

To Our Investors & Supporters,

We hope you are well and gearing up for the holiday season! We are checking in to let you know how the first half of our time in Magoma-Kijango has been going. As you know, this is the capstone year of the Magoma-Kijango project. Thus, we are working diligently to establish a project that will be sustained by our Partners long after the period of our direct involvement. In this report we want to give you some strategic insight about our work thus far and our plans for the rest of our time here.

Included in this document are some highlights about project activities, an analysis of our goals & metrics, and a breakdown of our budget & expenditures. We have included general explanations about the 2Seeds Network as a whole and more detailed explanations about the Magoma-Kijango Project.

We have compiled this document to provide you comprehensive information about the Magoma-Kijango Project. But, above all, we have compiled this document as a way to say *thank you* to all of our committed investors and supporters. We hope that this information truly shows how much we value your investments and work hard to direct them towards productive & efficient profit-generating activities that benefit the long-term livelihoods of our dedicated Partners. The progress we have made so far would not have been possible without your financial, emotional, and intellectual support. Together we have raised \$16,526 towards the project which has enabled us to enhance & develop project activities.

Please continue to follow the Magoma-Kijango Project throughout the coming year on social media and our project blog.

From us and our Partners, thank you for your generosity and support.

Yours truly,

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Project Coordinators, 2015 - 2016

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2Seeds Network

As you probably recall, 2Seeds Network is a US-based 501(c)(3) nonprofit working in the Korogwe District, the Handeni District, and Dar es Salaam, Tanzania. 2Seeds leverages the innovative spirit and leadership capabilities of young adults from across the world in order to incubate community based, self-sustaining, interdependent projects in Tanzania.

The 2Seeds Network believes that [developing human capital](#) is the key to catalyzing economic growth within extremely poor communities. Guided by our values, we are creating [a network](#) of independent yet interconnected agricultural development projects built on deep partnerships within and across communities. We strive to create environments in which people can achieve their full potential and solve problems together.

Magoma-Kijango Project

Our work here revolves around the Magoma Project, which was started in 2010 and centered in Magoma-Kwata, a bustling village center, located in a wide valley at the foot of the Usambara Mountains. Magoma-Kwata is a hub of activity for several surrounding villages spread along the foothills; among them the small village of Kijango. In 2010, the Magoma-Kijango Project was founded as a branch of the Magoma Project and Project Coordinators split their time between Kijango and Kwata, building relationships and driving project activities in both communities. As project activities expanded in both sites, it became necessary to have two pairs of Project Coordinators in the Magoma Project; one pair for each project site. Starting in 2014, Kijango had a designated pair of Project Coordinators, specifically focused on the project activities of that site. This has allowed the Magoma-Kijango project to grow, thrive and explore new opportunities.

Originally, both project sites were focused on operating through the villages' primary schools. The original goal in both sites was to establish an integrated system of profit-generating activities, including vegetable farming and livestock-keeping, that would be used to raise funds for a school meals program.

Over the last year, the Magoma-Kijango Project has gone in a new direction in response to the shortened timeline. 2Seeds has set a goal to transition the current projects to be self-sustaining by December 2016. This will involve Project Coordinators leaving the project sites in March of 2016. The shortened timeline offered a reality-check for Magoma-Kijango because, although the project had a solid foundation, it was incomplete, facing difficulties with water scarcity and not yet turning a profit.

With the goal of creating a self-sustaining project within the shortened timeline, a new plan was made for the Magoma-Kijango Project that offered a realistic opportunity for long-term benefits that could be sustained by Project Partners.

This year, the new goal in Kijango is to build small, replicable, low-cost, profit-generating poultry-keeping activities at each of the Partners' family homes. Each Partner will maintain a small chicken coop at their homes and work in collaboration to make sales, coordinate purchases and solve problems together. A portion of the profit generated from these activities will go into a group savings account that will be used to re-invest in the business and purchase new flocks of chickens each year. This modified plan offers a realistic opportunity to create a self-sustaining project that

will be maintained in the long-term. Additionally, these replicable models will serve as a model for the larger Kijango community.

