

EXPAND UNAUDITED FINANCIAL STATEMENTS

(REGISTERED CHARITY NUMBER: 1137120)

FOR THE YEAR ENDED 31 MARCH 2025



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FINANCIAL STATEMENTS For the year ended 31 March 2025

1. Trustee's Report

The Trustees have pleasure in submitting their report together with audited financial statements for the year ended 31 March 2025. The organisation operated mainly in the Northern part of Malawi, specifically in the two districts of Mzimba and Nkhata Bay. Expand continues to assist two primary schools, one being Chisala FP School in Nkhata Bay and the other is Mkoko Primary School in Kalungulu Village, Mzimba District.

Malawi continues to face a severe and prolonged economic crisis, with donor and multilateral reports highlighting rising inflation, foreign exchange shortages, and declining living standards across the country. Since 2020, Malawi's economy has experienced a deep and protracted crisis marked by high inflation, reduced purchasing power, and increasing food insecurity, leaving both government institutions and households under immense pressure. The shortage of foreign exchange has made it difficult for government and private sector institutions to import essential goods, including fuel, medical supplies, and educational materials, which in turn disrupts service delivery and economic activity. Inflation remains extremely high, projected at over 24% in 2026, eroding real wages and making it increasingly difficult for civil servants, teachers, and healthcare workers to maintain their livelihoods. These pressures contribute to delayed or irregular salary payments, low morale in public service, and growing financial insecurity among families across the country.

The education and social sectors are particularly affected by these challenges. Malawi continues to experience some of the highest student-teacher ratios in the world, especially in rural areas, placing enormous strain on teachers and limiting the quality of education available to children. Combined with limited public resources, infrastructure constraints, and population growth, schools struggle to provide adequate learning environments, materials, and individual support to students. At the same time, declining government capacity to fund essential services and infrastructure maintenance has placed increasing pressure on communities and non-governmental organisations to fill the gap. These economic and structural challenges underscore the urgent need for continued donor support, particularly in education, housing, and community development

programmes, to protect vulnerable populations and help Malawi rebuild resilience during this prolonged period of economic instability.

Expand continued its support of Chisala Primary School through funding the librarian and the salary of the Expand onsite Manager, Cawood Sisya. As a respected member of the local community, Cawood is consistently present and engaged, helping to transform the library into a vibrant hub of school life. The library is equipped with solar panels and battery storage, a television, and a growing collection of books, providing students with reliable access to educational resources and a safe, inspiring learning environment.

In addition, Expand provided financial support for school sports programmes throughout the year, contributing to student wellbeing and teamwork. Maintenance was carried out to ensure the library facilities remain functional and welcoming. All bursary recipients have now successfully completed their studies and have transitioned into employment, demonstrating the long-term impact of sustained investment in education and community development.



At Mkoko School, additional housing units were constructed in the village to support both teachers and students, including the provision of additional furniture for the hostel. We continued strengthening the school's infrastructure to create a more supportive and functional environment for both teaching and learning.

In addition, Expand maintained the village solar water pump to ensure reliable access to water, provided resources and sports equipment for the school year, and supported the salaries of teachers. Improvements were also made to the nursery school area, including the construction of a playground to enhance early childhood development. The school feeding programme was continued, ensuring that students receive regular nutritious meals, which plays a critical role in attendance, concentration, and overall wellbeing.



1.2 EXPAND REGISTERED TRUSTEES

The registered trustees for the charity are as follows:

- Ms Tanya Clarke- British but resident in Malawi
- Ms Tamsin Clarke- British resident in UK
- Mr Brendan Costelloe- British resident in UK
- Mr Nebson Chiloko- Malawian citizen resident in Malawi

1.3 BY ORDER OF THE BOARD



Tanya Clarke, Head Trustee

2. Statement of Project Management Responsibilities

The Project Management accepts responsibility for the financial statements presented in this report, which has been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with the requirements of the project.

