

# Excellent Development

Annual Report 2016/17





# 1 million sand dams for

# 0.5 billion people by 2040

**Excellent Development supports some of the world's poorest people by helping them to transform their own lives through water and soil conservation in drylands.**

We work with local partners to support rural communities to build sand dams, which provide clean water for life and the opportunity to develop their livelihoods. Sand dams free communities, putting their future firmly in their own hands. We believe that they will enable millions of the world's poorest people to transform their own lives.

**Excellent Development Limited is a charitable company limited by guarantee.**

This report is available online at [www.excellent.org.uk/resources/publications](http://www.excellent.org.uk/resources/publications)

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**Photo: Front cover**

A sand dam chain in Kitandi village, Makueni County, Kenya..

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"Kaite River used to be the main source of water before the sand dam. It used to take three hours to fetch water, I used to go three times a day. But now water is close, my home is nearby, so I have all the time to do other things"



Lifetime achievements.

888,423

People with access to safe water

£13.13

Cost per person with safe water

955

Sand dams enabled

£12,213

Cost per sand dam enabled



£11,290,041

Total income

8

Countries:

Kenya, Mozambique, Zimbabwe,  
Swaziland, Sudan, Chad,  
Tanzania and India

76%

Charitable expenditure

## A note from our Chairman.

*We are an organisation defined by a philosophy that takes the best aspects of a corporate approach to empower some of the world's poorest people.*



This last year has seen the completion of many Excellent Development projects which have provided safe access to water, more food and better health, for thousands of people in Africa and in India.

Our work with our key strategic partner in Kenya, the Africa Sand Dam Foundation, continues to deliver a huge impact, after successfully completing a three year UK Government funded project bringing water to over 17,800 people.

We continue to develop our partnerships with the Northern Rangelands Trust and Lekurruki Conservation Trust in northern Kenya, where our work has focused on providing sustainable water supplies through sand dams to pastoralist people, their livestock, and local wildlife.

In this region we have also enabled the construction of some very large sand dams with huge capacity for storing and providing water, which have very quickly begun to deliver abundant, clean water to the local people – not to mention groups of elephants that have been observed drinking from them.

In addition, we have strengthened our partnerships in southern Africa with the Christian Council of Mozambique in Tete, as well as with the Dabane Trust in Zimbabwe, to demonstrate the effectiveness of sand dams and build technical capacity to influence and support other organisations in the region to build them wherever they can provide a solution to water scarcity.

Working with our partner, Jal Bhagarathi Foundation in Rajasthan, India, our knowledge of sand dams operating in this environment continues to grow, with some astonishingly positive impacts on groundwater levels and quality.

But this last year has also brought great sadness and significant challenges.

Our founder Chairman, Stephen Owen, passed away in December 2016, leaving a huge hole in the lives of his friends and family – and in the Excellent Board. Another great loss was the passing of our patron, Lord Joel Joffe, in June 2017, who was a great supporter of Excellent for many years.

In addition, Excellent's founder and Executive Director, Simon Maddrell, stood down in October, having led the charity unswervingly from 2002 through to 2016; making it what it is today. We are grateful for all of his efforts and achievements, and remain hugely inspired by his commitment and passion for transforming lives in drylands around the world.

In common with other small charities, we have found the current funding climate to be very challenging. This has been exacerbated by uncertainties surrounding Brexit and the subsequent impact on the exchange rate. In addition, we did not secure the level of funding from government sources as in previous years, because their priorities were focused on different countries and on addressing emergency needs of people affected by wars and drought.

Despite these challenges, this year, we enabled 59 more sand dams to be constructed, providing 17,394 more people with access to safe water – meaning that, to date, we have enabled 955 sand dams, providing safe water for 888,423 people in Africa and India. We are hugely grateful to all of the donors and funders who have continued to provide support during the past year to enable sand dams, sustainable agriculture and other forms of rainwater harvesting to transform the lives of so many people in Africa and India.

