

18. Methodist Relief and Development Fund (MRDF) Summary of Annual Report 2007/08

Highlights of the Year 2007-08

- 5,546 farmers were able to access seeds or equipment for improved farming, resulting in recipients reporting increased incomes of between 50-400%.
- 4,484 children received health check-ups and the number of mothers and children visiting Health Centres nearly doubled, while 96% of the children in target communities accessed immunisations.
- Safe water and hygiene education was provided to communities in drought-prone regions of Central India, Uganda, Malawi and Togo. This included the establishment of 114 water sources, and 1,323 latrine facilities.
- Over 715 individuals gained literacy and numeracy skills and had their confidence level raised through our Non-Formal Education projects in Nepal, Tanzania and Sierra Leone.
- Over 7,765 individuals and groups received loans and were able to set up their own income generation activity. 90% of loan recipients were women and the impact on all aspects of their lives was significant, including increased decision-making at family and local level and participation in local bodies.
- The first ever MRDF capacity-building conference in Addis Ababa brought together 59 delegates representing 29 partners from 11 African countries.
- Emergency relief was channelled to over 20 countries, including: cyclone response in Bangladesh, post-conflict recovery work in Burundi, earthquake response in China and Peru, flood relief in India and Pakistan, and emergency relief for displaced people in Sudan.

1. Development

1a. Supporting Life-Changing Long-Term Development Initiatives

Last year, MRDF funded 58 projects implemented in 23 of the world's poorest countries. Within these countries, MRDF targeted the most marginalised communities where access to basic services, such as clean water, affordable education and appropriate healthcare is often non-existent and where families are surviving at subsistence level. Support was prioritised for those community members who are doubly disadvantaged due to location, gender, age, caste or

health status. The work of MRDF partners broke down into the following broad areas:

i) Sustainable Agriculture

Through 20 sustainable agriculture projects, MRDF funding enabled a total of 5,546 farmers to access seeds or equipment for improved farming, resulting in recipients reporting increased incomes of between 50-400%. This significant rise meant that farmers were better able to meet medical and educational costs which in turn resulted in improved family health and child learning. Other direct outcomes included a reduction of reliance on inorganic fertilisers, improved food

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security, better nutritional intake and greater environmental awareness. Farmers also identified a number of indirect benefits including reduced urban migration and the take-up by non-targeted farmers (such as relatives and neighbours) of conservational farming techniques. One of our trainees in Cameroon noted:

"Without PRTC [MRDF Partner in Cameroon] I would just be doing chores round the house, like my mother. I would not be planting potatoes, storing corn like this, I would not be able to earn a living,"

*Vivian Ngala, project participant,
PRTC (Cameroon)*

ii) Health

MRDF supported 12 health projects, many of them in Sub-Saharan Africa, where a lack of trained health workers, the prevalence of HIV, and inadequate infrastructure contributes to a high maternal and child mortality rate. MRDF provided training and awareness-raising to 6,644 mothers, helping them to take increased preventative health measures. As a result, 4,484 children received nutritional and health check-ups, the number of mothers and children visiting Health Centres nearly doubled, while 96% of the children in target communities accessed vaccinations and immunisations. In addition, 10,160 young adults were trained in safer sex practices. As a result, there was a 500% increase on the previous year in those reporting correct and consistent use of condoms. A project participant noted that:

"Last week my baby had diarrhoea so I gave him oral rehydration salts – I always do this now, but before I didn't know."

*Hawa Coulibaly, project participant,
GRAFE (Mali)*

iii) Water And Sanitation

MRDF was able to ensure safe water provision and hygiene education in drought-prone regions of Central India, Uganda, Malawi and Togo. This included the establishment of 114 new or improved water sources, and 1,323 new or improved latrine facilities. In order to make a long-term impact on the health of the community, hygiene awareness-raising campaigns were also carried out with 11,372 community members. As a result, reports indicate a 100% increase in washing of hands before meals and before cooking food, and a reduction of up to 40% of water-borne diseases within the target communities. A project participant from central India, noted that:

"...daughters in the village now ask whether their potential husbands have toilets and running water at their homes before they decide to get married."

