



FOOD FOR LIFE MALAWI
YEAR 2024 INCOME AND EXPENDITURE STATEMENT

1. KEY ECONOMIC HIGHLIGHTS

Economic Outlook — Malawi

The EIU, World Bank, IMF, and the Malawi Government have all revised their growth projections downwards on account of persistent shortages of hard currency and lower than expected outcomes in the agricultural sector. Despite a higher growth forecast than 2023, the outlook has been dampened by lower-than-expected winter cropping and water logging in the Lower Shire. The EIU forecasts that the agricultural sector will contract by negative 1.0% in 2024. For 2025, the outlook has been dampened by the La Niña weather phenomenon which is expected to cause above normal rainfall and flooding across drought prone regions, putting further strain on agricultural production.

The EIU forecasts that the Kwacha will continue to depreciate gradually between 2024 and 2028 as the RBM allows greater exchange-rate flexibility to K1,867.9:US\$1 at end-2025, reaching K2,524.6:US\$1 at end-2028, in line with IMF guidance, and reflecting the paucity of foreign exchange reserves. By 2028 the Kwacha is expected to trade close to its fair value (with a narrower spread between the official and parallel market rates), reflecting achievement of the policy goal of exchange-rate flexibility, coupled with lower inflation.

Key Economic Risks – Malawi

1. Geopolitical tensions – Supply chain disruptions and higher global interest rates leading to higher commodity prices and reduced fiscal space in the economy.
2. Persistently weak export base - Affects the Kwacha's stability against the major currencies and demand and supply imbalances of foreign exchange due to the widening trade deficit.
3. Climate change – Changes in weather patterns and extreme weather conditions, impacting infrastructure development, livelihoods, and agricultural production.
4. High government debt levels - Create a future obligation for the government to repay the debt plus interest.
5. High inflation rates – high costs of living are expected to reduce the standard of living, and measures used to curb inflation will result in higher borrowing costs, impacting production and growth.
6. High population growth rates - May reduce the country's ability to allocate resources to more productive activities.
7. Pandemics, Epidemics and Infectious Diseases – negatively affects human capital, business operations and results in unplanned government heavy expenditure on medical supplies and enforcement of measures to mitigate its spread and effects.

Foreign Currency Market:

During the month of December 2024, the Malawi Kwacha depreciated against all major currencies. The Kwacha remained unchanged against US Dollar. See the table below:

CURRENCY	Dec 24	Nov24	Dec 23	% Change 1 Month	% Change 12 Months
MK/US Dollar	1,734.01	1,733.87	1,084.60	-0.01%	-59.88%
MK/GBP	2,352.03	2,293.27	1,420.20	-2.56%	-65.61%
MK/ZAR	100.87	97.77	59.73	-3.17%	-68.87%
MK/EUR	1,978.39	1,932.49	1,219.47	-2.38%	-62.23%

POSSIBLE IMPACT: A stable exchange rate makes the cost of imports predictable in the short term. However, the depreciation of the Kwacha in the medium to long term could lead to higher import costs and relatively cheap domestic exports on the international market.

Inflation:

The headline inflation inched upwards for December 2024 and stood at 33.90%, from 33.70% in November 2024. The increase was on account of a marginal increase in both food and non-food prices.

	Dec 24	Nov 24	Dec 23	% Change 1 Month	% Change 12 Months
Headline Inflation	33.90%	33.70%	28.60%	0.20%	5.30%
Food	42.00%	41.90%	39.40%	0.10%	2.60%
Non Food	22.70%	22.40%	16.10%	0.30%	6.60%

POSSIBLE IMPACT: Lower inflation rates may lead to reduced interest rates which could increase private sector investments and disposable income for expenditure. Alternatively, high inflation rates raise the cost of investment thereby hampering private sector growth.

Economic Growth:

Geopolitics is expected to play a major role in driving changes in the global economy. The return of industrial policy including sanctions, widening tariffs and the provision of incentives will push firms to favor resilience above efficiency in shaping supply chains, enhance trade tensions in strategic sectors and make it difficult to compete across the global marketplace. These developments will drag on growth potential, if not cause the outright fragmentation of value chains. The EIU forecasts that global real GDP will expand by 2.6% a year (at market exchange rates) on average over the next five years below the 3.0% of the 2010s, which was hardly a stellar decade for the global economy.

