSPs, the Deputy Presiding Officer of the Scottish Parliament, the Moderator of the Church of Scotland and civic society leaders from a broad range of disciplines have continued to engage in and support the SMP's work.

- In August the SMP hosted the First Minister, the Cabinet Secretary responsible for International Development, the Deputy Co-Convener of the Malawi Cross-Party Group and Edinburgh's Lord Provost to meet over 80 key individuals and civic society organisations working in partnership with Malawi linking Civic Society, Government & Parliament.

Supporting & strengthening members' links

- 24 SMP events were held engaging over 1,500 people, plus a further 14 partnered/supported events attended by over 1,200 participants.
- 94% of respondents rated SMP events as "Excellent" or "Very Good".
- 93% of SMP event attendees say that participation in the past year strengthened their Malawi link.
- Positive and impactful contact with schools increased significantly on last year by recognising pressures on teachers and learners to get out of school and going into them instead. New partnerships and collaborations were created through close working with the Malawi Scotland Partnership (MaSP) and other partners. Malawi-specific resources on the UN's Sustainable Development Goals (SDGs) were produced and dynamic Malawians studying in Scotland continued to join school visits.

Commitment to Diversity, Equity & Inclusivity

- Our work on Diversity, Equity & Inclusivity included co-hosting a lecture by Prof. Wapulumuka Mulwafu, in partnership with the University of Strathclyde which was part of the Coalition for Racial Equality and Rights (CRER)'s series of events recognising 'Black History Month Scotland.'
- The SMP hosted highly regarded beginners' Chichewa classes, taught jointly by a member of the Malawian Diaspora in Scotland and a Scot.
- We provided 45 visa support letters for SMP Members' partners to come to Scotland and successfully led to one UK Gov rejection being re-evaluated and overturned.
- We further strengthened our Safeguarding, Human Resources and Audit & Finance capacities, with additional expertise to help ensure the wellbeing of all involved in SMP work. The SMP's Safeguarding policy was identified as an example of best practice by the Scottish Government.

Recognition of donor's core themes and members' needs in diverse programming

The SMP's programming has taken account of the Scottish Government's three key themes for international development of Health, Education and Gender.

Our April Food Security event enabled transparent and detailed exploration of how Scottish Government emergency funding was deployed in response to Malawi's climate emergency-induced state of disaster.

In an update from Give Directly, we amplified a progressive form of shifting the power to the Global South through unconditional direct cash transfers to some of Malawi's most marginalised communities.

Our Health Forum provided a platform for two of the first Malawian dentists graduating from the highly successful MalDent Project.

The importance of interpersonal relationships between Scottish and Malawian women as part of missionary life in Malawi was highlighted in a book launch event that we held jointly with the Mamie Martin Fund.

The SMP has been responsive to member needs and priorities and those of Malawi, hosting at the Annual Gathering a session with three successful fundraisers who shared tips on income generation.

Scotland Malawi Partnership

Report of the Trustees

For the year ended 31 March 2025 (continued)

In support of members, we have highlighted in our communications, changes to PVG legislation for regulated roles.

Road traffic collisions are the leading cause of death in young people in Malawi and as the Secretariat for the Malawi Cross-Party Group, we programmed an event in Holyrood on a multidisciplinary, multi-institutional Scotland-Malawi collaboration on this.

Our diverse, Malawi-relevant programming also included a lecture by Malawian livestock breeding and genetics expert, Prof Mizeck Chagunda on the Evolving Impact of Livestock on Malawi's Food, Culture & Environment.

Partnership & Collaboration

Partnership is at the core of all the SMP does. We partnered/supported 14 events engaging over 1,200 people. We continued to work closely with our sister organisation, the Malawi Scotland Partnership (MaSP). We collaborated with Scotland's International Development Alliance (SIDA) in their Spring conference, AGM and Annual Conference. We joined forces with SIDA in representing our members' concerns about UK Gov ODA cuts by writing to Scottish MPs and UK Gov ODA Ministers. With Scottish Fair Trade, we co-hosted an event with True Origin in Edinburgh platforming Malawian rice farmer Howard Msukwa.

