

Company number: SC294378

Charity number: SC037048

THE SCOTLAND MALAWI PARTNERSHIP

Report of the Trustees

And

Unaudited Financial Statements

For the year ended 31 March 2021

Report of the Trustees for the year ended 31 March 2021

The Trustees are pleased to present their annual Trustees' Report together with the financial statements of the charity for the year ended 31 March 2021 which are also prepared to meet the requirements for a directors' report and accounts for the Companies Act (2006).

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Memorandum and Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 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.

Objectives and activities

The Scotland Malawi Partnership (SMP), per its Articles of Association, 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.

Objectives

Our Vision:

The SMP exists to inspire the people and organisations of Scotland to be involved with Malawi in an informed, respectful, dignified, coordinated and effective way to 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.

Report of the Trustees for the year ended 31 March 2021 (continued)

Our Mission:

We aim to foster links, consistent with our Partnership Principles (www.tinyurl.com/SMPPprinciples), between the two nations, and encourage the advancement of sustainable development in Malawi by:

- Informing and inspiring civil society in Scotland about the work of the Partnership, the unique shared history between Scotland and Malawi, and the development challenges facing Malawi, in order to increase public support for extending and enriching the relationship between the two nations.
- Seeking to employ an alternative model of international development, based on mutually beneficial civil society partnerships and links, and advocating its wider employment elsewhere.
- Acting as a forum for encouraging best practice amongst members through the provision of training and the sharing of ideas, processes and information.
- Encouraging a reduction in the duplication of effort in Malawi by facilitating networking, cultivating collaboration, promoting shared learning and raising awareness of existing initiatives.
- Developing support mechanisms which can lead to an exchange of people and/or advance cultural, political or economic understanding between Scotland and Malawi.
- Providing a platform that informs our members of activities, opportunities or items of significance arising in either Scotland or Malawi.
- Demonstrating the relevance of Scotland's civil society contribution to the attainment of the Government of Malawi's Growth and Development Strategy III, the Scottish Government's International Development Strategy and the UN Sustainable Development Goals.

Our Values:

Our Values describe our approach; our Vision and Mission can only be achieved if staff, Directors, member organisations and associate members hold these values:

- Mutual respect – We recognise that the historic bilateral civil society relationship between Scotland and Malawi is built on trust and mutual respect and we celebrate its inherent reciprocity.
- Cooperation - We foster a spirit of cooperation, building partnerships and alliances in pursuit of our objectives, avoiding duplication and forging creative ways to work together.
- Internationalism - We stand in the tradition of Scottish internationalism, resisting isolationism and xenophobia, believing that Scotland's strength lies in building strong relationships with nations elsewhere in the world.
- Member-led – We seek to be keenly attentive to the needs and aims of our members, allowing their priorities to shape our direction. Paramount in all our work is provision of the highest possible quality of service to our members.
- Continuous improvement – We continuously strive to improve the quality of our service, as perceived by our members, to encourage viable, ethical development activity between our members and their Malawian counterparts.
- Visible collaboration – We understand the sector(s) in which our members are operating, both in Scotland and Malawi, and foster collaboration in order to maximise impact.
- Social Justice – Staff, Directors and members are committed to encouraging links between Scotland and Malawi, to reduce poverty, promote justice and relieve suffering in Malawi. To achieve that, we all have a role to play in managing our own development and in being supportive of others.

Report of the Trustees for the year ended 31 March 2021 (continued)

Partnership Principles:

Planning and implementing together

Appropriateness

Respect, trust and mutual understanding

Transparency and Accountability

No one left behind

Effectiveness

Reciprocity

Sustainability

Do no **H**arm:

Interconnectivity

Parity (equality):

Operational Activity:

SMP events:

In 2020/21 the SMP hosted 35 events attended by 1,966 people and a further 13 SMP co-hosted events attended by 969 people, with a total overall attendance of 2,935. Due to Covid-19 restrictions, all events took place digitally, mostly on Zoom.

2020/21 Solely SMP Events:

1. Covid Coordination meeting 2:	24/04/2020 (74 attendees)
2. Covid Coordination meeting 3:	13/05/2020 (96 attendees)
3. Covid Coordination meeting 5	03/06/2020 (106 attendees)
4. Chichewa Challenge 1, session 1	11/06/2020 (15 attendees)
5. Chichewa Challenge 1, session 2	18/06/2020 (15 attendees)
6. Chichewa Challenge 1, session 3	25/06/2020 (15 attendees)
7. Covid Coordination meeting 6	01/07/2020 (98 attendees)
8. Chichewa Challenge 1, session 4	02/07/2020 (15 attendees)
9. Chichewa Challenge 1, session 5	09/07/2020 (15 attendees)
10. Chichewa Challenge 1, session 6	16/07/2020 (15 attendees)
11. Covid Coordination meeting 8	29/07/2020 (108 attendees)
12. Faith Forum	27/08/2020 (47 attendees)
13. Covid Coordination meeting 9	03/09/2020 (120 attendees)
14. Chichewa Challenge 2, session 1	10/09/2020 (14 attendees)
15. Chichewa Challenge 2, session 2	17/09/2020 (14 attendees)
16. Chichewa Challenge 2, session 3	24/09/2020 (14 attendees)
17. Chichewa Challenge 2, session 4	01/10/2020 (14 attendees)
18. SMP AGM (and Covid meeting 10):	03/10/2020 (394 attendees)
19. Chichewa Challenge 2, session 5	08/10/2020 (14 attendees)
20. Chichewa Challenge 2, session 6	29/10/2020 (14 attendees)
21. Chichewa Challenge 2, session 7	22/10/2020 (14 attendees)

Report of the Trustees for the year ended 31 March 2021 (continued)

22. 'Malawi@COP26' Meeting 2:	05/11/2020 (53 attendees)
23. Education Forum:	03/12/2020 (51 attendees)
24. Roundtable with British High Commissioner:	14/12/2020 (64 attendees)
25. 'Malawi@COP26' Meeting 3:	14/01/2021 (56 attendees)
26. Youth and Schools Forum:	26/01/2021 (86 attendees)
27. Oxygen Supply Coordination Group:	02/02/2021 (26 attendees)
28. Covid Coordination meeting 13:	23/02/2021 (79 attendees)
29. Young Voices on Climate Change:	16/03/2021 (42 attendees)
30. Young Voices on Race and Equality:	17/03/2021 (35 attendees)
31. Meet the Youth Leaders 1:	17/03/2021 (41 attendees)
32. Young Voices on Climate Justice:	18/03/2021 (57 attendees)
33. Meet the Youth Leaders 2:	18/03/2021 (38 attendees)
34. Meet the Youth Leaders 3:	19/03/2021 (63 attendees)
35. SMP Extraordinary General Meeting:	24/03/2021 (44 attendees)

