

Registered CIO Number  
1171686

Open Arms Malawi  
Annual Reports and Financial Statements  
30 June 2023

**Open Arms Malawi**  
**Annual Report and Financial Statements**  
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**Open Arms Malawi**  
**Trustees' report**  
**For the year ended 30 June 2023**

The trustees present their annual report together with the financial statements of Open Arms Malawi (the Charity) for the year ended 30 June 2023. The trustees confirm that the annual report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (published in October 2019).

**Reference and administrative details**

The legal registration details are :-

Date of formation:	1st July 2017
The principal office:	Community House, 46 - 50 East Parade, Harrogate, HG1 5RR
Charity registration number:	1171686

In 2017 Open Arms Malawi changed its charitable status from a trust to a charitable incorporated organisation. The Charity's objects were updated but remain broadly the same as previously.

**The members of the Board of Trustees of the Charity during the year:**

Charles Richard Hartley	Gavin Park
Jane Hartley	Andrea Ainley
Angus Martin	Janette Peak
Stephen Walker	

The trustees are all members of the Charity.

**Independent Examiner**

Nicola Adams ACA DChA  
BHP LLP  
One, Waterside Place, Basin Square  
Brimington Road  
Chesterfield  
S41 7FH

## **Objectives and Activities of the Charity**

### **Activities**

The Charity raises funds, predominantly in the UK, and all the Charity's grants are directed to Open Arms Infant Homes (OAIH), an independent Malawi based charity which provides vital accommodation, food and medical care to orphaned and abandoned babies in Malawi until they are fit and healthy enough to return to their families. OAIH then supports children and families in their villages until the child is fully settled. In the community OAIH provide outreach support, sponsorship, nutrition and pre-school education to vulnerable children in their villages.

OAIH is an independent Malawi based trust. A separate team of 7 Trustees based in Malawi manages this trust and OAM remains in active dialogue with both the trust and its management.

### **A summary of the objects of the Charity as set out in its governing document.**

The trustees shall apply the income, and at their discretion apply the whole or any part of the capital, of the trust fund for the relief of children in need in Malawi suffering from hardship and distress by reason of their social and economic circumstances as follows:

1. By the provision of accommodation for orphan and neglected children including the provision of such essential factors as love, care, food and clothing;
2. By providing hospice accommodation for orphan and neglected children suffering from terminal illness covering medical and nursing care and funeral expenses.
3. By the provision of such basic educational, social, moral and spiritual training as will enable them to live and face the challenges of life.

### **Public benefit that is provided by the Charity**

During the year the Charity undertook fundraising activities to facilitate the provision of care to Malawi's vulnerable children, supporting them within families and communities so they can thrive. The trustees have referred to the Charity Commission's guidance on public benefit during board meetings and throughout the activities in which the Charity participates.

## **Achievements and Performance**

The Charity's charitable grants were all directed to OAIH.

OAIH employs circa 66 people in Malawi who are engaged in delivering the various charitable activities as described below. During the year OAIH's core activities included:

### **Infant care**

- OAIH operates infant homes in Blantyre and Mangochi for 50 children aged 0-2 years.
- 22 babies were referred to the infant homes and 25 children reintegrated to their families/community.
- 2 children were fostered/adopted in the period. The majority of admissions are of babies under one month old and the children reintegrated are circa 2 years old.
- OAIH works closely with the Malawian Department for Social Welfare and other agencies in managing the care of these children.
- Demonstrating the continued need for our activities, sadly 5 children died in the year.



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**Care for older children and young adults**

- OAIH support 26 older children who have been in their care in the 5 Family Houses since infancy.
- It has been the long-term aim of OAIH to support these individuals into a fulfilling and independent future with their extended families.
- In the year, 12 of these individuals were successfully reintegrated with their extended families and long-term plans and support packages put in place to see them into independence.
- OAIH has supported primary, secondary, college and university education as well as more vocational training for the older children giving them the skills and confidence to earn an income and become self-sufficient.
- To support their transition home OAIH provides ongoing support including counselling and advice which is tailored to individual needs.

**Nursery education**

- OAIH operates 9 Community nursery schools which provide a much-needed daily meal and basic nursery education for children from 4-6. These schools provide local access to education and increase the chances of children completing primary school.
- Nursery attendance averaged 328 children through the year.