We partnered in Youth & Schools' work the Children's Parliament in Scotland, Stemovators (formerly Young Engineers and Science Clubs Scotland), Edinburgh City Global Citizenship Project and Scotdec. In planning SMP and supported events, we partnered with multiple organisations in Malawi and Scotland, including the Scottish Parliament, Scottish Government-funded Global Renewables Centre, Cross-Party MSPs, Royal Society of Edinburgh, and representatives of the Government of Malawi. We supported the Association of Malawians' AGM and a representative of the SMP attended their Memorial Service for the late Vice-President Saulos Chilima.

We have had regular, positive engagement with the Malawi High Commission and have hosted the High Commissioner and Deputy High Commissioner arranging participation in SMP events, the SIDA Spring Conference, meetings with Scottish cross-party MSPs and civic leaders.

Independent evaluation

An independent evaluation of the SMP's work in 2024-25, undertaken by Chrissie Hirst (who continues to work with Corra Foundation, but undertook this as a freelance commission), concluded that the SMP has:

- successfully delivered on the outcomes and targets, some slightly adjusted for this 2024-25 extension year.
- continued to support member activity in a wide range of areas and consolidated its shift and balancing of greater online and digital engagement with in-person participation, including responding to shifts in user preference for different social media platforms; and,
- continued to advance exchange on diversity, equity and de-colonisation through events and discussion, and through supporting the development of valuable and authentic new practice for global citizenship learning – as well as developing work with a more articulated focus on gender equality for implementation in the coming year.

It further concluded:

"This assessment has found good evidence of progress in relation to the logframe for the great majority of indicators at impact, outcome and output level, with many exceeded...

...the renewed youth and schools work, as well as SMP's wider public awareness work, only grows in importance – widening and enhancing understanding of global citizenship in Scotland will be crucial in generating political support for the future and this is an area where SMP is well-placed to continue playing an important role."

Going concern and post-balance sheet events

The SMP's work is largely dependent on grants from the Scottish Government. Other grants and donations are received from time-to-time, mostly for specific restricted purposes.

SMP is revisiting the budget with Scottish Government within the same overall framework in order to reflect hybrid methods, partly in-person and partly online.

Scotland Malawi Partnership

Report of the Trustees

For the year ended 31 March 2025 (continued)

The trustee have reviewed:

- These financial statements,
- Grant funding available;
- The budget for the year;
- Cash reserves; and
- Performance to date.

Taking all of the foregoing into account, the trustees have formed the view that the Charity remains a Going Concern and has adequate funds in place to sustain its on-going operations.

Financial Review

Results for the year

The results for the year are as stated in the Statement of Financial Activities on page 9.

The Charity had unrestricted fund income amounting to £19,562 (2024: £25,379) and unrestricted fund expenditure of £30,257 (2024: 49,594) resulting in a net deficit for the year of £10,695 (2024: £24,215). The movements on restricted funds are confirmed in pages 9 and 19 to 20.

The Charity continued to operate as a charity between 1 April 2024 and 31 March 2025 wholly in terms of its objectives, details of which have been submitted to OSCR.

Risk Management

The Charity has for a number of years actively managed its risk profile. There is principal risks faced by the Charity:

Early in 2025, a new risk was added: "Loss of UK bilateral funding". The closure of much of USAID removes \$60B/60% of global humanitarian aid. The reduction of UK ODA in 2027 from 0.5% GNI to 0.3% risks zero budget remaining for UK bilateral aid if UK Climate Finance & Multilateral commitments are maintained. This will have direct and indirect impacts on Malawi and may affect Scotland's budget from Westminster.

The Board regularly reviews all of the risks to which the charity is exposed and the procedures in place to manage these risks.