Total attendance: 1,966

2020/21 SMP Co-Hosted Events:

1. Covid Coordination meeting 4 w/ Alliance	21/05/2020 (15 booked through SMP)
2. Schools Forum w/ HOWDEC	27/05/2020 (14 attendees)
3. Covid Coordination meeting 7 (CPG/APPG)	06/07/2020 (51 attendees)
4. Malawi Cross Party Group (CPG):	23/09/2020 (46 attendees)
5. Covid Coordination meeting 11 (APPG):	28/10/2020 (49 attendees)
6. Malawi CPG - Malawi's youth voice on climate:	18/11/2020 (69 attendees)
7. Book Launch – 'Politics, Christianity and Society in Malawi':	28/11/2020 (38 attendees)
8. MaSP AGM:	11/12/2021 (67 attendees)
9. Covid Coordination meeting 12 (CPG/APPG)	25/01/2020 (296 attendees)
10. MaSP Youth Forum:	23/02/2021 (49 attendees)
11. Book Launch: 'The Spirit of Malawi':	25/02/2021 (165 attendees)
12. MaSP Symposium:	11/03/2021 (65 attendees)
13. Equity and Diversity at COP26 Webinar:	26/03/2021 (45 attendees)

Total attendance: 969

Full details of all the above events can be found at:
www.scotland-malawipartnership.org/news-events/past-events/

Covid-19 Response:

Strategic response:

The Covid-19 pandemic presented a significant challenge to Scotland and Malawi, and consequently for the SMP. The Partnership moved quickly from mid-March 2020 to disseminate news and information to Members and to prepare itself for an extended period of home-working. The migration to home-working worked well overall, with all staff supported to work from home, and face-to-face meetings and engagements successfully moved to digital platforms.

Report of the Trustees for the year ended 31 March 2021 (continued)

The Board of Directors recognised from the outset the sheer scale of the crisis. The fact that Scotland-Malawi links have been so significantly disrupted, and the fact that it will not be possible to convene face-to-face meetings for so long, all meant that significant strategic thought was required. It was not enough to simply move existing SMP plans unthinkingly to digital platforms. Instead, the SMP thought afresh what support, services and advice it should most usefully be offering its members in this challenging new reality.

The SMP published in May 2020 a '[Covid-19 Response Strategy](#)' outlining four key strategic priorities which will underpin its work through the coming year:

- **CONTINUITY:** We will adapt and evolve our current work and plans to ensure business continuity, wherever this desirable, appropriate and possible.
- **SUPPORT:** We will deliver additional, tailored support to those affected by the crisis, including: members, those in Malawi, travel partners, and our staff.
- **INNOVATION:** We recognise that there are many challenges but also opportunities, including to develop innovative new digital modes of support and sharing. We will specifically look to develop innovative new services and support for school and youth groups who have had to cancel long-planned Malawi trips.
- **INSPIRATION:** We will look to inspire our members, the public and the media with stories of Scotland-Malawi collaboration, to keep members' spirits up and ensure we remain an outward-looking country, investing in the future of our 160-year old friendship with Malawi.

Managing Covid risk:

Rather than update the existing organisational risk register, the situation was so exceptional and far reaching, that the Partnership developed an additional Covid-19 Risk Register (www.tinyurl.com/SMPCovidRisk).

The Covid Risk Register examined risk across three categories:

- (1) Risk within the SMP, where the SMP has *direct* risk exposure

This is broken down into:

- (a) internal risks,
- (b) operational risks, and
- (c) financial risks];

- (2) Risk with Members, where the SMP has *indirect* risk exposure and needs to offer support, and;

- (3) Risk with Malawi, again, where the SMP has *indirect* risk exposure.

For each, the Register quantifies risk, gives commentary, and identifies mitigating and adaptive actions.

The Covid-19 Risk Register sets out the key steps taken to mitigate the most significant pandemic related risks. This register, and the accompanying corporate risk register, were kept updated and revised through the year by both the Board and the Audit & Risk Committee.

Covid support and coordination services:

Throughout 2020/21 the SMP was active giving support and advice to its members, the public and partners in Malawi, to assist the national response to Covid-19.

Report of the Trustees for the year ended 31 March 2021 (continued)

The SMP hosted 13 major Covid-19 coordination Zoom meetings, working with the Malawi Presidential Covid taskforce, often at a Ministerial level, with a total attendance of over 1,465. These digital meetings brought together members, key stakeholders and experts to share information about Covid-19 in Malawi.

Each meeting often attracted 100-250 key stakeholders across Malawi and Scotland, including: Government Ministers, Parliamentary Groups, and healthcare and NGO leaders across both countries. A total of 641 organisations and key individuals took part in an SMP Covid Coordination meeting.

94% of the 414 that have given feedback on the SMP's Covid coordination work rated it as 'excellent' or 'very good' and said the SMP's support had strengthened their link with Malawi.

In support of Malawi's Covid-19 response, the SMP also:

- Supported 21 Scotland-Malawi Covid fundraising appeals, leveraging donations from across the UK, with many of these funds reporting they exceeded targets.
- Established a Scotland-Malawi Oxygen Supply Coordination Group and hosted its own emergency appeal, raising over £40,000 for emergency support of oxygen provision in Malawian hospitals.
- Created a Covid digital web-hub for the sharing of news, resources and information.
- Agreed Scotland-Malawi Covid-19 Response Principles of Best Practice for funders and NGOs, after consultations across Scotland and Malawi.
- Shared a variety of perspectives on Covid through blogs, articles and videos from Malawians and Scots on the ground.

Covid impact in Malawi:

For most of 2020-21, Malawi seemed to avoid the worst of the Covid-19 pandemic, with relatively very low official numbers of Covid-related deaths. This seemed to increase significantly in January-February 2021 and the SMP accordingly doubled its own support and coordination work, also launching an exceptional emergency appeal to support oxygen delivery in Malawian hospitals. Numbers quickly reduced in Malawi and the year ended with only around 1,100 reported Covid related deaths.

While we welcome these comparably low numbers, we do so with caution as we fear these figures very significantly understate the true level of Covid mortality, due to the challenges collecting and collation data in Malawi. We also recognise that the limited healthcare infrastructure in Malawi, combined with the slow vaccine roll out, means Malawi remains disproportionately vulnerable, we fear, to further waves and new variants. We continue to work closely with our partners in Malawi therefore in our shared fight against Covid-19.