**Community support**

- Finally, OAIH operates a multi-faceted outreach programme which is designed to help OAIH children reintegrate into the community. The program provides both physical, emotional and financial help.
- 248 children had their wellbeing monitored and received support with food, clothing, parenting, educational and medical advice.
- 77 reintegrated children who were identified as needing additional support, were given a monthly sponsorship and additional food in the year.

**Financial Review**

Net income, after raising funds expenditure of £9,971 (2021/22: £5,080) was down on the previous year at £261,551 (2021/22: £272,163). The aftermath of the pandemic and the current cost of living challenges have continued to affect fundraising activity negatively through 2022/23. It is expected that fundraising will not return to historic levels for at least another 3 years.

Total expenditure, (which includes grants made to OAIH), was £322,089, (2021/22: £350,210), principally reflecting lower total grants to OAIH of £230,830 (2021/22: £265,374).

The regular monthly grants to OAIH were reduced from £227,975 to £176,379, as higher grants were no longer sustainable given the reduced income being achieved by the Charity. The Charity worked with the trustees of OAIH to manage this reduction and to ensure that the children in the care of OAIH were not put at risk or disadvantaged.

In 2022/23, £14,078 (2021/22, Nil) of extraordinary grants were made to Malawi to fund school and university fees, house repairs and care staff.

We continue to work with the OAIH trust to reduce our collective cost base so that OAIH can operate within the funds raised each year.

Support costs within the UK fundraising organisation increased to £81,288 in 2022/23 from £79,756 2021/22. There is an ongoing drive by the Charity to keep costs as low as possible to maximise the money available for funding grants to OAIH.

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**Reserves Policy**

A contribution from unrestricted reserves of £56,605 (2021/22: £72,967) was needed to fund annual activity. This excludes restricted net income of £6,038 (2021/22: Nil)

Free reserves at 30 June 2023 were £152,372 (2021/22: £208,977), which will be used to fund future charitable activities and ensure the survival of OAIH during the current fundraising crisis caused by the Covid pandemic. There is an additional £6,038 in restricted funds.

The trustees remain concerned at the continued depletion of reserves to fund core activity at OAIH. However, with the agreement of the trustees of OAIH, the monthly grants to OAIH have been significantly reduced. The trustees are satisfied that from 1st July 2023 the Charity is raising sufficient net funds to pay the reduced monthly grant agreed with OAIH from income generated during the year. The position is reviewed at each board meeting and the grant to OAIH will be adjusted should the Charity's fundraising activity fail to meet budget expectations.

In addition, both the Charity and OAIH continue to review ongoing operations and, where possible, further cost savings will be implemented.

In the current year there may be a further, but significantly smaller, depletion in the Charity's reserves. Thereafter the position is forecast to stabilise and the grants to OAIH will be matched to annual fundraising.

At all times the trustees will maintain sufficient reserves to meet the liabilities of the Charity.

**Grant Making Policy**

All the Charity's grants were made to OAIH. The bulk of funds distributed to OAIH are in response to their annual plan and fund the ongoing normal operating costs. Additionally, requests are made through the year for funds that are more capital in nature. The UK board considers each additional grant request outside of the annual plan.

**Investment Policy**

The charity does not hold any investments but had cash on deposit at the end of the financial year of £159,244 (2021/22: £209,849)

**Nature of the Governing Document and constitution of the charity**

The charity is a registered charity, number 1171686, and constituted under a CIO Foundation registered on 20 February 2017.

**The methods adopted for the recruitment and appointment of new trustees**

All trustees, of which there must be at least three at any time, must be appointed by special resolution at a special meeting. In selecting persons to be appointed as trustees, the trustees consider the skills required by the Charity and the skills, experience and qualifications of the candidates.

**Organisational structure and decision making**

The Charity is managed by an active team of trustees who bring a breadth of UK and International corporate, educational, public sector and support services experience to the group. The trustee group met formally 6 times during the year. A 4 strong part-time fundraising team, (equal to 2 full time equivalents), managed day-to-day activity from offices in Harrogate.

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**Risk management**

Several areas of risk to the ability of the Charity to undertake its activities consistently have previously been identified.