Although the Magoma-Kijango Project is going in a different direction than was originally planned, the foundation that was built up still serves as an important learning tool. The Partners have developed a wealth of experience working with poultry in the original integrated system that they will access and use to help these new project activities thrive.

Impact

- Magoma-Kijango in total:
 - Total inhabitants: 1,734 people
 - Inhabitants able to work: 900 people
- 2Seeds in Magoma-Kijango:
 - **Total: 11 households**
 - Number of members in the group: 5
 - Number of experts: 4
 - Number of support Partners: 2
- 2Seeds direct impact, currently: ~44 people (~3% of community)

2015 – 2016 Project Activities

Since our arrival, we have been working to create the best possible plan for the capstone year of the project. We decided, in collaboration with our Partners, to make some big changes to project activities, with the goal of self-sustainability in mind. In our time here, our Partners have already seen such progress and development towards self-sustainability. We believe that together we can set the business up for continued success. Here are some of the highlights & challenges we have encountered so far.

Project Highlights

- **New Project Activities:** We have finalized the plans for building individual chicken coops at each of our Partners' homes. This has involved mapping out the dimensions of the coops, compiling supply lists, planning our budget, finding a capable *fundi* (technician) and describing our vision to him and running various profit projections. The next stage for this activity is to begin construction of the coops and to order the flock of hens.
- **Water Security:** As you may remember, water scarcity is one of the biggest challenges facing Kijango. Last year, a 6,000L water tank was built at the school to collect & store water for use on the project. This year, we did maintenance work on the tank and made plans to build a second 5,000L tank. We have finalized our plans for the second tank and plan to install it in the coming weeks. This will further enhance water security in Kijango and allow for a consistent water source for the school.

- **“Project to Business”:** We have worked closely with our Project Partners to routinize and professionalize the operations of our current project activities. This has led to enhanced production & profit as well as increased business acumen among our Partners. These will be important & relevant skills that will aid our Partners in operating the new individual coops.
- **Self-Sufficiency:** Our goal is to transition this project to being managed and sustained solely by our Partners by December of 2016. As we have finalized & formalized our plans for project activities, we have become incredibly confident in the realism of this goal. Our plan to build individual chicken coops at each of our Partners’ homes offers a realistic opportunity to create a sustainable profit-generating activity that will benefit our Partners in the long-term. We also plan to set up a savings account and establish a stable financial system that our Partners will use to collaboratively make purchases and run the project. Self-sustainability is in our sights!



Olivia, Mama Sharifa & three of our student Partners, Aliy, Kanju and Rama, pose for a picture after our big “coop cleaning” day.

Challenges Facing the Project

- **Shortened Timeline:** Keeping in mind the goal of self-sustainability for the project, we have needed to make changes and work extremely efficiently. Developing the human capital of our Partners is more important now than ever, because soon, they will lead the project without outside help. To ensure self-sufficiency, we will need to prepare our Partners with the necessary trainings and understanding to run the project, keep up their individual chicken coops, and operate Magoma-Kijango’s new financial system. Operating under this shortened timeline is often intimidating but we are confident in our, and our Partners’, capabilities to take on the challenge.
- **Loss of Chickens:** Despite our best efforts to keep them safe and healthy, 5 of our 59 chickens have died in the past four months. In our attempts to prevent further chicken deaths, we all have become more knowledgeable about chickens’ health and medicine, and our network in Kijango includes an agricultural expert who helps with the problems we can’t seem to figure out. We are quickly learning that farm life can be brutal – we’ve gotten so attached to these chickens we see every day, so when we see them suffer, it’s very difficult to watch. Despite the stress of having injured and sick *kuku*, it is comforting to see how knowledgeable and confident all of our Partners are in taking care of the chickens. In Kijango, *kwa pamoja, tunaweza* (together, we can)!

- ***Maintaining Perspective:*** In Magoma-Kijango, we have sought to create a strong team capable of managing the project. We have five dedicated Partners, but given the voluntary nature of this work and the countless other responsibilities that our Partners have, it has been important to remind each other that the journey to *Maisha Bora*, the good life, is slow. Although the Partners have not seen an income from the current project, the upcoming individual chicken coops will provide an income-generating opportunity that will tangibly benefit them and their families. As long as we work hard at it now, we will see strong results very soon.