Other Major (non-Covid) Outputs:

While supporting and coordinating the joint Covid-19 response was the main focus of the SMP in this year, the charity also had a number of our significant outputs in support of the bilateral relationship and its members work, including:

- **'Chichewa Challenge'**: We worked to support our members to use their time while locked down and working from home to improve their Malawi language skills. These digital courses were delivered by a Malawian and a Scottish teacher, together, offering language tuition but also cultural insights for those planning to visit Malawi after restrictions are eased.

Report of the Trustees for the year ended 31 March 2021 (continued)

- **Member Forums:** We brought together members digitally around specific thematic areas to disseminate information, share members' learning and experience, and listen to colleagues in Malawi. These included a Faith Forum, an Education Forum (with the Malawian Minister of Education), a Health Forum (with the Minister for Health), and others.
- **Member Roundtable Meetings:** We hosted a number of roundtable digital meetings for Members to meet key decision-makers and stakeholders in the bilateral relationship including, for example, the new British High Commissioner to Malawi and the Scottish Government's International Development Minister.
- **David Livingstone Legacy videos:** We have a long-term partnership with the David Livingstone Birthplace Centre in Blantyre, Scotland, and have been working together to ensure a diverse range of views about Livingstone's legacy are well represented at the newly refurbished Centre, which is due to open later in 2021. We have been commissioned by the Centre to produce 32 short videos from a diverse range of Malawians, Zambians, Scots and others from nations visited by Livingstone, sharing their views on his legacy. We have actively sought to highlight alternative assessments of Dr Livingstone's legacy, both positive and negative, such that we do not fall back on a single narrative of our shared history or risk air brushing more challenging elements of our history.
- **Years of Governance Strengthening:** We made 2020 our 'Year of Governance Strengthening' and decided to extend this to include all of 2021 given Covid-related delays in the project. Malawi had significant success in this area in 2020: it was named *The Economist's* 'Country of the Year' due to the fact that research found Malawi was the only country to have strengthened its governance in 2020, whereas 80 nations had had their democracies weakened through the pandemic. Through this year the SMP worked to develop all three strands of its 'Years of Governance Strengthening' campaign: strengthening its own governance with a new constitution; supporting members to strengthen their organisational governance; and developing new channels to strengthen governance in innovative ways, in both nations, through the bilateral relationship. In this third strand, the SMP developed a major new initiative with leading Malawian academics and in 2021/22 will be launching a major governance programme structured around a significant peer-reviewed Malawian publication on governance strengthening, sponsored by the SMP.
- **COP26:** With COP26, the global climate change conference, taking place in Glasgow, and Malawi chairing the LDC (Least Developed Countries) Group, the bilateral relationship has a prominent role at this key conference. In consultation with members and partners in Malawi, the SMP has developed a 'Malawi at COP26' strategy which aims to: give meaningful voice and visibility to Malawi at COP26 and, in so doing, raise awareness of Scotland's links with Malawi, promote our Members' work, and support climate justice in Malawi. Through 2020/21 the SMP worked to deliver this strategy, including starting to collect 26 x 'COP26 Voices' videos, of young Malawians and young Scots setting out *their* priorities for the conference. COP26 is also a key part of the 'People to People' podcast series and was a core focus throughout the SMP's Youth Festival. The SMP is developing a major event, to hopefully take place during COP26, in the Glasgow City Chambers with the President and First Minister, and is also looking at how it can practically support the Malawi delegation through the conference.
- **SMP AGM with the President and First Minister:** Malawi was rightly praised for its successful May 2021 re-run Presidential election, in which H.E. Lazarus Chakwera was elected. This was the first time in Africa a court-ordered Presidential election was re-run where the incumbent did not win.

Report of the Trustees for the year ended 31 March 2021 (continued)

- The new President accepted his *ex officio* role as SMP Hon Co-Patron (alongside HRH The Princess Royal) in a special video address he gave for the SMP's October 2020 AGM, which was attended by over 250 SMP members. He also used this address to share his priorities for the bilateral relationship, which the SMP is actively stepping up to and encouraging others to as well, in keeping with our core principles. The First Minister of Scotland also recorded a special video message to help open our AGM, alongside the President.
- **'People to People' Podcast:** We commissioned and developed a major new digital project in 2020/21, a ten-part podcast series co-produced and co-hosted by an inspiring young, female Malawian (Chimzy Dorey) and an inspiring, young, female Scot (Hazel Darwin-Clements). The series interviews dozens of key stakeholders in the bilateral relationship, presenting their voices in an innovative and engaging way, and making best use of new technologies. They are listening to, and amplifying, as many different and diverse voices as possible, exploring themes including:
- **Understanding our past:** what is good partnership; exploring privilege; fighting the climate crisis; and much more. The series will be launched in May 2021, with episodes released weekly.
- **Political engagements:** The SMP maintained its party political neutrality, while constructively engaging both the Scottish and UK Parliaments to represent our members' interests and advance the bilateral relationship. In Westminster, we continued to facilitate the Malawi All-Party Parliamentary Group, with regular digital meetings bringing together MPs and Peers with an interest with Malawi, including for a special Malawi Independence Day meeting on the 6th July 2020. In Holyrood, we facilitated the Malawi Cross Party Group, with regular meetings and constructive engagements with all five parties. We briefed all 129 MSPs and 59 Scottish MPs on our members' work in their constituencies/regions, using our newly updated Holyrood and Westminster directories. In advance of the May 2021 Holyrood elections, we worked with all the major parties, receiving public messages of support from all the new Party Leaders, and -for the first time ever- securing positive references to Malawi in the manifestos of all five parties with seats in Holyrood. In total, the SMP had 106 points of engagement/support/endorsement from political leaders, including the President of Malawi, the First Minister, Scottish Party Leaders, MSPs and MPs in 2020/21.
- **Youth Festival:** The SMP's biggest event in 2020/21 was its Digital Youth Festival, which replaced the usual in-person annual Youth Congress. Despite all the significant challenges, of schools being almost entirely unable to engage due to the unprecedented pressures they faced, this was a fantastic success for the Partnership. Over 250,000 people were engaged in this week of SMP youth-led digital engagements, which included: podcasts, webinars, social media take overs, Facebook lives, digital dance and language competitions, and much more. Race and equality, and climate change were the main themes of the Youth Festival and the SMP's Youth Committee led with the design and delivery of all aspects of the week, ensuring an authentic youth-led feel to all we did.
- **Digital media:** Above and beyond the many digital events hosted by the SMP, the Partnership was also active across different digital channels to disseminate its messaging, share its core narrative (of dignified two-way partnerships and mass civic engagement) and reach new audiences. 53 email bulletins were sent to members, which were read over 14,000 times, and the SMP website had over 85,000 page views from over 26,000 new visitors. The Partnership also developed an entirely new website in 2020/21 which will be launched in May 2021. The SMP had over 920,000 Twitter impressions (with over 6,000 followers) and a reach on Facebook of over 320,000. 51 videos were produced by the SMP in the year, viewed over 17,000 times in total, and there were 135 features relating to Malawi in the Scottish media, 93% of which were positive in tone.