The devastating drought and famine in the 'Horn of Africa' has highlighted the huge role sand dams could play – making dryland communities more resilient to climate fluctuations. However, more positively, we have collected evidence that sand dams are continuing to provide people with water even during the driest periods and this is why we remain passionately committed to our goal of enabling 1 million sand dams benefiting 500,000,000 people by 2040.

On behalf of Excellent Development, and the communities we support, we look forward to taking the next steps on this journey with you, and our new supporters, in 2017/18.

**David Jordan OBE**  
Chairman

**We have enabled over 888,000 people to have year-round safe water close to home.**



**Photo:** Members of the Athiani self-help group, southeast Kenya, pump clean water from a shallow well.





***Our philosophy & values define who we are, every action we take and how we behave towards others.***

### What we do

Excellent Development is a registered charitable company that supports some of the world's poorest people to transform their own lives through water and soil conservation in drylands. We do this in three ways:

- By working with local partners, we support rural communities to gain access to clean water close to their homes and to invest in sustainable agriculture.
- By pioneering sand dams, we promote and support the application of sand dam technology by key stakeholders in drylands.
- By influencing and educating those who can help achieve our vision including – but not limited to – policy makers, international NGOs, government departments and civil engineering firms.

### Our charitable objects

- To promote the conservation, protection and improvement of the physical and natural environment for the public benefit; and
- To relieve poverty, in particular but not exclusively, by supporting sustainable development\* projects; and
- To advance the education of the public in the subjects of sustainable development, conservation and the relief of poverty, in particular but not exclusively by the undertaking and dissemination of research.

\*Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

### Our purpose

- To support rural communities in dryland areas to gain access to clean water and grow enough food to eat and sell.
- To pioneer the application of sand dam technology as part of an integrated approach to water security, sustainable development and infrastructure development.
- To influence and educate via research, development of manuals and proofs, lobbying and partnerships such that Excellent becomes the acknowledged source of expertise in this area.

### Strategic objectives and public benefit statement

In setting our objectives and planning our activities our Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

- Support communities in drylands worldwide to achieve water and food security through soil and water conservation and improved farming techniques, as enabled by sand dams.
- Promote community self-help as the critical factor in creating sustainable development.
- Establish sand dams as a key water supply option alongside the more common water solutions.
- Engage with organisations at the local, national and international level to influence and support wider adoption of sand dam technology.
- Promote sand dams and soil and water conservation as a means of combating desertification, mitigating and adapting to the impacts of climate change, conserving biodiversity and enabling green economic growth.
- Promote the use of sand dam technology as an alternative method of road crossings for seasonal rivers – both for public works and in wildlife reserves.
- Enhance development education and awareness worldwide.

## Journey to our vision.

### Water scarcity affects the lives of millions of people every year

Water is essential for life. Although there is enough fresh water for everyone on Earth, forty per cent of the global population continues to suffer the effects of an inadequate supply of water. This is expected to rise.

A reliable and convenient access to safe drinking water is not only vital to human health, but can also improve the quality of people's lives, for example by avoiding the costs and time involved in travelling often long distances to collect water. Water security is fundamental to wellbeing, dignity, privacy and safety.

**Globally, nearly 800 million people do not have access to clean water and over 1.7 billion people are currently living in river basins where water use exceeds recharge.**

### The building of sand dams transforms people's lives by providing a local and reliable supply of water

In dryland regions rainfall is often erratic. When it does rain, downpours can be heavy. Water runs off the dry land and much of it is eventually lost to the oceans, taking valuable fertile soil with it. In many areas, a changing climate is causing desertification, leading to water and food insecurity, conflict, displacement and loss of biodiversity.

**Drylands comprise over 40% of the world's land surface and are home to 2.3 billion people, including 74% of the world's poor people.**

Capturing precious water where it falls is essential for improving environments and livelihoods. Sand dams are an effective and inexpensive way of doing this.

A sand dam is a reinforced concrete wall built across a seasonal riverbed. During the rainy seasons, they capture water and sand behind the dam wall. The water infiltrates into the trapped sand and provides a reservoir from which water

can be taken through pipes and pumps. A sand dam can store up to 40 million litres of water, protecting it from evaporation and contamination by storing it safely within sand.