The Charity continues to be impacted by the following:

- A reduction in fundraising income because of the Covid-19 pandemic.
- Informal pegging of the Malawian Kwacha to the US\$ combined with significant continued inflation in Malawi has resulted in increased demand for funds to simply maintain operations.
- Sterling currency weakness in the period

The trustees continue to keep these matters under review at each board meeting and as described above, have taken action to ensure that over the next one to two years the Charity's expenditure matches its income such that an appropriate level of reserves is maintained.

**Going Concern**

The 2020 Coronavirus Covid-19 global pandemic presented an unprecedented challenge to the Charity and to OAIH. The position has been exacerbated by the current cost of living challenges.

Fundraising activity and income generation were significantly reduced in 2020 and have not recovered. The trustees hope that the position will improve but for the time being we are assuming that there will be no recovery and we are planning accordingly.

The grants to OAIH have been significantly reduced and we are continuing to carefully manage our costs.

Due to the actions that have already been taken and the planned future changes, we are forecasting that, whilst the Charity's reserves may be further reduced in 2023/24, thereafter the reserves will begin to stabilise, and we will reach an equilibrium where net fundraising income will match the grants paid to OAIH.

Whilst this process is underway the trustees will ensure that the Charity's reserves are maintained at the minimum level to meet its liabilities.

For this reason, the accounts have been prepared on a going concern basis. Further details can be found in accounting policies.

**Future plans**

The trustees and management of OAIH have carried out an operational review of the organisation. This has been done in consultation with the Malawi Social Welfare Department to align objectives and reflect current thinking and best practice. In response to this, there will be some changes to the operational model which are described in more detail below.

**Care for older children**

The Malawi Social Welfare Department and guidance from UNICEF both recommend that it is in the best interests of children for them to be reintegrated into family units as early as possible rather than remaining in institutional care.

The charity has now developed long term reintegration pathways for all the individuals in the Family Houses so that they can rejoin their family units. This process is tailored specifically for each child and OAIH will provide long term support packages designed to achieve a successful outcome for each person.

It is anticipated that all individuals currently living in the Family Houses will be reintegrated by August 2023. The Family House programme will then close and OAIH will continue to support all children and their extended families at home.

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Trustees' report  
For the year ended 30 June 2023**

Once the Family Houses have been vacated, the empty properties will be sold, and the funds raised will be used by OAIH to provide this support.

**Infant Care**

OAIH operates two infant homes which look after babies who have been orphaned or who are suffering from medical problems. The Infant Homes have a combined capacity to support 80 babies.

OAIH have been working closely with Malawi's Social Welfare Department to shorten the time children are in residential care and make sure that all babies are reintegrated by the age of two years old. While the number of referrals has remained the same, this initiative has reduced the number of babies in the homes as reintegration happens more quickly.

This is a significant achievement and going forward OAIH will continue this work to promote the reintegration of babies back into family units as soon as they are healthy and no longer at risk. The reintegration process has been strengthened and tailored for each baby and their family members and a comprehensive support package will be provided to each family.

All babies that are reintegrated into their families will be monitored by OAIH's Community Support Service.

**Community Support Service**

Going forward, OAIH will be increasing its focus on community-based care for all children and families so that they can reach self-sufficiency sustainably.

In addition, in 2023/24, OAIH will continue to build their established community support service by trialling a family-based care model for infants from birth. This pilot will see OAIH support extended family members in caring for a new-born / infant at home where possible rather than in residential care.

Families will receive training, equipment and ongoing monitoring to empower them to take on the child's care at home.

OAIH will also give family members support in generating an additional income through farming, which will help them provide for the child's future needs and support the wider family.

The pilot will lead to better outcomes for children, create a sustainable way to support families into self-sufficiency and make sure that residential care is used as a last resort and for as short a time as possible.

It ran from July until December 2023 with a small number of babies local to Blantyre so that the team can monitor their progress closely. The move has been welcomed by the Social Welfare Department.

**OAIH leadership**

The long serving manager of OAIH retired in July 2023 and the trustees of OAIH are currently recruiting his successor. Until the new manager starts, the day-to-day management of OAIH is being overseen by OAIH's chair of trustees. In support of the new strategic direction, OAIH has also strengthen its board of trustees by recruiting four new members who bring with them a wealth of experience in infant care, general management, finance and marketing.