Report of the Trustees for the year ended 31 March 2021 (continued)

Diversity and inclusion:

The SMP and its sister Malawian network, the Malawi Scotland Partnership (MaSP), together co-published a joint commitment to black lives matter in June 2020 (www.tinyurl.com/SMPBlackLivesMatter). This statement received praise from across the sector, including from a Minister speaking in Parliament and in a new book published by a former MP on Scottish internationalism.

Both the SMP and MaSP are anti-racist and anti-prejudice: we stand in solidarity with those who fight racism, in all its forms, in both Scotland and Malawi. We recognise that, in the fight against racism, silence is not acceptable and we are proud to make this joint statement to call-out and oppose racism.

We continue to work closely with Malawian and Scottish historians to better understand our 162-year shared history, both good and bad.

For all the many challenges of the Covid-19, the move to digital engagements has brought a number of advantages for the SMP, most notably the ability to welcome a larger and more diverse audience. The SMP has always prided itself on its inclusive approach but, too often in the past, in-person events have excluded many people for very practical reasons of geography.

All 35 SMP events in 2020/21 and all 13 co-hosted engagements took place online, allowing far greater inclusivity, with people able to join right across Scotland and Malawi.

One third of all those who attended SMP meetings in 2020/21 were Malawians (with a total gender balance of 53% female:47% male) and the overwhelming majority of those attending our sister network's meetings were Malawian. This meant that, for the first time, the majority of people taking part in events talking about the bilateral relationship were Malawians and not Scots. Indeed, one meeting of the Scottish Parliament's Malawi Cross Party Group facilitated by the SMP in this period, had 75% of attendees joining from Malawi!

We very much welcome the inclusivity and diversity that this technology offers the SMP: this is entirely in line with our principles and values. However, we recognise that power, connectivity and adequate bandwidth are not readily available for all in Malawi. Malawi has some of the most expensive internet provision in the world. We are therefore committed to increasing digital inclusivity and continue to work actively with our sister network in Malawi to offer increasing practical support with connectivity (covering the cost of airtime, supporting access to IT hardware, etc).

In the April 2021 member feedback survey, 93% of respondents said the SMP offers a welcoming, diverse and inclusive space for people to engage.

Becoming a SCIO:

The Scotland Malawi Partnership has been a Company Limited by Guarantee (SC294378) and a registered Scottish Charity (SC037048). When it was established, some 15 years ago, SCIOs (Scottish Charitable Incorporated Organisations) did not exist and companies limited by guarantee were deemed best practice. Since then, SCIOs have been developed precisely for charities such as ours.

Report of the Trustees for the year ended 31 March 2021 (continued)

In keeping with our 'Years of Governance Strengthening' work, early in 2020/21 the Board examined the best structure to take the SMP forward into the future. It considered revisions to the SMP's Memorandum and Articles of Association (MAA) but, at the conclusion of the review, the Board decided it would be most appropriate for the SMP to become a SCIO. SCIO's do not have an MAA but they do have a Constitution.

The main reason for the Board favouring becoming a SCIO is that this removes one layer of governance (Companies House) while retaining the important features of limited liability and charitable status. Indeed, a SCIO can only exist as long as it remains a charity. It also removes the necessity of members contributing to the assets of SMP in the event of it ceasing to function (currently £1 per member).

At the October 2020 AGM, Members voted unanimously for the Partnership to become a SCIO. The SMP then developed a draft constitution which Members were consulted on in the autumn and then an EGM was held in March 2021, at which the decision was finalised.

From 1st April 2021 the SMP has become a SCIO called "The Scotland Malawi Partnership SCIO" and, through the coming months, will complete the migration of its systems and, ultimately, winding up the old Company Limited by Guarantee (SC294378) and a registered Scottish Charity (SC037048).

This change in constitutional status and new constitution will not affect the SMP's operational work and all existing staff and directors will continue unaffected into this new legal structure (the Directors will be known as Trustees).

Feedback and External review:

Impact statements:

In 2020/21 the SMP logged 479 positive messages/feedback about its work from members, partners and key stakeholders, from the President of Malawi, the First Minister of Scotland and the Scottish political party leaders, to individual SMP members. These impact statements have come from emails received by staff, public statements issued, speeches made, and survey responses.

This is not exhaustive but gives a useful sense of some of the considerable positive feedback the SMP has received over the last year, helping paint a picture of the impact and value of the SMP's work core funded by the Scottish Government.

To download all 479 positive impact statements received in 2020/21, visit: www.tinyurl.com/SMPfeedback21

Member Needs and Impact Survey:

Every year the SMP conducts a Membership Needs and Impact Survey, asking members what impact the SMP has had on their work with Malawi over the last year, and what members would like the SMP to do to support their work in the following year. In keeping with our core principles of transparency and accountability, and as a member-led organisation, we publicly share the full results of the survey.

96 SMP Members completed the online survey in April 2021. 80% of respondents felt that membership of the SMP in 2020-21 "*helped strengthen, support or develop their links with Malawi*". The most common words used when members described the SMP's impact were: "essential", "invaluable", "understanding" and "Malawi voices". The overwhelming majority of respondents felt all the SMP's strategic objectives had been met in 2020/21 (ranging from 92% to 100%).

Report of the Trustees for the year ended 31 March 2021 (continued)

Feedback was overwhelmingly positive, with particular praise for the SMP's: Covid-19 response coordination work, information dissemination, guidance on appropriate support, networking and support for collaborations, youth engagements, digital innovations increasing inclusivity and amplifying Malawian voices, inspiration and positivity, helping members see the big picture, and access to senior government representatives.

To read the full results of the Member Needs and Impact survey, visit: www.tinyurl.com/SMPreview21

Feedback from enquiries handled:

The SMP logged 117 enquiries in 2020/21, using an internal cloud-based system – this is a selection of all enquiries handled by the SMP. From this sample, a good range of different enquiries were handled, from members and the public, Malawi and Scotland, and with a seeming 60%:40% female:male gender balance.

