



Chipunga Development Committee  
P.O. Box 611  
Mzuzu  
Malawi

January 27, 2007

## Confirmation of annual budget and urgent request on interim report

Dear CDC members,

I hope everybody is fine and things are running smoothly at Chipunga. As reported by Dr. Willi Ehret fertilizer slipped into your priority #1 due to dishonourable conduct of Malawi government. Thus, the purchase of costly mattresses is postponed and will be done according to coming in of repayment of fertilizer self contribution. To sustain the total annual budget of MKW 500.000,- the sum for mattresses had to be decreased (see below). Even so, we think a lesser mattress purchase can be compensated in the next year balance.

May I confirm the financial statement made by Ms. Barbara Schwarz, updated by a report of Dr. Willi Ehret:

<b>Education</b>	MKW	100.000,- (minus 25% self-contribution)	=	<b>MKW 75.000,-</b>
<b>Health</b>	MKW	14.667,- (minus 25% self-contribution)	=	<b>MKW 11.000,-</b>
<b>Fertilizer</b>	MKW	378.000,- (minus 50% self-contribution)	=	<b>MKW 189.000,-</b>
<b>Mattresses</b>	MKW	300.000,- (minus 25% self-contribution)	=	<b>MKW 225.000,-</b>

**Total annual budget pay out MKW 500.000,-**

Total funds will be transferred as soon as your bank account is established and we got account facts. We desire to obtain frequently well documented information about the use of all funds. Please don't take this new opportunity of self-government too lightly. A proper management and a good documentation (includes self-contribution tracking) will make the use of funds easy-to-read and grades future GRACE commitments.

Further the about MKW 200.000,- self-contribution pay back from former projects might be used in a credit management system as proposed to us by the CCMC. The system will be discussed at the GRACE general assembly on March 3<sup>rd</sup> 2007. CDC will receive a communication about the general assembly's decision.

Supplementary points being on the agenda of the upcoming GRACE general assembly:

- a) Taking up of vocational training into the education commitment – discussion and decision
- b) Building of school blocks for Chipunga primary school – discussion and decision

Ahead of launching any of the above mentioned projects GRACE will request a judge of the CDC. We got your comment on the CCMC credit management project previously. Please comment on vocational training and school block projects too.

In preparation of our mentioned general assembly I would be very pleased to get a full interim report on what has been done (separated into the single projects; includes detailed cost presentation and status of self-contribution pay back) by mid of February.

Thanks for your comprehensive, quick and detailed response.

With warm regards,

Dr. Jens Diedrich  
President