*Maida Devi, project participant,
HARITIKA (India)*

iv) Education

Because MRDF recognises the special relevance of Non-Formal Education (NFE) as one of the chief ways of mainstreaming marginalised communities, we upscaled our Non-Formal Education projects

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in Nepal, Tanzania and Sierra Leone. Learning circles not only taught basic numeracy and literacy, but also covered relevant health, political and social issues as well as rebuilding a sense of community and belonging. Those attending learning circles reported a range of benefits, including: being able to read scales at market, understand their bank statements and health cards, being more confident about visiting hospitals and making telephone calls, and being much more involved in their children's education.

"...I read out the News for Farmers section to my father every day. He says that I have become his window to the world."

Shova, Hariyali, Child Rights Club member, KOPIA (Nepal)

v) Income Generation And Micro-Credit

MRDF is working in four of the six poorest countries in the world, which are home to shocking levels of deprivation. The causes are highly complex, but it is generally accepted that a conspicuous lack of capital is a significant contributor. MRDF partners have employed innovative techniques to offset this lack, including: micro-credit support, vocational training, and livestock rearing. While direct increase in family income for those previously living under the poverty line was the primary benefit, there were also many indirect benefits cited by partners: an increase in enrolment of children in school, reduced migration of young people to the cities, less family conflict, enhanced nutritional status of

families and reduced infant mortality rates. 90% of loan recipients were women and the impact on all aspects of their lives was significant, including: increased decision-making at family and local level, participation in local bodies, more property titles in women's names and improved social cohesion. We feel extremely encouraged by the responses of beneficiaries like Kamamma, who noted that:

"This is the first time in my lifetime that I have enough savings to cover my family's food costs, medical needs and also send my children to the school."

Kamamma, Jishu Self Help Group, RAIDS (India)

1b. Increasing the Effectiveness of Local Partners

The organisational and financial strength of our partners is critical to MRDF's successful contribution towards poverty eradication, and the more effective and self-sufficient they become, the greater their impact on the ground. MRDF therefore invests resources into the capacity-building of its partners in order to make a meaningful impact extending beyond the duration of any single project. We prefer to partner with smaller organisations which do not have the experience and resources to attract funding from larger donors. They also employ local staff and work with the most marginalised communities in such a way as to encourage the participation and empowerment of community members. Last year, MRDF provided capacity-building support on the

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following subjects:

- ∞ fundraising training and training on creating networking and learning opportunities
- ∞ supporting partners to put in place more rigorous financial and organisational management systems
- ∞ developing the confidence and the skills required to access alternative funding from large/small donors

Some of the examples of the specific ways in which we contributed to partner capacity building include:

- ∞ In November 2007, the first ever capacity-building conference was held in Addis Ababa for 29 partners from 11 African countries. The event offered 5 days of training in aspects of organisational and financial management.
- ∞ MRDF initiated a combination of regular in-country visits by MRDF staff (incorporating participatory organisational assessments and staff training), external audits and partner exchange through country networking, capacity-building newsletter, and e-bulletin.
- ∞ MRDF applied to 11 external funders, and was successful in 6 bids (3 decisions still pending).

2. Humanitarian Relief

This year, MRDF responded rapidly through existing partners where emergencies unfolded in areas they operate in, including interventions in Kenya in support of people displaced by political instability and conflict, in Burma (Myanmar) to assist cyclone victims and in Ethiopia to assist farmers

deal with the drought. MRDF also worked through ACT (Action By Churches Together) in over 20 countries. Ongoing unrest in Zimbabwe prevented us from initiating partnerships there, although we delivered emergency aid through Methodist Church partners and through ACT.

3. Advocacy and Education in the South and in the UK

One of the central tenets of our work this year has been the determination to challenge the structural factors that perpetuate underdevelopment within the developing world. Accordingly, MRDF focused on building partners' capacity to undertake effective advocacy work within their constituencies (including an advocacy workshop at the Strength to Strength Conference, and an issue of the MRDF Capacity building newsletter dedicated to Advocacy). Partners demonstrated their capacity to lobby successfully at both a local and government level. Francis Njuakom, Director of CDVTA (MRDF Partner), was awarded the Sheila McKechnie Award for International Human Rights, for his pioneering work with the elderly in Cameroon. Other examples of successful advocacy work by partners in the South include: RAIDS (India) campaigned successfully to get unused government land allocated for housing support to Dalits, most of whom were landless, and often bonded labourers, and YDF (Zambia) mobilised a youth-led campaign that forced the Zambian Youth Ministry to remove the ban on condom availability and education regarding their usage in schools.