31% of those who had an enquiry logged by the SMP completed a survey at the end of the year asking how they felt about the service they received.

Over 72% of respondents said they were “very satisfied” with the SMP's handling of their enquiry and 14% “moderately” satisfied. Most respondents gave positive feedback and there is some extremely strong (this sentence continues below) feedback, from those who feel the SMP's support was invaluable. But also a reasonable number who said the impact of the SMP's response to their enquiry was “none” or “negligible”. Anecdotally, this seems to be mostly from enquiries asking about financial support from Malawi.

Overall, we can reasonably conclude that, while there are some areas where we could further improve, the SMP has continued to offer a valued enquiry handling service in 2020/21, despite the significant challenges and pressures of homeworking.

To read the full results of this survey, visit: www.tinyurl.com/SMPenquiries

Delivery against core-funded objectives:

The SMP receives core funding from the Scottish Government on a triennial basis. It reports fully every six months to government and, given this is public money, also chooses to share reporting publicly.

In the current core funding grant, the SMP has 69 targets in the ‘logical framework’ monitoring approach that has been agreed with the Scottish Government. In the review of 2020/21 the SMP was found to have achieved the below results, despite the challenges of Covid-19 and home working:

- 64 (93%) indicators rated “Green” – target met or exceeded;
- 5 (7%) indicators rated “Amber” – target missed but within 25%;
- 0 (0%) indicators rated “Red” – target missed by more than 25%

We are indebted to successive Scottish Governments for the support the SMP has received. While we have succeeded in diversifying our income to a some degree eg through member fees, commercial agreements and grants from other sources, it would not be possible for the SMP to achieve all it does without this far-sighted and long-term support from the Scottish Government.

To view the full results of the logical framework review, visit: www.tinyurl.com/SMPlogframe21

Report of the Trustees for the year ended 31 March 2021 (continued)

Independent Expert Review:

Above and beyond the reporting required for the Scottish Government the SMP chooses to also commission an external expert review assessing the impact of its work, to ensure it continues to develop and improve its work. In 2020/21 this review was conducted by the Corra Foundation, a highly respected Scottish foundation with considerable experience of both distributing and assessing the effectiveness of charitable grants. assessors in the sector.

The review concluded:

“This review of the annual report documentation shared by the SMP and additional public sources notes a range of evidence provided to support the conclusion that the SMP has:

- successfully delivered on the pre-set outcome milestones for the 2020-2021 year of implementation,*
- been able to meet those milestones despite the challenges of the Covid-19 pandemic which affected both member engagement and staff capacities, and,*
- additionally, been able to meaningfully respond to the new needs of members in relation to the Covid-19 pandemic.*

“This assessment has found good evidence of progress in relation to the logframe for almost all indicators at impact, outcome and output level, with many exceeded and none judged as significantly missed, particularly when performance against complementary indicators is taken into consideration. Detailed consideration of how and whether individual indicators have been met is outlined above by outcome, and that text includes discussion of how the Covid-19 pandemic is likely to have affected delivery and measurement. As noted above, the SMP’s response to the new restrictions and new needs resulting from the pandemic should be seen as a significant achievement that has helped mutual understanding and assistance among stakeholders in both Malawi and Scotland.

“Beyond the conclusions of the review in relation to achievement of grant targets, this review makes a final observation regarding the Covid-19 pandemic and its implications for network events and functioning. Pandemic restrictions over the past year have brought dramatic changes to how SMP members are able to conduct activities and engage in the network. SMP moved its events and work online with laudable speed and this transition should be seen as an important and particular achievement of the 2020-21 period. While online work and engagement has swiftly become the ‘new normal’, it remains a very significant adjustment and SMP is therefore encouraged to reflect on what the move online means for SMP members’ needs and events and participation going forward. Many more people can join events, regardless of membership status, and this brings many positive things, not least greater contacts with those based in Malawi and the involvement of those who might not have been able to travel to in-person meetings. However, and as indicated by some of the feedback shared, this also means that the purpose and function of SMP may not be clear to all now joining SMP events – in a review of feedback comment compilations for example, the few negative points amid the generally very positive feedback recorded mostly reflect frustration born of clearly unrealistic expectations of what SMP can provide. One of the SMP’s key challenges, and key strengths, is the breadth of its membership and its ability as an organisation to cater to these very diverse needs: with the shift online, the breadth and diversity of event participation has increased significantly. A year in, and with online events now likely to continue indefinitely as an element of any programme, a suggestion from this review is that this might be a good moment to reflect on the changes the shift to digital events has brought to the kind and types of participation and what that might mean for how SMP advertises, organises and introduces or frames its online events and activity. ”To read the full Corra Foundation external expert impact review, visit: www.tinyurl.com/SMPAssessment21

Report of the Trustees for the year ended 31 March 2021 (continued)

Financial review

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. For the first time, the Malawi Scotland Partnership received funding direct from the Scottish Government, rather than passing through our accounts. Accordingly, there is a significant drop in reported income and a matching drop in expenditure.

In 2020-21, we continued to diversify our sources income, with new corporate partnerships, grant funding and project income. This was somewhat hampered by the impact of Covid-19 on the Scottish economy.

The total undesignated, unrestricted reserves at the year-end amounted to £95,553 (2020: £78,998). Restricted reserves are £13,547 (2020: £29,725).

In 2020-21, the SMP was underspent both in its core grant funded work and work funded from the SMP's unrestricted income. This was due to the impact of Covid-19, with no overseas or UK travel, office working or in-person events being possible. At the Scottish Government's request £4,598 was returned to the Scottish Government at the start of quarter 4, as this was the forecast level of grant underspend.

Most in-person event costs were able to be re-allocated to digital alternatives within the same budget lines, to achieve the same overall outcomes. For example, instead of an in-person Youth Congress the SMP had a Digital Youth Festival. Some of the in-person member engagement costs were replaced with the 'People to People' Podcast commission which looked to engage members in an innovative digital discussion, representing their work and exploring key themes around the bilateral relationship.

Risk management

The Trustees consider the risks associated with the work of the Charity on a regular basis. A risk register has been drawn up which is regularly reviewed by both the Board and its appointed Audit and Finance Committee. The risks fall into these main headings: reputational, staff issues, non-delivery and failure of programmes, failure to comply with legal and governmental obligations, financial issues, failures of partner organisations and IT matters.

As explained earlier in this report, and given the potential impact of the pandemic on the SMP, in 2020/21 the SMP also had an additional Covid-specific risk register.

For each risk, policies and practices have been identified in the risk registers which will mitigate the risk. Risks are dealt with by ensuring that Trustees and staff are aware of the policies and operate within the framework set out by the register.