Below is the summary of the Real GDP Growth Projections

Real GDP Growth Projections				
	2021	2022	2023	2024
EIU	2.70%	0.70%	1.60%	1.30%
IMF	2.20%	0.90%	1.70%	2.00%
WORLD BANK	2.80%	0.90%	1.40%	2.00%
GOVERNMENT	3.90%	1.19%	1.50%	2.30%
Average Real GDP	2.90%	0.29%	1.55%	1.90%

2. FOOD FOR LIFE MALAWI FINANCIAL PERFORMANCE

FUNDING FROM HOLLAND

Total funds received from Holland for the year 2024 was MK122.8 million, this represents 1.2% decrease from prior year total funding of MK124.3 million.

MAIZE SALES PROCEEDS

Total maize sales proceeds for the year 2024 was MK55.6 million, compared to year 2023 of MK 48.5 million representing a 12.8% increase. The increase was mostly due selling price increase as most members did not return as they should due to poor performance during the year as a result of bad weather.

DIRECT COSTS

SEED PURCHASE

As at December 2024 total seed purchase amounted to MK37.5 million (19% of total annual Income), lower than 2023 same period expenditure of Mk 18.5 million representing a 51% increase, mainly due price increase.

FERTILIZER PURCHASE

As at December 2024 total fertilizer purchase amounted to MK13.4 million (7% of total Income), higher than 2023 same period expenditure of Mk 11.5 million representing a 14% increase, mainly due to policy intensification on no fertilizer application and price increase on the market.

MANURE PURCHASE

As at December 2024 manure purchase costs was MK67.6 million (35% of total Income), comparing to 2023 expenditure of MK41.5 million (39% increase). The increase is attributed to the fact that all clubs did not apply fertilizer and price increase.

TRANSPORTATION CHARGES

As at December 2024 total transportation charges amounted to MK23 million (12% of total Income), representing a 6% increase comparing to 2023 expenditure of MK 21.5 million. The increase was a result of price increase due to scarcity of fuel on the market.

HOSPITALITY EXPENSES

Hospitality expenses as of December 2024 was MK11 million (6% of total Income), comparing to 2023 expenditure of MK22 million (102% decrease), mainly due to less activities in the first half the year.

VISITS EXPENSES

Expenses relating to field visits as of December 2024 was MK 22 million (12% of total Income), this was a 50% increase comparing to 2023 expenditure of MK11 million.

OTHER COSTS

There was 77 % decrease in other costs as of December 2024 as actual costs were MK 6.1 million (3% of total Income), comparing to 2023 expenditure of MK 10.8 million.

FOOD FOR LIFE MALAWI
CONSOLIDATED STATEMENT OF INCOME AND EXPENDITURE
AS AT DECEMBER
2024

DESCRIPTION	FUNDS (2023)	FUNDS (2024)	DESCRIPTION	PAYMENTS (2023)	PAYMENTS (2024)
Cash in Hand (01/01/2024)	-	-	Seed Purcahse	18,528,550.00	37,460,750.62
Cash at the Bank (01/01/2024)	1,371,586.11	8,615,256.06	Fertilizer Purcahse	11,513,000.00	13,398,000.00
Funds Recived from Holland	124,396,427.90	122,795,707.28	Manure Purchase	41,485,400.00	67,579,400.00
Sale of Maize	48,512,317.44	55,649,332.25	Transportaion Charges	21,463,240.00	22,949,080.00
Othe Receipts (Bank Interest)	126,445.08	-	Hospitality	22,280,855.00	11,012,000.00
Deposits	6,000,000.00	6,005,000.00	Visits	11,147,370.91	22,243,250.00
			Other Costs	10,829,599.82	6,133,810.00
			Unknown Differences	35,193,234.17	8,738,897.99
			Bank charges	-	152,600.00
			Cash in Hand (31/12/2024)	7,965,526.63	-
			Cash at the Bank(31/12/2024)	-	3,702,706.98
Total Amounts	180,406,776.53	193,065,295.59	Total Amounts	180,406,776.53	193,370,495.59

Bank Number	
Bank Name	
Name on Bank Account	
Competent Person 1 FFF	
Competent Person 2 FFF	

Administrator Name FFF	
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Administrator Name Controller	
Office Name Controller	
Phone Number Controller	
Opion Controller	Jonathan Katimbe Khumbo Njiragoma
Good	Good
Normal	
Bad	
Sign Controller	
Date	
Place	
Sent to	boteerling@gmail.com
Mr. Bo Teerling Food For Life Malawi Mob 0031 651 35 93 92	

