

# GRACE Charity (Förderverein Chipunga e.V.)

Postal address: Förderverein Chipunga e.V., Vordere Gasse 10, D-71254 Ditzingen, Germany / e-mail: [info@foerderverein.chipunga.com](mailto:info@foerderverein.chipunga.com)  
 Managing committee: Dr. Jens Diedrich (president), Barbara Schwarz (vice president), Margarete Baeza (treasurer), Christoph Schwarz (secretary)



**Chipunga Development Committee**  
 c/o the Chairman Mr. Daniel Mthuti  
 CC: weltwaerts team  
 P.O. Box 611 / Mzuzu

April 17, 2016

Dear CDC

Thank you very much for preparing and sending an initial budget proposal plus the corrected one. Further we got your report dated March 1<sup>st</sup> 2016 early April. The GRACE management team did review everything in a meeting at April 8. **The snapshot of the approved budget can be found below - the editable spread sheet is attached to the email transmitting this letter.**

## Running costs 2016 as given and calculated by the cdc

	learners	fee	100,00%	75,00%	Terms	totals	
Scholar Ships	1: Community secondary schools	19	6.250	118.750	89.063	first term	89.063
		19	12.000	228.000	171.000	second term	171.000
		19	12.000	228.000	171.000	third term	171.000
	2: Son of a farm employee	1	6.250	6.250	4.688	first term	4.688
		1	12.000	12.000	9.000	second term	9.000
		1	12.000	12.000	9.000	third term	9.000
	3: Bandawe Boys School	1	30.000	30.000	22.500	first term	22.500
		1	45.000	45.000	33.750	2 <sup>nd</sup> & 3 <sup>rd</sup>	67.500
	4: Bandawe Girls School	1	70.250	70.250	52.688	3	158.063
	5: Amazing Grace sec. School	1	65.000	65.000	48.750	3	146.250
7: Finishers Primary in 2016 estimate	17	12.000	204.000	153.000	one term	153.000	
<b>total Scholar Ships</b>						<b>1.001.063</b>	

Pre-School	Wages Teachers	teachers	wage	per day	per term	Terms	totals
		4	275	1.100	77.000	3	231.000
<b>total Pre-School</b>							<b>231.000</b>

Feeding Program		cooks	wage	per day	per term	Terms	totals
1: Salaries Cooks		2	250	500	35.000	first term	35.000
		2	250	500	30.000	second term	30.000
		2	250	500	40.000	third term	40.000
2: Food ingredients	estimated costs				345.700	first term	345.700
	estimated costs				486.700	second term	486.700
	estimated costs				486.700	third term	486.700
<b>total Feeding Program</b>						<b>1.424.100</b>	

Primary School	Salaries Teachers as per MOU till July	teachers	salary	per month	months	totals
		2	45.000	90.000	6	540.000
<b>total Pre-School</b>						<b>540.000</b>

Health	Hospital/Physician/Medication	estimated costs	per year	75,00%	totals
			200.000	150.000	150.000
<b>total Health</b>					<b>150.000</b>

CDC	expense allowance	members	allowance	per month	months	totals
		7	500	3.500	12	42.000
	Lump sum for food and beverages			4.000	12	48.000
<b>total Amount</b>						<b>90.000</b>

**Total demand from CDC 2016 3.436.163**

## Loan Schemes and CDC wishes with granted backflow of self-contribution

Fertilizer		sacks	per sack	27 Workers 50%	4 Pre-School 50%	5 Teachers 100%	backflow
23-21-0 4S 50 kg		36	22.000	297.000	44.000	110.000	451.000
Urea 50 kg		26	21.600	194.400	32.400	108.000	334.800
Can 50 kg		10	20.800	93.600	10.400		104.000
<b>Total backflow fertilizer scheme</b>							<b>889.800</b>

Seedmaize	DK 8053 5 kg	sacks	per sack	100,00%	50,00%	backflow
		27	7.000	189.000	94.500	94.500
<b>Total backflow seedmaize scheme</b>						<b>94.500</b>

Headteacher individual		teacher	100,00%	backflow
Solar Panel		1	95.000	95.000
Battery		1	90.000	90.000
Inventor		1	25.000	25.000
<b>Total backflow headteacher scheme</b>				<b>210.000</b>

Wish Last CDC		workers	cost	100,00%	75,00%	backflow
Cooking pots		27	12.000	324.000	243.000	81.000
plates set		27	5.000	135.000	101.250	33.750
gumboots		27	6.000	162.000	121.500	40.500
<b>Total backflow CDC wish list 2016</b>						<b>155.250</b>

**Total backflow to CDC 2016 1.349.550**

**Demand - Backflow = Monetary support 2016 2.086.613**

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Now you can go forward with the financial certainty to run GRACE projects including the "CDC wish list" demands. A proper tracking of any spendings, interim payments, and the self-contribution return is very much expected. Be informed that for the moment everything runs with disregard to the owner change of the Farm (see note below).

However, may we remind you again to announce any need of cash payout or shopping in advance to Bernhard and us. **Bernhard needs to know demands about a month before, otherwise he/we can not guarantee the cash or supply as expected.** This rule is applying to the college fees for tertiary education as well. What we want to avoid are the so called "last minute demands".

CDC should have the projects overview at any time and shall discuss budget needs in every single meeting (e.g. in Germany budget is always the very first point in our agenda when we sit together discussing GRACE issues - there is no exemption as financial gain and spendings are key).

Solar Panel Scheme Headteacher Chipunga Primary School: The management team has agreed to follow your advice to support this application. The **Memorandum of Understanding (MOU)** fixing the scheme is attached to this letter and must be completed on a regular basis. The calculation was done by deviding the total demand by 12months. However, the individual monthly payment of Mr. Chirwa can be higher (if applying please enter in the MOU tracking accordingly), but can't be less than MKW 17'500 a month CDC shall inform us about the progress of the loan scheme.

The income of this scheme (MKW 210'000) is supposed to be used for paying overheads of other CDC projects (as it is outlined in the budget sheet). The purchase of the loan items will be done by Bernhard Schwarz with the help of CDC and/or Sandra/Lea (please mention this purchasing beforehand, to get Bernhard financially prepared).

A few words about Chipunga Farm: Due to the fact the farm will be sold I am planning to come to Malawi in the second half of the year. I would like to take this opportunity to sit down and to negotiate with you and the new owner the future of GRACE and our long lasting collaboration.

I am very confident that we'll find good solutions to continue our long cooperation and work!

Best wishes on behalf of the German management team,



Dr. Jens Diedrich  
President GRACE charity

## **Enclosing:**

- Budget spread sheet 2016
- MOU for Gedion Z. Chirwa