MRDF also undertook advocacy in the North, seeking to help our supporters

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develop a critical understanding of the causes of poverty, and encourage them to take positive action in the pursuit of justice. In 2007/8 we achieved this in two ways:

a) Providing resources and training for church groups and individuals

- 4,000 copies of a six-week Lent Study guide, "What does the Bible say about Climate Change?" were distributed free of charge to churches for use in small groups.
- MRDF's Harvest pack "Harvest against the odds" also covered the theme of climate change and environmental damage, focusing on MRDF's work amongst subsistence farmers in El Salvador.

b) UK Grants to development education and campaigning organisations

As a small charity, MRDF realises that it needs to work in partnership with other organisations to increase its campaigning impact. In 2007/8 we awarded a total of £146,000 (5% of expenditure) in grants to Fair-trade Foundation, UK Food Group, Jubilee Scotland, Rugmark UK and Labour behind the Label, for the furtherance of their work.

4. Financial position

MRDF's consolidated statement of its financial activities to 31 August 2008 is set out on the next page. Copies of its full accounts, including the notes referred to in the statement, may be downloaded from <http://www.mrdf.org.uk/assets/photos/MRDFAnnRepAccts0708.pdf> .

*****RESOLUTION**

18/1. The Conference received the Report.

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Consolidated statement of financial activities for the year ended 31 August 2008

| | Unrestricted <u>Funds</u> £ | Restricted <u>Funds</u> £ | Endowment <u>Funds</u> £ | 2008 <u>Total</u> £ | 2007 <u>Total</u> £ |
|--|-----------------------------------|---------------------------------|--------------------------------|---------------------------|---------------------------|
| Incoming resources from generated funds | | | | | |
| <i>Voluntary income:</i> | | | | | |
| Donations & Grants | 1,041,958 | 557,572 | - | 1,599,530 | 1,202,727 |
| Legacies | 241,655 | - | - | 241,655 | 377,263 |
| Investment income & interest | 114,187 | 14,405 | - | 128,592 | 135,214 |
| <i>Activities for generating funds:</i> | | | | | |
| Sales | 302 | - | - | 302 | 3,480 |
| Total incoming resources | 1,398,102 | 571,977 | - | 1,970,079 | 1,718,684 |
| Resources expended | | | | | |
| <i>Cost of generating funds:</i> | | | | | |
| Fundraising & publicity | 105,332 | - | - | 105,332 | 102,737 |
| Cost of sales & investment mgt | 10,824 | - | - | 10,824 | 10,912 |
| <i>Charitable activities:</i> | | | | | |
| <i>Activities in furtherance of objects:</i> | | | | | |
| Development | 901,680 | 359,013 | - | 1,260,693 | 1,393,156 |
| Humanitarian | 120,187 | 210,057 | - | 330,244 | 224,581 |
| UK Grants | 125,913 | - | - | 125,913 | 169,641 |
| Advocacy & Education | 175,720 | - | - | 175,720 | 244,345 |
| Governance costs | 67,037 | - | - | 67,037 | 52,736 |
| Total resources expended | 1,506,693 | 569,070 | - | 2,075,763 | 2,198,108 |
| Net incoming/(outgoing)resources | (108,591) | 2,907 | - | (105,684) | (479,424) |
| Other recognised gains & losses | (107,086) | - | - | (107,086) | 5,075 |
| Net movement in funds | (215,677) | 2,907 | - | (212,770) | (474,349) |
| Total funds brought forward at 1 September | 520,908 | 255,872 | 5,000 | 781,780 | 1,256,129 |
| Total funds at 31 August | 305,231 | 258,779 | 5,000 | 569,010 | 781,780 |

There are no recognised gains and losses other than those dealt with above. All operations are continuing during the year.