Some risks are outwith the control of the Trustees. These include items such as potential loss of funding due to changes resultant on withdrawal of the UK from the European Union or of Scotland from the UK, or resulting from Covid-19.

The Malawi Scotland Partnership (MaSP) is the SMP's sister organisation and is a separate legal entity. It is entirely Malawi-led, with its own constitution, Board and secretariat. Until 31st March 2020, the SMP received grant funding from the Scottish Government for the development of MaSP. 2020/21 was the first year in which MaSP was able to receive core funding directly from the Scottish Government, reporting back directly to government. This new grant setup is more closely aligned to our principles and will offer greater MaSP ownership and autonomy. It will also ensure the SMP is not liable for risks it does

Report of the Trustees for the year ended 31 March 2021 (continued)

not have direct control over. There is, of course residual reputational risk for the SMP in the delivery of MaSP's work, just as there is indirect reputational risk for the SMP in its members' work.

As a consequence of this, the grants from Scottish Government to MaSP are no longer reflected in SMP's income and expenditure.

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. The amount maintained includes expenditure which would be incurred in Malawi.

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.

The requirement to wind up the charity is most likely to occur if the grant from the Scottish Government is not renewed at the end of a 3-year period; the requirement might also come into play should the intimation of renewal of the grant be delayed beyond 31 December 2022 in the final year of the 3-year period.

The Audit and Finance Committee is presently reviewing the level of funding which would be required as there are several models which would meet the requirements; these mainly depend on whether all the staff are retained or whether a reduced level might be retained.

The level which the AFC is currently recommending to the Board is £85,000. However, this is under regular review and subject to change.

In the event that the Scottish Government grant ended early, the Trustees and staff would use the 3-month period to source alternative funds. This might entail the Charity operating at a different level thereafter.

The amount held at the year-end in unrestricted, undesignated reserves is £95,553.

Structure, governance and management

Governing document

The Scotland Malawi Partnership is a company limited by guarantee registered in Scotland, number SC294378; and registered as a Scottish charity, number SC037048. It is governed by its Memorandum and Articles of Association.

Recruitment and Appointment of Trustees

New Trustees are appointed at the October Annual General Meeting. All Trustees take policy decisions at regular Trustees' meetings. Within that framework, day-to-day operations are carried out by the staff under the direction of the CEO.

Trustee Induction and Training

When new Trustees are appointed they are provided with a handbook. Where appropriate, ongoing training is provided on relevant topics. Financial training was recently provided to all the Trustees.

Report of the Trustees for the year ended 31 March 2021 (continued)

Related parties

None of the Trustees have any interest in any contract or dealing with the Charity. From time to time, trustees may purchase services from the Charity, either on a personal basis, or through a charity or organisation with which they are associated. The effects of these are minimal and would be on normal commercial terms.

Organisational structure

The Charity is under the control of the Trustees who meet six times a year; there is also an Audit and Finance Committee, a Human Resources Committee and a Policy and Strategy Committee which meet regularly. Through 2020/21 all Board and staff meetings, and the AGM, have taken place digitally, on Zoom. The Charity is under the day to day control of the Chief Executive, David Hope-Jones OBE, who reports to the Board.

Reference and administrative information

Charity Name:

The Scotland Malawi Partnership

Registered office:

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

Operational address:

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

Charity registration number:

Charity number: SC037048

Directors

Directors serve on a three-year rotation and can stand for re-election at the expiry of the three year period

Heather Cubie (Chair)

Claire Martin (Co-Vice Chair)

Douglas Young (Co-Vice Chair)

Fiona Anderson

Charlotte Bevan

John Briggs

(Elected to Board 3rd October 2020)

Susan Dalgety

(Elected to Board 3rd October 2020)

Chimwemwe Dorey

Moira Dunworth

Andrew Goudie

Blessings Kachale

(Elected to Board 3rd October 2020)

Gillian McMahon

Tione Mtalimanja

(Re-elected to Board 3rd October 2020)

Rachel Philips

Denis Robson

Gift Thompson

(Elected to Board 3rd October 2020)

[Jeremaya Phiri (Co-Vice Chair)

(Stood down from board 3th October 2020)]

[Isabel Bruce

(Stood down from Board 3rd October 2020)]

[Nicholas Gubbins

(Stood down from board 3th October 2020)]

[Kenneth Ross

(Stood down from Board on 3rd October 2020)]

Report of the Trustees for the year ended 31 March 2021 (continued)

Co-Presidents

Frank Ross, Lord Provost of the City of Edinburgh (*ex officio*)

Philip Braat, Lord Provost of the City of Glasgow (*ex officio*)

Co-Patrons

Her Royal Highness Princess Anne, The Princess Royal

His Excellency Dr Lazarus Chakwera, President of Malawi (*ex officio*) (*With effect from June 2020*)

[*His Excellency Prof. Peter Mutharika, President of Malawi (ex officio) (Prior to June 2020)*]

Company Secretary and Chief Executive

David Hope-Jones OBE

Independent Examiner

The Trustees have appointed Wylie & Bisset LLP to act as Independent Examiners for the year ended 31 March 2021.

Wylie & Bisset LLP

Chartered Accountants

168 Bath Street

G2 4TP

Bankers

Bank of Scotland, 167-201 Argyle Street, Glasgow G2 8BU

Report of the Trustees for the year ended 31 March 2021 (continued)

Trustees' responsibilities in relation to the financial statements

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company 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 charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

This report has been prepared in accordance with the 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 (FRS 102) and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the trustees and signed on their behalf by

Professor Lady Heather Cubie MBE (elected Chair June 2019)
Chair of the Board

Date: 9th October 2021

Report of the Trustees for the year ended 31 March 2021 (continued)

Independent Examiners' report to the Members of the Scotland Malawi Partnership

I report on the accounts of the charity for the year ended 31 March 2021, which are set out on pages 19 to 31.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors of the company for the purposes of company law) 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 (as amended).

The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) only of the 2006 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 charity 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 Trustees 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 by 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.