Reserves policy

The Charity has considered the reserves required and has taken into account the current and future liabilities. The Trustees aim to maintain free reserves in unrestricted funds at a level which equates to approximately three months of unrestricted charitable expenditure.

From time to time, part of this expenditure will be funded from restricted grants. No adjustment has been made to the level of reserves required to reflect this. Crystallisation of the risk resulting in winding up the charity would be most likely to occur if the grant from the Scottish Government was not renewed at the end of a funding period.

The Audit and Finance Committee (AFC) reviews annually the level of funding that would be required. There are several models that could be used to continue charitable activities in a sustainable way; these mainly depend on the extent to which staffing levels are maintained or reduced. The level of reserves that the AFC is currently recommending to the Board is £70,000. This is under regular review and subject to change.

In the event that the Scottish Government funding ended early or not be renewed, the Trustees and staff would use the 3-month period to source alternative funds.

An analysis of Net Assets between Reserve Funds is disclosed in Note 13 of the accounts. At 31 March 2025, the AFC recommended maintaining free reserves in excess of £70,000.

Plans for the future

In line with our 5-year strategic plan, we shall continue to focus on:

1. **Showcasing the impact of our members** with further events in the touring photographic exhibition of the work of SMP members and their partners.

Scotland Malawi Partnership

Report of the Trustees

For the year ended 31 March 2025 (continued)

2. **Supporting members & their Malawi partners through networking** with in-person, online and hybrid opportunities.
3. **Building a financially sustainable future for SMP** by drawing on the expertise of our Fundraising Task & Finish Group and Funding Development Consultant.
4. **Maximising the SMP's potential** by exploring opportunities to maximise the experience and reputation of the SMP network.

Structure, Governance and Management

Governing Document

The Scotland Malawi Partnership is a Scottish Charitable Incorporated Organisation (SCIO) registered in Scotland; and registered as a Scottish charity, number SC050781. It is governed by its Constitution.

Appointment of New Trustees (Board Members)

New Trustees are appointed at the Annual General Meeting. All Trustees take policy decisions at regular Trustees' meetings. Trustees are asked to serve on one or more sub-Committees from time to time.

Recruitment of new Trustees

The President usually holds office for two years. Other office bearers, Vice President and Treasurer, are eligible for re-election at the AGM. New office bearers are proposed by the Board from people who have the necessary skills.

Five trustees are appointed as a consequence of their being the Chair of their regional committee. All other trustees are proposed and appointed to ensure that there is a balance of skills within the Board.

Induction and training of Trustees

New Board members are briefed on their legal obligations under charity law, the content of the Constitution, the decision-making processes and recent performance of the charity. They also receive a Trustee Handbook, last updated in 2023. Where appropriate, ongoing training is provided on relevant topics.

Structure

The Board decide the policy and programme of the charity and meet on a quarterly basis or more often if necessary.

Key management personnel remuneration

The Trustees consider themselves to comprise the key management personnel of the Charity in charge of directing and controlling the charity. Trustees meet up to six times a year. There are two formal sub-Committees of the Board of Trustees: a

- Audit and Finance Committee; and
- Human Resources Committee which meet regularly.

Ad hoc short-term Task and Finish Groups are set up as and when required.

The Charity is under the day-to-day control of the Chief Executive, Stuart Brown, who reports to the Board.

All trustees give of their time freely and no remuneration was paid to them during in the year in respect of their duties as a trustee. Details of trustee expense payments are disclosed in note 3.

Trustees are required to disclose all relevant interests and register them with the Board Secretary and, in accordance with the Charity's policy, to withdraw to from decisions where a conflict of interest arises.

Reference and administrative information

The information is contained in page 1 of the report.

Trustees' responsibilities in relation to the financial statements

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Scotland Malawi Partnership

Report of the Trustees

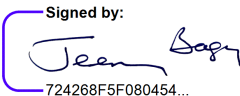
For the year ended 31 March 2025 (continued)

The law applicable to charities in Scotland requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charity Accounts (Scotland) Regulations 2006, and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Signed by:

724268F5F080454...