Overall

Through our ups and downs, we and our partners have stayed positive and hopeful. We trust one another, learn from one another, and recognize what an excellent opportunity for exchange this experience is. In Swahili, we say “*Kwa pamoja tunaweza!*” meaning “Together we can do it!” This is a message we’ve taken to heart.



Olivia holds one of our chickens, which was injured earlier this month.

Project Finances

As you may recall, all of the funds covering project operations and our costs of living here in Tanzania were generously donated by investors like you.



Our initial goal was to raise \$8,000 each, giving us a total of \$16,000 to cover our year. As of November 19, 2015, we've raised **\$16,526**, surpassing our initial goal!

Although we have met our fundraising goal, that does not mean we cannot continue to raise funds for the Magoma-Kijango Project. Our new project plan includes several capital-intensive investments (such as building individual chicken coops) so we are continuing our fundraising efforts in order to cover these expenses. With this being the capstone year of the project, your support is appreciated now more than ever. We are grateful that you have trusted us with your contribution in the past, and we want to emphasize that every donation, no matter the size, makes an important difference in the work that is being done with our Partners. We appreciate any additional support that you may be able to provide.

Financial Accountability

Financial accountability is a cornerstone of our project work. During each of our monthly meetings with our fellow PCs, we check our numbers with our financial accountability partners. We compare pricing and expense trends, and ensure all of us are on the right track.

Every month, we budget our funds and track our expenses. This is useful not only to see where our money has gone, but also as a tool to project our status through the coming months for the rest of our time in Tanzania.

To give you an idea about where your invested money has been used so far, here are a few of our major expense categories. We've included sums from when we arrived through November, monthly averages, plus our forecasts through March 2016 (the end of our commitment here).

Project-Related Expenses

Category	Year to Date	Monthly Average	Forecast through March, 2016	Forecasted Total
Project Training	\$0.00	\$0.00	\$200.00	\$200.00
Project Travel	\$7.71	\$2.57	\$1,500.00	\$1,507.71
Project Supplies	\$78.00	\$26.00	\$2,500.00	\$2,578.00
Project Investments	\$0.00	\$0.00	\$6,500.00*	\$6,500.00
Total	\$85.71	\$28.57	\$10,700.00	\$10,785.71

*As reflected in our expenses thus far, we have not yet entered the "construction" phase of our project activities. Beginning next month, we are anticipating ...

PC Living Expenses

Category	Year to Date	Monthly Average	Forecast through March, 2016	Year Total
PC Food	\$427.97	\$142.66	\$570.64	\$998.61
PC Transportation	\$209.52	\$69.84	\$279.36	\$488.88
PC Occupancy & Rent	\$619.32	\$206.44	\$144.34	\$763.66
PC Telephone & Net	\$209.01	\$69.67	\$278.68	\$487.69
PC Supplies	\$102.23	\$34.10	\$136.40	\$238.63
Total	\$1,568.05	\$522.71	\$1,409.42	\$2,977.47

Other Major Expenses

Category	Total
Round Trip Airfare	\$2,813
Supplemental Airfare	\$0
Visas	\$1,306
Vacations	\$0
Insurance	\$608
Vaccinations	\$0
Total	\$4,727

The numbers above have been consolidated and simplified for the purposes of this report. If you are interested in seeing a more detailed breakdown of our project expenses, personal expenses, and budgets, do not hesitate to ask.

Business Results: Revenue, Profit, and Production

Below is an overview of revenue, profit and production between August and October 2015. More detailed documents and descriptions are available upon request. We hope you enjoy this glimpse into the kinds of financial impact of our Partners' participation with 2Seeds.

Group Revenue

	August		September		October		Average	
	TZS/month	TZS/month	% Change	TZS/month	% Change	TZS/month	% Change	
	274,200	373,300	+36.14%	323,700	-13.29%	323,733	+11.43%	
Status:	Our revenue fluctuated over the last three months due largely to changes in demand. However, the average percent change was high and production was consistent.							