Andrew Cowling CA FCCA BEng (Hons)

Wylie & Bisset LLP

Chartered Accountants

168 Bath Street

Glasgow

G2 4TP

Date: 9th October 2021

The Scotland Malawi Partnership
Statement of financial activities, incorporating Income and Expenditure Account
For the year ended 31 March 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Income from:					
Grants and donations	3	29,110	279,639	308,749	491,645
Investment income	4	37	0	37	50
		29,147	279,639	308,786	491,695
Expenditure on:					
<i>Charitable activities:</i>					
Member engagements	6	18,231	234,572	252,803	258,012
MaSP grants and costs	6	0	4,650	4,650	219,764
Other grants and donations	6	0	42,191	42,191	20,000
Depreciation	6	0	2,543	2,543	2,547
		18,231	283,956	302,187	500,323
Net income/(expenditure) and net movement in funds		10,916	(4,317)	6,599	(8,628)
Transfers between funds	12	11,861	(11,861)	0	0
		22,777	(16,178)	6,599	(8,628)
Funds reconciliation					
Total funds brought forward		78,998	29,725	108,723	117,351
Total funds carried forward		101,775	13,547	115,322	108,723

The Scotland Malawi Partnership
Balance Sheet
As at 31 March 2021

	Note	Unrestricted funds	Restricted funds	Total Funds 2021	Total Funds 2020
		£	£	£	£
Fixed assets:					
Tangible fixed assets	9	0	4,222	4,222	1,072
Current assets:					
Debtors	10	1,999	0	1,999	2,495
Cash at bank and in hand	10	113,957	9,325	123,282	135,014
Total current assets		115,956	9,325	125,281	137,509
Liabilities:					
Creditors falling due within one year	11	14,181	0	14,181	29,858
Net current assets		101,775	9,325	111,100	107,651
Total assets less current liabilities		101,775	13,547	115,322	108,723
Creditors, amounts falling due after more than one year	11	0	0	0	0
Net assets		101,775	13,547	115,322	108,723
The funds of the charity:					
Unrestricted income funds	12	101,775	0	101,775	78,998
Restricted income funds	12	0	13,547	13,547	29,725
		101,775	13,547	115,322	108,723

The notes on pages 19 to 31 form part of these accounts.

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

(a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and

**The Scotland Malawi Partnership
Balance Sheet (Continued)
As at 31 March 2021**

(b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees on 9th October 2021 and were signed on its behalf by:

Professor Lady Heather Cubie (elected Chair June 2019)
Chairman of the Board

Charity number: SC037048

These financial statements have been prepared in accordance with the special provisions of part 15 of The Companies Act 2006 relating to small charitable companies.

Notes to the financial statements

1. Accounting policies

(a) Basis of preparation and assessment of going concern

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these financial statements. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective January 2015 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2016 (as amended).

The Charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in Sterling (£)

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

(b) Funds structure

Unrestricted income funds comprise funds which the Trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the Trustees, at their discretion, have created a fund for a specific purpose.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed. The main restricted funds are created by grants separately from the Scottish Government and other donors disclosed in note 12.

Further details of each restricted fund are disclosed in note 12.

(c) Income recognition

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. In the case of smaller donations, these are recognised when they are received. In the event that a donation 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 these 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.

Interest on funds held on deposit is included when receivable by the Charity; this is normally upon notification of the interest paid or payable by the bank.

Notes to the financial statements (continued)

(d) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required 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 to the applicable expenditure headings. For more information on this attribution, refer to note (f) below.

(e) Irrecoverable VAT

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

(f) Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the Charity and its compliance with regulation and good practice. These costs include costs related to independent examination and legal fees together with an apportionment of overhead and support costs.

Governance costs and support costs relating to charitable activities have been apportioned based on the time spent on those activities by the Chief Executive and Trustees. The allocation of support and governance costs is analysed in note 5.

(g) Charitable activities

Costs of charitable activities includes amounts transferred to Malawi Scotland Partnership, other direct costs, an allocation of support costs and governance costs.

(h) Tangible fixed assets and depreciation

All assets intended to last for more than a year and which cost over £400 are capitalised and carried in the financial statements at historical cost. Depreciation is charged to write off the assets on a straight line basis over their useful lives, which is considered to be 3 years.

(i) Pensions

The charity operates a defined contribution “money purchase” scheme for its UK-based employees. The charity contribution is restricted to the contributions disclosed in note 7. The costs of the scheme are included within support costs and charged according to the methodology set out in note (f) above.

The money purchase plan is managed by The Pensions Trust and the plan invests the contributions made by the employees and the Charity in an investment fund to build up over the term of the plan. The pension fund is then converted into a pension upon the employee’s normal retirement age which is defined as when they are eligible for a state pension. The Charity has no liability beyond making its contribution and paying across the deductions for the employee’s contributions.

Notes to the financial statements (continued)

2. Related party transactions and trustees' expenses and remuneration

Except as stated, no Trustee had any beneficial interest in any contract of the charity. Chimwemwe Dorey is co-producing a podcast for Scotland Malawi partnership. She was paid £1,400 (2020: £nil) during the year for this work.

Travelling and subsistence expenses of £nil were repaid to Trustees during the year (2020: £169 was repaid to 2 Trustees) .

3. Income from grants and donations

	2021	2020
	£	£
<i>Restricted grants</i>		
Scottish Government, core grant	237,939	242,536
Scottish Government, MaSP grant	0	210,250
Other Restricted Grants	<u>41,700</u>	<u>9,527</u>
	279,639	462,313
<i>Unrestricted grants and donations</i>	29,110	29,332
	<hr/> 308,749	<hr/> 491,645 <hr/>

4. Investment income

	2021	2020
	£	£
Bank interest	<hr/> 37	<hr/> 50 <hr/>

Notes to the financial statements (continued)

5. Allocation of governance and support costs

The breakdown of support costs and how these were allocated between governance and other support costs is shown in the table below:

<i>Cost type</i>	Total allocated £	Governance related £	Other support costs	Basis of Apportionment
Staff costs	179,502	17,950	161,552	Staff time
Other staff related costs	28,740	2,874	25,866	Staff time
Office rental and costs	20,413	9,929	10,484	Direct
	228,655	30,753	197,902	

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.

Governance costs	2021 £	2020 £
Trustee expenses (note 2)	0	169
Independent examiner's fee	1,656	1,585
Costs of meetings	439	888
Support costs (see above)	30,753	27,928
	32,848	30,570

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	2021 £	2020 £
Member engagements	252,803	258,012
	252,803	258,012

Notes to the financial statements (continued)

6. Analysis of charitable expenditure

In 2021, the expenditure on charitable activities was £302,188 (2020: £500,323), of which £18,231 (2020: £20,829) was from unrestricted funds and £283,957 (2020: £479,474) was from restricted funds. The reduction in expenditure on restricted funds is attributed to Malawi Scotland Partnership being funded direct this year by Scottish Government and therefore not passing through Scotland Malawi Partnership.