**This report was approved by the board of trustees on 07/02/2024**



**Angus Matthew Martin**  
Trustee

**Open Arms Malawi**  
**Independent Examiner's Report to the trustees of Open Arms Malawi**

I report to the charity trustees on my examination of the accounts of the charity for the year ended 30 June 2023 which are set out on pages 8 to 15.

**Responsibilities and basis of report**

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

**Independent examiner's statement**

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of the ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

  
[Nicola Adams \(Feb 7, 2024 12:40 GMT\)](#)

Nicola Adams ACA DChA  
BHP LLP  
One, Waterside Place, Basin Square  
Brimington Road  
Chesterfield  
S41 7FH

Date: 07/02/2024

**Open Arms Malawi**  
**Statement of Financial Activities**  
**For the year ended 30 June 2023**

	Notes	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
<b>Income from:</b>					
Donations and legacies	4	203,997	14,116	218,113	222,613
Other trading activities	5	52,152	-	52,152	54,521
Investments	6	1,257	-	1,257	109
<b>Total income</b>		<b>257,406</b>	<b>14,116</b>	<b>271,522</b>	<b>277,243</b>
<b>Expenditure on:</b>					
Raising funds	7	9,971	-	9,971	5,080
Charitable activities	8	304,040	8,078	312,118	345,130
<b>Total expenditure</b>		<b>314,011</b>	<b>8,078</b>	<b>322,089</b>	<b>350,210</b>
<b>Net Expenditure before transfers between funds</b>		<b>(56,605)</b>	<b>6,038</b>	<b>(50,567)</b>	<b>(72,967)</b>
<b>Transfers between funds</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>		<b>(56,605)</b>	<b>6,038</b>	<b>(50,567)</b>	<b>(72,967)</b>
<b>Reconciliation of funds</b>					
<b>Total funds brought forward</b>		208,977	-	208,977	281,944
<b>Total funds carried forward</b>		<b>152,372</b>	<b>6,038</b>	<b>158,410</b>	<b>208,977</b>

All activities derive from continuing operations.

**Open Arms Malawi  
Balance Sheet  
As at 30 June 2023**

	Notes	2023 £	2022 £
<b>Current assets</b>			
Debtors	11	580	525
Cash at bank and in hand		<u>159,244</u>	<u>209,849</u>
		<u>159,824</u>	<u>210,374</u>
<b>Creditors:- amounts due within one year</b>	12	(1,414)	(1,397)
<b>Net current assets</b>		<u>158,410</u>	<u>208,977</u>
<b>Total assets less current liabilities</b>		<u>158,410</u>	<u>208,977</u>
<b>Net assets</b>		<u>158,410</u>	<u>208,977</u>
<b>Charity Funds</b>	13		
<b>Unrestricted income funds</b>			
Unrestricted revenue accumulated funds		152,372	208,977
<b>Unrestricted capital funds</b>			
Unrestricted revaluation reserve		<u>-</u>	<u>-</u>
<b>Total unrestricted funds</b>		<u>152,372</u>	<u>208,977</u>
<b>Restricted income funds</b>			
Restricted revenue accumulated funds		<u>6,038</u>	<u>-</u>
<b>Total restricted funds</b>		<u>6,038</u>	<u>-</u>
<b>Total charity funds</b>		<u>158,410</u>	<u>208,977</u>

Approved by the board of trustees on **07/02/2024**



**Angus Matthew Martin  
Trustee**

The notes on pages 10 to 15 form part of these financial statements



**Open Arms Malawi**  
**Notes to the financial statements**  
**For the year ended 30 June 2023**

**1 Accounting policies**

Open Arms Malawi is a Charitable Incorporated Organisation, number 1171686. The registered office is Community House, 46 - 50 East Parade, Harrogate, HG1 5RR.

***Basis of preparation of the accounts***

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 accounts. 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) issued on 16 July 2014 (as updated through Update Bulletin 1) and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the 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 (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Open Arms Malawi constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared in £ sterling which is the functional currency of the charity and rounded to the nearest pound.

***Funds accounting***

The charity maintains a general unrestricted fund which represents funds which are expendable at the discretion of the trustees in furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

***Income***

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 income receivable can be measured reliably.

***Expenditure***

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds; and
- Expenditure on charitable activities.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

***Debtors***

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



**Open Arms Malawi**  
**Notes to the financial statements**  
**For the year ended 30 June 2023**

***Cash at bank and in hand***

Cash at bank and in hand includes cash 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.