Prof. Jeremy Bagg
Chair

17 December 2025

Scotland Malawi Partnership

Independent Examiner's Report to the trustees

For the year ended 31 March 2025

I report on the accounts of the Charity for the year ended 31 March 2025 which are set out on pages 9 to 21.

Respective responsibilities of committee and independent examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity's trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44 (1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of Independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the Society and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the Council concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given in the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with Section 44 (1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
- to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations

have not been met, or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed by:



Q575527041FA406...

Claire Dalrymple FCCA

Wbg Services LLP
168 Bath Street
Glasgow
G2 4TP

17 December 2025

Scotland Malawi Partnership

Statement of financial activities

For the year ended 31 March 2025

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
Income from:					
Grants and donations	4	19,403	242,536	261,939	267,591
Investment income	5	159	-	159	324
Total income		19,562	242,536	262,098	267,915
Expenditure on:					
Charitable activities	7	30,257	242,449	272,706	289,320
Total expenditure		30,257	242,449	272,706	289,320
Net (expenditure)/income		(10,695)	87	(10,608)	(21,405)
Transfers between funds		-	-	-	-
Net movement on funds		(10,695)	87	(10,608)	(21,405)
Fund balances brought forward	13	86,204	12,965	99,169	120,574
Fund balances carried forward	13	75,509	13,052	88,561	99,169

Scotland Malawi Partnership

Balance Sheet

At 31 March 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	9	801	1,602
Current assets			
Debtors	10	637	421
Cash at bank		104,968	113,733
		105,605	114,154
Creditors – amounts falling due within one year	11	(17,845)	(16,587)
Net current assets		87,760	97,567
Net assets		88,561	99,169
Funds			
Unrestricted funds	13	75,509	86,204
Restricted funds	13	13,052	12,965
Total charitable funds		88,561	99,169

The notes on pages 11 to 21 form part of these accounts.

The financial statements were approved and signed on behalf of the Board of the Charity on 17 December 2025.

Signed by:



DD5A56F53192426...

John Fanning

Honorary Treasurer

Scotland Malawi Partnership

Notes to the Financial Statements

For the year ended 31 March 2025 (continued)

1. Statutory information

The Scotland Malawi Partnership is a Scottish Charitable Incorporated Association (SCIO) which was registered in its current legal form on 17th February 2021. The charity was previously a Company Limited by Guarantee which transferred its assets to the SCIO on 1st April 2021.

The Charity's registration number and registered office address can be found on the Reference and Administrative Details on page 1.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

2. Accounting Policies

The principal accounting policies adopted, judgement and key sources of estimation and uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation and assessment of going concern

The financial statements have been prepared under the historical cost convention unless otherwise specified, within these accounting policies and in accordance with:

- United Kingdom Accounting Standards, including Financial Reporting Standard 102. 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ("FRS 102") (United Kingdom Generally Accepted Accounting Practice);
- Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP - FRS 102);
- Update Bulletin 1 to the SORP published in February 2016;
- The Charities and Trustee Investment (Scotland) Act 2005; and
- The Charities Accounts (Scotland) Regulations 2006.

Advantage has been taken of the exemption permitted in section 1A of FRS102 not to prepare a Cash Flow Statement and accompanying notes.

The Scotland Malawi Partnership meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant notes to these accounts.

b) Going Concern

The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items as fair value. The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern as it has sufficient available funds to meet its anticipated expenditure. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Scotland Malawi Partnership

Notes to the Financial Statements

For the year ended 31 March 2025 (continued)

2. Accounting Policies (continued)

d) Income recognition

All income is recognised once the charity has entitlement to the income, there is sufficient certainty or receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Donations and grants are recognised when they have been communicated in writing with notification of both the amount and settlement date. In the event that a donation or grant is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity, and it is probable that those conditions will be fulfilled in the reporting period.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Interest on funds held on deposit is included upon notification of the interest paid or payable by the Bank.

e) Government and other grants

Government and other grants are recognised at fair value when the charity has entitlement, after any performance condition is met, where it is probably that the income will be received, and the amount can be measured reliably.

f) Donated services

The society benefits greatly from the involvement and support of its volunteers. In accordance with FRS 102 and the Charity's SORP (FRS 102) economic contribution of volunteers is not recognised in the accounts.

g) Expenditure recognition

Expenditure is recognised as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the statement of financial activities.