	Direct £	Support and governance costs £	Total 2021 £	Total 2020 £
<i>Funded from unrestricted funds:</i>				
Member engagements	15,194	3,038	18,232	36,987
MaSP grants and costs	0	0	0	3,373
Other grants and donations	0	0	0	0
	15,194	3,038	18,232	40,360

Funded from restricted funds:

Member engagements	204,762	29,810	234,572	221,025
MaSP grants and costs	4,650	0	4,650	216,391
Other grants and donations	42,191	0	42,191	20,000
Depreciation	2,543	0	2,543	2,547
	254,146	29,810	283,956	459,963
	269,340	32,848	302,188	500,323

7. Analysis of staff costs and remuneration of key management personnel

	2021 £	2020 £
Salaries and wages	179,502	173,376
Social security costs	17,134	16,225
Other pension costs	11,075	8,825
	207,711	198,426

The average number of full-time equivalent employees during the year was 6 (2020: 6) with all employee time involved in providing either support to the governance of the charity or support services to charitable activities.

Notes to the financial statement (continued)

The charity considers its key management personnel to comprise the Trustees and the Chief Executive. The total employment benefits including employer pension contributions of the key management personnel were £50,448 (2020: £46,978). No employee had employee benefits in excess of £60,000 (2020: none).

8. Remuneration of the independent examiner

The independent examiner's remuneration constituted an examination fee of £1,656 (2020 £1585).

9. Tangible fixed assets

	Office Equipment £
Cost	
At 31 March 2020	19,958
Additions	5,693
At 31 March 2021	<u>25,651</u>
Aggregate depreciation	
At 31 March 2020	18,886
Charge for the year	2,543
At 31 March 2021	<u>21,429</u>
Net book amount	
At 31 March 2021	<u>4,222</u>
At 31 March 2020	<u>1,072</u>

Notes to the financial statements (continued)

10. Analysis of current assets

	Total 2021	Total 2020
	£	£
Prepayments and accrued income	1,362	1,800
Receivables	637	695
Cash at bank and in hand	123,282	135,015
	<u>125,281</u>	<u>137,510</u>

All prepayments and receivables in 2021 refer to unrestricted funds (2020: unrestricted).

Cash at bank and on hand were as follows: unrestricted funds £113,957 (2020: £106,361) and restricted funds £9,325 (2020: £28,653).

11. Analysis of current liabilities and long-term creditors

	Total 2021	Total 2020
	£	£
Creditors under one year		
Payables	0	278
Social security and other taxes	7,282	3,156
Pension fund payable	0	15,525
Other creditors	675	514
Accruals and deferred income	6,224	10,385
	<u>14,181</u>	<u>29,858</u>

Creditors falling due after one year

<u>0</u>	<u>0</u>
-----------------	-----------------

All creditors in 2021 refer to unrestricted funds (2020: unrestricted).

Notes to the financial statements (continued)

12. Analysis of charitable funds

Analysis of fund movements	Balance Brought forward £	Income £	Expenditure £	Transfers £	Balance carried forward £
<i>Designated funds:</i>					
Fixed assets	0	0	0	4,222	4,222
Book launch	0	0	0	2,000	2,000
Unrestricted funds	78,998	29,148	18,281	5,689	95,453
	78,998	29,148	18,281	11,911	101,775
<i>Restricted funds:</i>					
Scottish Government core	9,754	237,939	237,115	(9,754)	824
Scottish Government MaSP	4,600	0	4,600	0	0
Global goals	947	0	0	0	947
David Livingstone Trust	5,000	0	2,500	(2,157)	343
Other grants	5,001	0	0	0	5,001
Scholarships	4,423	0	0	0	4,423
Oxygen Appeal	0	40,500	38,491	0	2,009
2050 Group	0	1,200	1,200	0	0
	29,725	279,639	283,906	(11,911)	13,447
	108,723	308,787	302,188	0	115,322

Year ended 31 March 2020:

Unrestricted funds	74,114	29,382	20,829	(3,669)	78,998
<i>Restricted funds:</i>					
Scottish Government core	14,334	242,536	247,116	0	9,754
Scottish Government MaSP	(75,364)	190,250	189,559	79,273	4,600
Global goals	947	0	0	0	947
Other grants	98,897	9,527	22,819	(75,604)	10,001
Scholarships	4,423	0	0	0	4,423
Safeguarding	0	20,000	20,000	0	0
	117,351	491,695	500,323	0	108,723

Designated funds: an amount equivalent to the carrying value of the fixed assets has been designated, as this sum is not immediately available for use by the charity.

£2,000 has been designated to support a book launch and related podcasts in 2021 in Malawi.

Notes to the financial statements (continued)

Unrestricted income funds comprise funds which the Trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the Trustees, at their discretion, have created a fund for a specific purpose.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed. The main restricted funds are created by grants separately from the Scottish Government and other donors disclosed in note 12.

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 the agreements signed with them from time to time.

The Scottish Government MaSP grant represents funds from the Scottish Government restricted to specific costs of the Malawi Scottish Partnership. Malawi Scotland Partnership is now funded directly by the Scottish Government; this fund is now closed.

David Livingstone Trust have provided funds to the Scotland Malawi Partnership to make videos of the links with Malawi. This project is ongoing and is expected to finish during the year to 31 March 2022 (subject to lifting of travel restrictions).

During the year, an Oxygen Appeal was set up to assist Malawi during the global pandemic. In excess of £40,000 was raised in one month. This has largely been spent on providing oxygen generators to Malawi; and funding a local organisation to repair oxygen generators in Malawi, amongst others. This fund is expected to be finalised in the year ending 31 March 2022.

Transfers: The Scottish Government core grant to 31 March 2020 was reconciled and the resultant balance transferred to unrestricted funds. The differences arise from differences in accounting treatment of certain items (principally fixed assets, depreciation and the treatment of accrued expenditure) between the reports to Scottish Government and annual accounts. These two sets of reports are prepared for different purposes and using different accounting rules. The transfer includes £4,222 to establish the designated fund for fixed assets.

A small amount of expenditure has been allocated to the David Livingstone Trust project. The transfer represents salaries and other costs utilised in carrying out the project but not separately recorded.

Two amounts have been transferred to designated funds in order to establish these, as set out in the previous page under “designated funds”.

13. 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 £11,075 (2020: £8,825). At the balance sheet date unpaid contributions of £0 (2020: £15,525) were due.

14. Legal status of the charity

The charity is a registered Scottish charity.

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

15. Government Grants

The charity received government grants totalling £237,939 (2020: £432,786) towards funding of core activities.

16. Post Balance Sheet Event

Following the year end the charitable company has converted to a SCIO (SC050781) with all assets and liabilities transferring at 1 April 2021.

