

From: Chipunga Development Committee
P.O.Box. 611
Mzuzu/ Malawi

To: The President
Grace Charity
In Germany

17th August 2011

REPORT FOR THE MONTH OF JULY AND AUGUST

Dear Sir,

I would like to write some of the points that we have discussed in some of our crucial meetings that we had for the month of July and August.

Ovenproject:

Just to answer some questions that you have asked us on how we will maintain and the entire bakery procedure. During time of Bastian the worker and the CDC member discussed more that we need a help from him that we want to have another Project that it can assist us on income generating activities. To manage this project is not difficult because we will not do it with a high standard but we will do it on a local base, like Bastian was doing it. He was just baking his bread and selling here at the farm. We were buying here on the farm. There is a high demand on bread and scones in our area because it's far away from Mzuzu city where people are going in large number to buy bread and scones.

The bakery will be runned by bakery members of CDC together with all the beneficiaries here at the farm. Because it will be easy for us that everybody should participate in this project. So that they will be no loan for somebody but we should just do it as all that we are one. Because it will be our money. So that if we run out of money we should use it. Even if we have some problem that needs money we have to use it. To begin with we want to use the money for the budget of 2011-2012 for buying the materials for baking. For transportation of the materials hope that every monday our manageress is coming back from Mzuzu. If we can discuss with her she can't refuse to assist us, only to carry our things for baking.

Though we have not yet started but what we want is that when our new volunteer comes by the name Rhyn in her C.V. it's also written about that she has ever worked in a bakery in Germany with a support from her again we will manage to make a great job.

New Project

It was on 10th July 2011 when we had a big meeting whereby all the workers together with the CDC members sat down to discuss our problem that we were facing and how we have used the money for the budget of 2010-2011. We started with various projects that we have done for this year like the major issues of Grace that's Health/Education and livelihood. For Health and Education we saw that there is no problem with how we have handled the thing. For livelihood of course there is no major problem, but the thing is to have more things on this one it is difficult just because we are buying fertilizer which is costing a lot of money and the percentage deduction is always 50%. So as of now in our account we have only 50.000. This money we want to use until we receive the money for next month.

With the 50.000 that we have we want to buy blankets for all of us. This is what we agreed, but if we will buy the blankets then we will be waiting for the outcome from the deduction of

25% this is after we distribute the blankets then by the end of the month we have to get 25% out of the money.

It is obvious that we can't buy things without lettings you know. And before we buy the blankets we have to ask some of the questions. We are keeping some money donated by Karina and Vincent for the pre-school, amounting to 27,000 MK. Is it possible that we can borrow the money from pre-school so that we should use it for a month because the pre-school is on holiday? We want to use and replace after receiving our new budget. That means we have started to use the money for the next budget. With the inflation of Malawi Kwacha everything has gone up with the price.

Next month I will send you the financial report for the ending year of 2011. So that you should see maybe our budget will increased or not.

Yours faithfully

Daniel Mthuti