This reservoir not only provides a vital source of water for drinking and domestic uses - it can also transform local environments. It allows communities to establish more sustainable forms of agriculture, through planting of trees, establishing seed banks, terracing of the land, diversifying crops and adopting drought-resistant varieties. This produces better crop yields that improve diets and increase household incomes. It helps to improve the prospects for children and their education, by reducing the amount of time they spend in collecting water and being away from the classroom. Increased family incomes allow more children to attend secondary schools.

Improved water and soil conservation can also help to avoid the conflicts that can arise between water users and between the needs of people and wildlife where resources are scarce. Sand dams provide a cost-effective means of achieving a sustainable supply of water for communities, pastoralists and wildlife.

### We have already helped to improve the lives of some of the world's poorest people by directly funding and supporting the building of sand dams

Excellent Development is a not-for-profit organisation that works with local partners to support communities to build sand dams, providing clean water for life and the opportunity to develop their livelihoods.

We believe that the building of sand dams will enable millions of the world's poorest people to transform their own lives. So far, Excellent Development has built or enabled nearly 1,000 sand dams in 8 countries.

**Since 2002 we have enabled nearly 900,000 people to have year-round safe water close to home at an average cost of £13.13 per person.**

### We want many more communities to benefit from the construction of sand dams. This means that we will need to work differently in the future with more emphasis on influencing other organisations that can bring about widespread application of sand dams in water and soil conservation

Extending our impact means that we need to change our ways of working. So far, our main activity has been to **enable** the funding and building of sand dams by raising funds and working with local partners in target countries. This will continue to be an important part of our work in the future.

We will also continue and expand our work to **pioneer** sand dams as a solution to achieving water security in drylands by drawing on the extensive body of existing evidence and knowledge; commissioning new research to provide rigorous, peer-reviewed evidence; piloting of new programmes; and producing practical guidance.

To achieve a step-change in the scale of our impact we will place much more emphasis on working to **influence** organisations that are capable of bringing about wide-scale construction of sand dams, for example, major international development donors, large NGOs, and local and national governments.

### Our vision

To support millions of the world's poorest people by helping them to transform their own lives through soil and water conservation in drylands.

### Our goals

To directly support other organisations to build 100 sand dams every year by 2020, increasing to 200 every year by 2025.

To influence the implementation of 10,000 dams for 5 million people by 2025 and 1 million sand dams for 0.5 billion people by 2040.