Group Profit

	August		September		October		Average	
	TZS/month	TZS/month	% Change	TZS/month	% Change	TZS/month	% Change	
	58,200	118,300	+103.26%	116,700	-1.35%	97,733	+50.96%	
Status:	Our profits experienced a spike in September because of a new initiative to only sell eggs in Kijango, in order to reduce transportation costs. Profits slightly decreased in October because of our decreased revenue.							

Production

	August		September		October		Average	
	Average number of eggs/day	Average number of eggs/day	% Change	Average number of eggs/day	% Change	Average number of eggs/day	% Change	
	37.7	38.4	+1.86%	38.8	+1.04%	38.3	+1.45%	
Status:	Despite our recent chicken illnesses and deaths, production has been consistent over the past several months.							

Human Capital Development

We are also working to improve business operations by building the capacity of our Partners in their roles. Here are a few updates on our work together with key Partners.

- Mama Sharifa** has gotten very comfortable in her leadership role of **Mwenyekiti (Chairperson)**. Whenever she goes to Korogwe for *Mwenyekiti* summits, she comes back excited and with new tips on how to lead the group. As our chairperson, Mama Sharifa is in charge of general group participation, as well as setting an agenda for and leading our bi-monthly meetings. Even on the weeks when the Ground Team staff does not come to Kijango, Mama Sharifa makes sure the group meets together. This past month, she arranged and facilitated a meeting about setting the budget for building individual chicken coops. We are happy to watch as her human capital develops and as she comes into her very important role.



Mama Sharifa leading a group meeting on budgeting our new chicken coops.



Kuraishi imitating an "ndege" (bird) at a lake outside of Kijango.

- Kuraishi**, the **Mtunza Hazina (Treasurer)** of the Magoma-Kijango Project, has really taken his role to heart. As *Mtunza Hazina*, Kuraishi handles the project's finances and coordinates most egg sales. He is incredibly comfortable selling eggs, he has made many contacts in and around Kijango, and every day, we see that his understanding of finances has grown. He is always thinking about ways to be more efficient with spending, by helping us decrease the budget and giving us advice on planning for the project.

- Mzee Selemani**, our **Bwana Vifaa (Inputs Coordinator)** is responsible for obtaining the supplies needed for the project each month. This role, which already carries a lot of weight, will hold even more responsibilities once our direct involvement ends and the project is sustained solely by the Partners. We are working with Mzee Selemani every day to get him ready to step into this role, so that he will be comfortable making decisions about necessary supplies and coordinating purchases independently.

Social Media

Following the Magoma Project

This investor report reflects some of the foundations, framework, and progresses of our project. If you want a closer look, and to stay connected to our day-to-day operations and advances, connect to our project through our social media outlets.



We try to tweet frequently from our project site, as cell reception and internet connectivity allow. You can follow the Magoma Project here, <https://twitter.com/MagomaProject> Don't forget to tweet @MagomaProject, and tag #2Seeds!



In addition, we periodically write blog posts about everything from important developments in the project, to our next quarter's goals, to our new friendships in Magoma. You can read our thoughts here, <http://themagomaproject.tumblr.com/>.



The hub of all of this activity is the Magoma Project's Facebook page, here <https://www.facebook.com/Magomaproject>. Like us, refer us to your friends, and follow our activity. We love staying connected.



See pictures from the ground of PCs and Partners on the Magoma Project Instagram here, <http://instagram.com/MagomaProject>.

Keeping up with 2Seeds

Please take a look at the 2Seeds Network's social media pages. You'll find content relevant to all of the projects, network-wide initiatives, corporate activities, recruitment, and more.



Frequent updates from the ground in Tanzania and from the US. You can follow the 2Seeds Network here, <https://twitter.com/2SeedsNetwork>. Don't forget to tweet @2Seeds Network, and tag #2Seeds!



Look to the corporate blog for posts about strategy, developments, and other content related to 2Seeds and its work. You can read the 2Seeds corporate blog here, <http://2seedsnetwork.wordpress.com/>.



Find pictures, links, and more on the 2Seeds Facebook page, here <https://www.facebook.com/2seedsnetwork>. Like it, refer it, and keep up with the progress of 2Seeds.



See pictures from the ground of PCs and Partners on the 2Seeds Instagram here, <http://instagram.com/2seedsnetwork>.