***Liabilities and provisions***

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation.

***Financial instruments***

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

***Taxation***

The charity is considered to pass the tests set out in Sch. 6, para. 1 of the Finance Act 2010 and therefore it meets the definition of a charity for UK income tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Income Tax Act 2007, Part 10 s521 – s537 or s. 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. Value Added Tax is not recoverable by the charity, and is therefore included in the relevant costs in the Statement of Financial Activities.

***Employee Benefits***

When employees have rendered services to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service. The Charity operates a defined contribution plan for all its employees. Contributions are expenses as they become payable.

***Critical Accounting Estimates and Areas of Judgement***

Estimates and judgement are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstance.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

***Going Concern***

The Trustees have considered the impact of COVID-19 on the charity's income generation, grant making abilities and workforce. Whilst it is not considered practical to accurately assess the duration and extent of the disruption, the Trustees are confident that they have in place plans to deal with any financial losses that may arise.

The Board have prepared forecasts of income and expenditure and cash flow for the period to 30 June 2024 and subjected these forecasts to sensitivity analysis which shows that they have sufficient reserves to be able to continue for the foreseeable future if grant making activity is reduced. They will continue to monitor the impact on income and reduce grant making as necessary to maintain a sufficient level of cash reserves.

The Trustees have concluded that the charity remains a going concern whilst such viable options are available to it and therefore continue to adopt the going concern basis of preparation for these financial statements.

**Open Arms Malawi**  
**Notes to the financial statements**  
**For the year ended 30 June 2023**

<b>2 Net (expenditure)/income is stated after charging</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Independent Examiner's Fees	<b>1,440</b>	<b>1,308</b>

**3 Transactions with trustees and other related parties.**

There were no remuneration or other benefits paid to the trustees in either year.

**4 Donations and legacies**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>	<b>Total</b>
	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Gift aid	<b>16,663</b>	-	<b>16,663</b>	20,800
Individual donations	<b>4,071</b>	<b>11,508</b>	<b>15,579</b>	4,817
Regular individual donations	<b>70,550</b>	-	<b>70,550</b>	68,581
Churches	<b>3,920</b>	-	<b>3,920</b>	5,277
Companies	<b>19,457</b>	<b>2,608</b>	<b>22,065</b>	38,584
Schools	<b>25,055</b>	-	<b>25,055</b>	6,207
Trusts	<b>63,742</b>	-	<b>63,742</b>	77,968
Legacies	<b>539</b>	-	<b>539</b>	379
	<b>203,997</b>	<b>14,116</b>	<b>218,113</b>	<b>222,613</b>

**5 Other trading activities**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>	<b>Total</b>
	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fundraising	<b>49,210</b>	-	<b>49,210</b>	51,690
Shop income from sale of donated and bought in goods	<b>2,942</b>	-	<b>2,942</b>	2,831
	<b>52,152</b>	-	<b>52,152</b>	<b>54,521</b>

**6 Investment income**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>	<b>Total</b>
	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Interest & dividends received	<b>1,257</b>	-	<b>1,257</b>	109

**7 Expenditure on raising funds**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>	<b>Total</b>
	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Commissions payable	<b>1,719</b>	-	<b>1,719</b>	1,701
Cost of fundraising activities	<b>7,802</b>	-	<b>7,802</b>	3,204
Purchases of goods for sale	<b>450</b>	-	<b>450</b>	175
	<b>9,971</b>	-	<b>9,971</b>	<b>5,080</b>