All expenditure relates to charitable actions and governance costs being an Independent Examiner, bookkeeper and investment manager.

Scotland Malawi Partnership

Notes to the Financial Statements

For the year ended 31 March 2025 (continued)

2. Accounting Policies (continued)

h) Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

i) Tangible fixed assets and depreciation

All assets costing more than £1,000 individually are capitalised and valued at historical cost. Depreciation is charged from the month of acquisition on operating assets at 20% straight line.

j) Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

k) Fixed asset investments

Investments are initially recognised at their transaction value and subsequently measured by the investment manager at their market value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

l) Stocks

The stock of merchandise on hand is valued at the lower of cost price or net realisable value.

m) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

n) Cash at bank and in hand

Cash at bank and cash in hand includes costs and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

p) Pension contributions

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable. At the year-end £1,778 of contributions remained to be paid over to the provider (2024: £1,707).

Scotland Malawi Partnership

Notes to the Financial Statements

For the year ended 31 March 2025 (continued)

2. Accounting Policies (continued)

q) Financial instruments

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are finally recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are realistically measured at amortised cost using the effective interest method.

r) Realised gains and losses

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

s) Taxation

No provision for corporation tax is necessary as the charity does not trade. The charity suffers input VAT on some of its expenditure which it is unable to recover.

Scotland Malawi Partnership

Notes to the Financial Statements

For the year ended 31 March 2025 (continued)

3 Related party transactions and trustees' expenses and remuneration

The trustees were not paid nor received any other benefits from employment or other beneficial interest arising from the charity. The value of travel expenses paid to 4 trustees during the year was £1,642 (2024: £nil).

Payments to the key management personnel of the charity in the year amounted to £50,000 (2024: £49,266).

	Unrestricted Funds £	Restricted Funds £	Total £
4 Grants and donations 2025			
Scottish Government Core Grant	-	242,536	242,536
Donations	19,403	-	19,403
	<u>19,403</u>	<u>242,536</u>	<u>261,939</u>
Grants and donations 2024			
Scottish Government Core Grant	-	242,536	242,536
Donations	25,055	-	25,055
	<u>25,055</u>	<u>242,536</u>	<u>267,591</u>
5 Investment income 2025			
Bank interest	159	-	159
	<u>159</u>	<u>-</u>	<u>159</u>
Investment income 2024			
Bank interest	324	-	324
	<u>324</u>	<u>-</u>	<u>324</u>

Scotland Malawi Partnership

Notes to the Financial Statements

For the year ended 31 March 2025 (continued)

	Governance costs £	Support costs £	Total £	Basis of Apportionment £
6 Allocation of governance and support costs 2025				
Staff costs	19,597	176,367	195,964	Staff time
Other staff related costs	2,379	21,414	23,793	Staff time
Office rental and operating costs	9,835	26,880	36,715	Direct
	<u>31,811</u>	<u>224,661</u>	<u>256,472</u>	
Allocation of governance and support costs 2024				
Staff costs	19,103	171,928	191,031	Staff time
Other staff related costs	2,956	26,606	29,562	Staff time
Office rental and operating costs	8,071	29,470	37,541	Direct
	<u>30,130</u>	<u>228,004</u>	<u>258,134</u>	

Allocation on staff time is based on an analysis of the time spent by the Chief Executive. Direct is where certain expenses are paid direct from a specific fund.