The Project Management further accepts responsibility for the maintenance of the accounting records, which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.



Tanya Clarke
Head trustee



Yolanda Nalikungwi
Accountant, SILDI Ltd

3. Statement of Financial Activities

| | Notes | <u>2025</u> £ | <u>2024</u> £ |
|-------------------------------------|-------|------------------|------------------|
| INCOME | | | |
| Grant income | 5.3 | <u>29,969.94</u> | <u>25,163.40</u> |
| Credit Interest | | <u>00.00</u> | <u>00.00</u> |
| Expenditure | | | |
| Donation expense | | 216.00 | 246 |
| Projects expenditure | | <u>00.00</u> | <u>25,000.00</u> |
| | | <u>29,753.94</u> | <u>(82.60)</u> |
| Deficit/surplus for the year | | 29,753.94 | (82.60) |
| Opening balance | | <u>1,899.63</u> | <u>1,982.23</u> |
| Closing balance | 5.4 | <u>31,653.57</u> | <u>1,899.63</u> |



Tanya Clarke
Head Trustee



Yolanda Nalikungwi
Accountant (Sildi Ltd)

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For the year ended 31 March 2025

4. Statement of Financial Position

As at 31 March 2025

During the year ended 31 March 2022, £555 was withdrawn from the charity's funds by Tanya Clarke. The amount was treated as a receivable in the financial statements.

The full amount of £555 was repaid to the charity during the year ended 31 March 2025.

The transaction was conducted without interest and was fully settled before year end. At 31 March 2025, no balance remains outstanding.

| | Notes | <u>2025</u> £ | <u>2024</u> £ |
|--------------------------|-------|------------------|------------------|
| Current assets | | | |
| Cash at bank and in hand | 5.4 | 31,653.57 | 1,344.63 |
| Loan | 5.5 | <u>00.00</u> | <u>555.00</u> |
| Net assets | | <u>31,653.57</u> | <u>1,899.63</u> |

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5. Notes to the Financial Statements

For the year ended 31 March 2025

5.1 General

Expand is a small organisation that focuses on education and infrastructure development at its project sites in Malawi. Its activities span building classrooms blocks and teachers houses, installation of clean potable water solutions, school bursary schemes and literacy/ IT boost projects. The funds are raised by donations in the UK and through income generating activities in Malawi. Funds from UK are sent through the banking system for complete transparency. Expand has no assets and all funds go straight to work on the ground. Trustees are unpaid and even expenses are often not reimbursed. The aim is to have nearly all the funds raised go to the work on the ground in Malawi.

5.2 Accounting Policies

The significant accounting policies adopted in the preparation of these financial statements are set out below:

(i) Basis of preparation

The financial statements, expressed in the British Pounds (£), have been prepared under the historical cost convention using cash accounting.

(ii) Income and expenditure

Income and expenditure are accounted for when actual received or paid.

(iii) Cash and cash equivalents

Cash equivalents consists of short term, highly liquid investments which are readily convertible into known amounts of cash without notice and which were within three months of maturity when acquired; less advances from banks repayable within three months from the date of the advance. Project advances are also included as cash and cash equivalents.

(iv) Foreign currency

The functional currency of the country of expenditure is Malawi Kwacha. Transactions in other currencies are recorded at the rate of exchange prevailing on the date of the transaction.

(v) Expenditure

Expenditure represents the funds disbursed.

(vi) Capital expenditure

Capital expenditure is expensed towards the cost of the project.

5.3 Grant income

Grant income represents funds transferred from Expand UK to Malawi bank account.

| | <u>2025</u> | <u>2024</u> |
|-------------------------------------|--------------------|--------------------|
| | £ | £ |
| | 000.00 | 25,000.00 |
| 5.4 Cash and cash equivalent | | |
| Bank balance | <u>31,653.57</u> | <u>1,344.63</u> |
| 5.5 Loan | | |
| Staff loan | <u>00.00</u> | <u>555.00</u> |