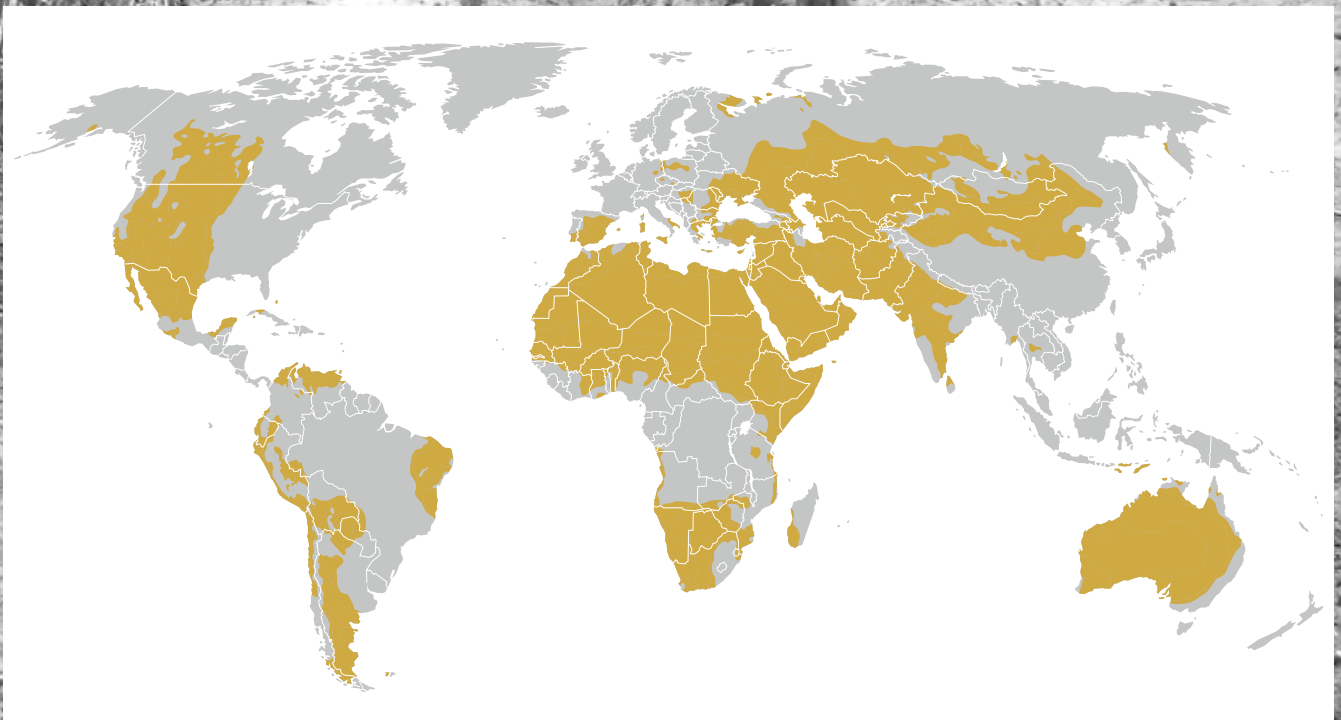


**People living in drylands are:**

2.3 billion of the world's population.

Living with 6,000,000km<sup>2</sup> degraded land.

90% live in developing countries.



**People living in drylands manage:**

40% of the world's land area.

50% of the world's livestock.

More than 50% of the world's productive land.

**We will continue to *pioneer* sand dams as a solution to water and soil conservation by developing the necessary evidence and knowledge, and producing practical manuals and guidance for others to use.**

We will:

- Fully evidence the impacts and benefits of sand dams, using work done by others and commissioned by ourselves. We need this to demonstrate that sand dams can deliver significant benefits at low cost on a long-term basis.
- Carry out a review of available evidence. We will evaluate work already published, and analyse historic Africa Sand Dam Foundation and other data. The main priorities are:
  - Water quality and water yield
  - Travel time to collect water
  - The impact on vegetation
  - Local economic impacts
  - The benefits and impacts on biodiversity and wildlife
  - Empowerment, emancipation, education
  - Groundwater recharge and salinity reduction
  - Human health
  - The effects on local microclimate, the mitigation of natural climatic fluctuations and the adaptation to climate change
  - Soil conservation
- Carry out further research and development where there are gaps in knowledge, both as part of our operational programmes and by developing partnerships with universities and other research institutions.
- Produce evidence-based manuals and guidance and training programmes to support communities and partners in the construction, management and maintenance of sand dams.
- Promote the use of sand dam technology as an alternative method of road crossings for seasonal rivers, both for public works and in wildlife reserves.
- Promote sand dams as a means of combating desertification, mitigating and adapting to the impacts of climate change, conserving biodiversity and enabling green economic growth.

**We will further *enable* the widespread building of sand dams directly through funding and indirectly through the sharing of knowledge with regional partners.**

We will:

- Directly support other organisations to build 100 sand dams every year by 2020, increasing to 200 every year by 2025.
- Expand our programmes in countries where we have already made an impact including Kenya, Mozambique, Zimbabwe and India.
- Identify new countries that would benefit from sand dam construction programmes.
- Implement training programmes for communities and partners based on our manuals and other guidance.