	2025 £	2024 £
Governance costs		
Trustee expenses	2,066	-
Costs of meetings	-	562
Independent examiner's fee	1,625	1,860
Support costs	31,811	30,130
	<u>35,502</u>	<u>32,552</u>

The total support cost attributable to charitable expenditure is then apportioned to the various categories of charitable expenditure. As most of the support costs are funded from the Scottish Government core grant, they are allocated mainly to that grant, as follows:

Allocation of governance and other support costs

Member engagements	272,706	289,320
	<u>272,706</u>	<u>289,320</u>

Scotland Malawi Partnership

Notes to the Financial Statements

For the year ended 31 March 2025 (continued)

	Direct costs £	Support & Governance costs £	Other support costs £
7 Analysis of charitable expenditure 2025			
<i>Unrestricted funds</i>			
Member engagements	26,585	2,871	29,456
Depreciation	801	-	801
	27,386	2,871	30,257
<i>Restricted funds</i>			
Member engagements	209,818	32,631	242,449
	237,204	35,502	272,706
Analysis of charitable expenditure 2024			
<i>Unrestricted funds</i>			
Member engagements	33,954	7,999	41,953
MaSP Grants and costs	4,998	-	4,998
Depreciation	2,643	-	2,643
	41,595	7,999	49,594
<i>Restricted funds</i>			
Member engagements	210,952	28,774	239,726
	252,547	36,773	289,320
		2025	2024
		£	£
8 Staff costs			
Wages and salaries		195,963	191,031
Social security costs		14,135	18,453
Pension costs		9,658	10,897
		219,756	220,381
Average monthly number of employees		6	6

No employee earned £60,000 or more in 2025 or 2024.

Key management personnel for the year consisted of the board of trustees and the Chief Executive Officer. The Trustees received no remuneration in the year. Key management personnel were remunerated as follows:

Scotland Malawi Partnership

Notes to the Financial Statements

For the year ended 31 March 2025 (continued)

			2025	2024
			£	£
8	Staff costs (continued)			
	Key management personnel remuneration			
	Wages and salaries		50,000	49,266
	Social security costs		5,644	5,562
	Pension costs		2,500	2,463
			<u>58,144</u>	<u>57,291</u>
9	Tangible fixed assets	Operating Assets		
		£		Total
				£
	<i>Cost or valuation</i>			
	At 1 st April 2024	12,151		12,151
	Additions	-		-
	Disposals	-		-
	At 31 st March 2025	<u>12,151</u>		<u>12,151</u>
	<i>Depreciation</i>			
	At 1 st April 2024	10,549		10,549
	Charge for the year	801		801
	Disposals	-		-
	At 31 st March 2025	<u>11,350</u>		<u>11,350</u>
	<i>Net book value</i>			
	At 31 st March 2025	<u>801</u>		<u>801</u>
	At 31 st March 2024	<u>1,602</u>		<u>1,602</u>
			2025	2024
			£	£
10	Debtors			
	Other debtors and prepayments		637	421
			<u>637</u>	<u>421</u>

Scotland Malawi Partnership

Notes to the Financial Statements

For the year ended 31 March 2025 (continued)

11 Creditors

Amounts falling due within one year

Amounts due to HMRC	5,533	5,249
Amounts due in respect of pension contributions	1,778	1,707
Other creditors	587	286
Accruals	9,217	9,345
Deferred income (note 12)	730	-
	17,845	16,587
	2025	2024
	£	£

12 Deferred income

Balance as at 1 April 2024	-	-
Amount released to income in the year	-	-
Amount deferred in year	730	-
	730	-
Balance as at 31 March 2025	730	-

Deferred income comprises fee income which relates to the 2025/26 period.