**Open Arms Malawi**  
**Notes to the financial statements**  
**For the year ended 30 June 2023**

**8 Charitable activities**

	Unrestricted	Restricted	Total	Total
	2023	2023	2023	2022
	£	£	£	£
<i>Direct staff costs</i>				
Admin staff salaries and Ers NI	59,533	-	59,533	54,093
Training and welfare	-	-	-	26
Pension Costs	986	-	986	887
	<u>60,519</u>	<u>-</u>	<u>60,519</u>	<u>55,006</u>
<i>Indirect employee costs</i>				
Travel and subsistence	265	-	265	-
<i>Premises costs</i>				
Rent payable	2,433	-	2,433	2,038
	<u>2,433</u>	<u>-</u>	<u>2,433</u>	<u>2,038</u>
<i>General admin expenses</i>				
Telephone and fax	383	-	383	305
Postage	1,146	-	1,146	491
Stationery and printing	5,068	-	5,068	6,347
Subscriptions	120	-	120	-
Software	4,699	-	4,699	5,243
Insurance	1,066	-	1,066	1,088
Bank charges	326	-	326	158
Consultancy fees	335	-	335	5,519
Accountancy Fees	4,831	-	4,831	3,544
Sundry	97	-	97	17
	<u>18,071</u>	<u>-</u>	<u>18,071</u>	<u>22,712</u>
Total support costs	<u>81,288</u>	<u>-</u>	<u>81,288</u>	<u>79,756</u>
Grants paid (note 9)	222,752	8,078	230,830	265,374
Total charitable activities	<u>304,040</u>	<u>8,078</u>	<u>312,118</u>	<u>345,130</u>

**9 Grants paid**

	Unrestricted	Restricted	Total	Total
	2023	2023	2023	2022
	£	£	£	£
Malawi Monthly Grants	176,379	-	176,379	227,975
Malawi Extraordinary Grants	6,000	8,078	14,078	-
Sponsorship in Malawi	40,373	-	40,373	37,399
	<u>222,752</u>	<u>8,078</u>	<u>230,830</u>	<u>265,374</u>

**Open Arms Malawi**  
**Notes to the financial statements**  
**For the year ended 30 June 2023**

<b>10 Staff costs and key management personnel remuneration</b>	<b>2023</b>	<b>2022</b>
	£	£
Salaries	59,533	54,093
Employer's pension	986	887
	<u>60,519</u>	<u>54,980</u>

<b>Numbers of full time employees or full time equivalents</b>	<b>2023</b>	<b>2022</b>
Engaged on charitable activities	4	4

There were no employees with emoluments in excess of £60,000 per annum in either year

<b>11 Debtors</b>	<b>2023</b>	<b>2022</b>
	£	£
Other Debtors	187	187
Amounts due to associated or subsidiary undertakings	393	338
	<u>580</u>	<u>525</u>

<b>12 Creditors: amounts falling due within one year</b>	<b>2023</b>	<b>2022</b>
	£	£
Accrued Expenses	1,200	1,200
Unpaid Pension Contributions	214	197
	<u>1,414</u>	<u>1,397</u>

<b>13 Statement of charity funds</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total</b>	<b>Total</b>
	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2022</b>
	£	£	£	£
At beginning of year	208,977	-	208,977	281,944
Income	257,406	14,116	271,522	277,243
Expenditure	(314,011)	(8,078)	(322,089)	(350,210)
At end of year	<u>152,372</u>	<u>6,038</u>	<u>158,410</u>	<u>208,977</u>

Restricted funds represent money donated to be distributed as extraordinary grants to Malawi with a restriction on how they may spend it, such as staff bonuses, school fees and house repairs.

**Open Arms Malawi**  
**Notes to the financial statements**  
**For the year ended 30 June 2023**

**14 Net assets between funds**

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
Current Assets	153,786	6,038	159,824	210,374
Current Liabilities	(1,414)	-	(1,414)	(1,397)
	<u>152,372</u>	<u>6,038</u>	<u>158,410</u>	<u>208,977</u>

**15 Prior year net assets between funds**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Fixed asset investments	-	-	-	-
Current Assets	210,374	-	210,374	284,224
Current Liabilities	(1,397)	-	(1,397)	(2,280)
	<u>208,977</u>	<u>-</u>	<u>208,977</u>	<u>281,944</u>

**16 Prior Year Statement of Financial Activities**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Income from:			
Donations and legacies	222,613	-	222,613
Other trading activities	54,521	-	54,521
Investments	109	-	109
Total Income	<u>277,243</u>	<u>-</u>	<u>277,243</u>
Expenditure on:			
Raising funds	5,080	-	5,080
Charitable activities	345,130	-	345,130
Total Expenditure	<u>350,210</u>	<u>-</u>	<u>350,210</u>
Net Gains (Losses) on investments	-	-	-
Net (expenditure) before transfers between funds	<u>(72,967)</u>	<u>-</u>	<u>(72,967)</u>
Transfers between funds	-	-	-
Net movement in funds	<u>(72,967)</u>	<u>-</u>	<u>(72,967)</u>