**We will *influence* and partner with organisations that can bring about much wider application of sand dams in water and soil conservation.**

We will:

- Further our understanding of organisations at local, national and international levels that have the potential to contribute to widespread adoption of sand dam technology and develop a global network of competent and technically sound partners.
- Provide the support required to develop knowledge and capacity for our partners.
- Develop at least two more centres of expertise across the world in addition to those we are already developing in Kenya, Mozambique, Zimbabwe and India.
- Establish a means of accreditation and develop a network of accredited sand dam experts.



## We will develop our organisation and the funding needed to achieve our vision and goals.

We will:

- Develop a funding strategy that addresses immediate funding challenges and develops sustainable sources of funding to support our Strategy objectives for the future.
- Increase the unrestricted income needed to cover the costs of running the organisation.
- Secure key multi-year funding partners, initially to fund pilot projects, then partners to be self-funding after successful completion of pilot projects: 50% after three years; 80% after 5 years; and 100% after seven years.
- Develop and retain the necessary technical expertise through our own people and through access to experts across the world.
- Invest in digital technology to support our programmes, communications and operations.

## Who we will work with to achieve our goals.

In developing the evidence and knowledge to pioneer the use of sand dams we will work with academic institutions, including universities and research organisations.

In enabling the building of new sand dams we will continue to work with in-country partners, including local government organisations and NGOs that specialise in sand dam construction, such as the Africa Sand Dam Foundation in Kenya.

In our work to influence others to invest in the large-scale building of sand dams we will seek the support of international institutions, including the World Bank, United Nations organisations (UNDP, UNEP, FAO and UNICEF) and international development donors. We will work with national governments responsible for policy and planning in areas such as water resources, road construction, nature conservation, and agriculture. We will also work with other international charities where we share related goals, for example, Oxfam, WaterAid and Rotary.

## The funding we need to achieve our Strategy objectives.

As a not-for-profit organisation, we rely on funding from grants, donations and other charitable sources to carry out our work. We will need to increase the level of funding we receive to achieve our Strategy goals.

We will need to grow our annual income to £2.5 million to directly fund the construction of 100 sand dams every year to 2020, and to £5 million for 200 dams every year by 2025.

We will also need up to £100,000 every year to fund important research projects that will give us the vital evidence and information we need to support our work.

## We will know when we are succeeding when...

- We have achieved our goals of directly funding the building of 200 sand dams every year and influencing the implementation of 10,000 dams by 2025.
- We have acquired the necessary evidence from our research to demonstrate the value and effectiveness of sand dams that will convince others to invest in their construction.
- Sand dams are recognised by the United Nations as an important solution to water and soil conservation in drylands across the world.
- 90% of sand dams are supervised by accredited engineers.
- We have established at least two new centres of expertise to support our global leadership on sand dams.

## Transforming lives.



**Photo:** Agnes Kaluki Mutua, farmer and member of the Maiuni self-help group, southeast Kenya, holding kale from her harvest.





### Beyond access to safe water

Our work focuses on supporting people to gain access to safe water and grow enough food to eat and sell. However, this is just the beginning. Our vision is for millions of the world's poorest people to transform their own lives and achieve real personal human development. This includes a positive transformational change in well-being, a concept that can be difficult to measure but which is vital for demonstrating impact and enabling us to effectively improve our approach. For us, this wellbeing is the aspiration, hope and self-confidence demonstrated by people we have supported for several years. But, given that it means many things to many people, we searched for a more all-encompassing way to quantify the elusive idea across all of our overseas programmes.

This resulted in us identifying five key indicators for well-being: hope, confidence, empowerment, pride and freedom. In collaboration with the Africa Sand Dam Foundation we developed a questionnaire around these sub-categories and, in 2015/16, conducted pilot assessments with self-help groups (SHGs). In 2016/17 this was developed into a standard questionnaire and has been integrated into SHG surveys in order to observe our impact on well-being over time for all programme beneficiaries. From April 2017 this will become a standard part of our impact assessments.



Thanks to nearby sand dams, Pauline was freed from the burden of having to spend up to 11 hours a day collecting water, with income from her father's farming used to pay for her education. Pauline has since graduated from Nairobi University with a first-class degree in Geography and Kiswahili, and now has a job teaching girls at a local school.