13 Statement of funds

2025	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2025 £
<i>Unrestricted funds</i>					
General funds	84,602	19,562	(29,456)	-	74,708
Designated funds	1,602	-	(801)	-	801
Unrestricted funds total	86,204	19,562	(30,257)	-	75,509
<i>Restricted funds</i>					
Scottish Government Core	2,594	242,536	(242,449)	-	2,681
Global Goals Fund	947	-	-	-	947
Other Grants	5,001	-	-	-	5,001
Scholarships Fund	4,423	-	-	-	4,423
Restricted funds total	12,965	242,536	(242,449)	-	13,052
Total funds	99,169	262,098	(272,706)	-	88,561

The Restricted Funds represent funds received and raised for specific purposes. A detailed schedule follows.

The Unrestricted Fund represents the unrestricted funds which the trustees of the Charity is free to use in accordance with the charitable objects.

Scotland Malawi Partnership

Notes to the Financial Statements

For the year ended 31 March 2025 (continued)

13 Statement of funds (continued)

2024	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2024 £
<i>Unrestricted funds</i>					
General funds	106,174	25,379	(46,951)	-	84,602
Designated funds	1,842	-	(2,643)	2,403	1,602
Unrestricted funds total	108,016	25,379	(49,594)	2,403	86,204
<i>Restricted funds</i>					
Scottish Government Core	2,187	242,536	(239,726)	(2,403)	2,594
Global Goals Fund	947	-	-	-	947
Other Grants	5,001	-	-	-	5,001
Scholarships Fund	4,423	-	-	-	4,423
Restricted funds total	12,558	242,536	(239,726)	(2,403)	12,965
Total funds	120,574	267,915	289,320	-	99,169

The restricted funds of the Society and the purposes for which they have been given are:

Restricted fund name	Purpose
Scottish Government Core	The Scottish Government core grant represents funds received from the Scottish Government for the running of the charity. These are eligible to be disbursed for the purposes set out by the Scottish Government in agreements signed with them from time to time.
Global Goals Fund	These funds were awarded to make micro-grants to support small organisations and NGOs including those active in delivering girls' education in Malawi.
Other Grants	Other Grants represent several small grants made to Scotland Malawi Partnership for the purpose of delivering their charitable objects.
Scholarships Fund	These funds relate grants used to promote the David Livingstone scholarship and the Thomson Scholarship among others.

14 Analysis of net assets between funds 2025	Fixed Assets £	Current Assets £	Cash £	Current Liabilities £	Total £
Unrestricted funds	801	637	91,916	(17,845)	75,509
Restricted funds	-	-	13,052	-	13,052
	801	637	104,968	(17,845)	88,561
Analysis of net assets between funds 2024	Fixed Assets £	Current Assets £	Cash £	Current Liabilities £	Total £
Unrestricted funds	1,602	421	93,812	(9,631)	86,204
Restricted funds	-	-	19,921	(6,956)	12,965
	1,602	421	113,733	(16,587)	99,169

Scotland Malawi Partnership

Notes to the Financial Statements

For the year ended 31 March 2025 (continued)

15 Pension commitments

The company pays into the personal pension plans of certain staff members. The assets of the schemes are held separately from those of the company in independently administered funds. Contributions paid during the year amounted to £9,658 (2024: £10,897). At the balance sheet date unpaid contributions of £1,778 (2024: £1,707) were due.

16 Events after the reporting date

There are no events occurring after the reporting date which require to be disclosed in these financial statements.

17 Prior year Statement of Financial Activities

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
Income from:					
Donations and legacies	3	25,055	242,536	267,591	266,307
Investment income	4	324	-	324	286
Total income		25,379	242,536	267,915	266,593
Expenditure on:					
Charitable activities	7	49,594	239,726	289,320	270,238
Total expenditure		49,594	239,726	289,320	270,238
Net income		(24,215)	2,810	(21,405)	(3,645)
Transfers between funds	13	2,403	(2,403)	-	-
Net movement on funds		(21,812)	407	(21,405)	(3,645)
Fund balances brought forward	13	108,016	12,558	120,574	124,219
Fund balances carried forward	13	86,204	12,965	99,169	120,574