STATEMENT OF REVENUE AND EXPENDITURE IN MALAWI KWACHA**MZUZU PROGRAMME****AS AT DECEMBER****2024**

DESCRIPTION	FUNDS RECEIVED	DESCRIPTION	PAYMENTS
Cash in Hand (01/01/24)	-	Seed Purcahse	11,710,250.00
Cash at the Bank (01/01/24)	7,375,507.78	Fertilizer Purcahse	
Funds Recived from Holland	8,054,394.32	Manure Purchase	26,324,000.00
Sale of Maize	42,226,132.25	Transportaion Charges	4,634,000.00
Othe Receipts (Bank Interest)		Hospitality	7,281,000.00
Deposit		Visits	3,152,000.00
		Other Costs	1,896,000.00
	-	Unknown Differences	62,832.50
		Bank charges	
		Cash in Hand (31/12/24)	-
		Cash at the Bank (31/12/24)	2,595,951.85
Total Amounts	57,656,034.35	Total Amounts	57,656,034.35

Bank Number	1003134993
Bank Name	National Bank
Name on Bank Account	Kacheche Food For Life
Competent Person 1 FFF	Brenda Nyasulu
Competent Person 2 FFF	Gift Mhango

Administrator Name FFF	
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Administrator Name Controller	
Office Name Controller	
Phone Number Controller	
Opion Controller	Jonathan Katimbe Khumbo Njiragoma
Good	
Normal	
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Date	
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Sent to	boteerling@gmail.com
Mr. Bo Teerling Food For Life Malawi Mob 0031 651 35 93 92	

STATEMENT OF REVENUE AND EXPENDITURE IN MALAWI KWACHA**CHITUNDA PROGRAMME****AS AT DECEMBER****2024**

DESCRIPTION	FUNDS RECEIVED		DESCRIPTION	PAYMENTS
Cash in Hand (01/01/24)	-		Seed Purcahse	18,480,000.00
Cash at the Bank (01/01/24)	138,412.41		Fertilizer Purcahse	13,398,000.00
Funds Recived from Holland	81,170,162.04		Manure Purchase	30,230,400.00
Sale of Maize	7,120,000.00		Transportaion Charges	6,766,600.00
Othe Receipts (Bank Interest)			Hospitality	2,480,000.00
Deposits	5,000.00		Visits	12,394,750.00
			Other Costs	1,538,250.00
			Unknown Differences	3,102,103.73
			Bank Charges	152,600.00
			Cash in Hand (31/12/24)	
			Cash at the Bank (31/12/24)	196,070.72
Total Amounts	88,433,574.45		Total Amounts	88,738,774.45

Bank Number	55267772
Bank Name	First Capital Bank
Name on Bank Account	Chitunda Central Farm
Competent Person 1 FFF	Rodney Mbwana
Competent Person 2 FFF	Moses Phiri

Administrator Name FFF	
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Administrator Name Controller		
Office Name Controller		
Phone Number Controller		
Opion Controller	Jonathan Katimbe	Khumbo Njiragoma
Good		
Normal		
Bad		
Sign Controller		
Date		
Place		
Sent to	boteerling@gmail.com	
Mr. Bo Teerling Food For Life Malawi Mob 0031 651 35 93 92		

STATEMENT OF REVENUE AND EXPENDITURE IN MALAWI KWACHA

CHITUNDA PROGRAMME

AS AT DECEMBER

2024

DESCRIPTION	FUNDS RECEIVED		DESCRIPTION	PAYMENTS
Cash in Hand (01/01/24)	-		Seed Purcahse	7,270,500.62
Cash at the Bank (01/01/24)	1,101,335.87		Fertilizer Purcahse	
Funds Recived from Holland	33,571,150.92		Manure Purchase	11,025,000.00
Sale of Maize	6,303,200.00		Transportaion Charges	11,548,480.00
Othe Receipts (Bank Interest)			Hospitality	1,251,000.00
Deposits	6,000,000.00		Visits	6,696,500.00
			Other Costs	2,699,560.00
			Unknown Differences	5,573,961.76
			Bank Charges	
			Cash in Hand (31/12/24)	
			Cash at the Bank (31/12/24)	910,684.41
Total Amounts	46,975,686.79		Total Amounts	46,975,686.79

Bank Number	1040000442211
Bank Name	FDH Bank
Name on Bank Account	Kabula Food For Life
Competent Person 1 FFF	Jonazio Kachembere
Competent Person 2 FFF	Gerlard Slava

Administrator Name FFF	
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Administrator Name Controller		
Office Name Controller		
Phone Number Controller		
Opion Controller	Jonathan Katimbe	Khumbo Njiragoma
Good		
Normal		
Bad		
Sign Controller		
Date		
Place		
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Mr. Bo Teerling Food For Life Malawi Mob 0031 651 35 93 92		