**Photo:** Pauline Nthenya Muendo, whose father was a member of Mukika self-help group, southeast Kenya.



## Financial review.

Compared with last year:

**19%**

Increase in charitable expenditure

**34%**

Increase in unrestricted income

**19%**

Increase in direct grants to partners



**Photo:** Members of the Stay ya Thange self-help group, southeast Kenya, mixing cement for their sand dam.

## We achieved an increase in unrestricted income and charitable expenditure in 2016/17.

The results of the year's operations are set out in the attached financial statements. The unrestricted reserves at 31 March 2017 amounted to £100k.

2016-17 was a year of challenges, particularly in the fundraising environment with a number of funders changing their funding priorities. This meant that we achieved 64% of our fundraising target for the year, generating £1.1M as opposed to £1.5M the previous year. Despite these pressures on fundraising we are pleased to report a 34% increase in unrestricted income from £302K in 2015-16 to £406K in 2016-17.

We did not succeed in securing the level of restricted income as in previous years, so ended the year with a £374K deficit.

	2016/17 actual £000	2015/16 actual £000	2015/16 to 2016/17 Movement	%
Total income	1,144	1,534	(390)	(25)
Total expenditure	1,517	1,314	203	(15)
Surplus/(deficit)	(374)	220	(594)	

### Expenditure

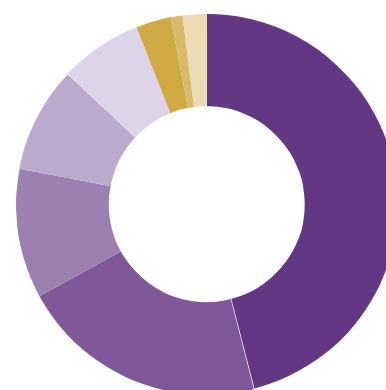
Overall expenditure for the year ended 31 March 2017 was £1,518k, an increase from £1,314k in 2016.

We increased expenditure on charitable activities to £1,230K, an increase of 19%, and our support to overseas programmes increased by 17% to £1,145k in 2016-17 from £980k in 2015/16.

### Charitable expenditure as a % of total expenditure

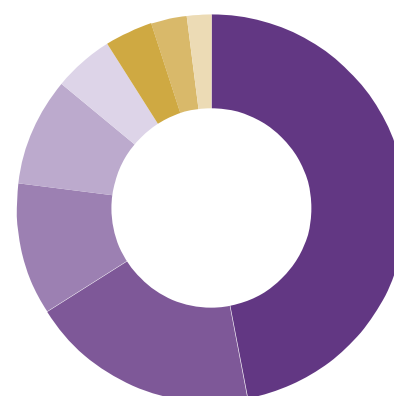
	2016/17 £000	2015/16 £000
Total spend on charitable activities	1,230	1,037
Total spend	1,518	1,314
<b>Ratio</b>	<b>81%</b>	<b>79%</b>

### 2016/17 Actual charitable expenditure: £1,230k



- 46% Community water and food, southeast Kenya
- 21% Community wildlife conservancies, Lekurruki, northern Kenya
- 11% Building sand dam capacity, Southern Africa
- 9% Water for arid lands, India
- 7% Community wildlife conservancies, Northern Rangelands, Kenya
- 3% Promoting sand dams
- 2% Knowledge sharing
- 1% Evidence and research

### 2017/18 Planned charitable expenditure: £904k



- 47% Community water and food, southeast Kenya
- 19% Community wildlife conservancies, Lekurruki, northern Kenya
- 11% Building sand dam capacity, Southern Africa
- 9% Water for arid lands, India
- 5% Community wildlife conservancies, Northern Rangelands, Kenya
- 4% Knowledge sharing
- 3% Evidence and research
- 2% Promoting sand dams



## Income

Income for the year ended 31 March 2017 amounted to £1,144K compared with £1,534K in the previous year.

This year we achieved 49% growth in income from individuals which was boosted by £52k raised by The Big Give Christmas Challenge. We ended the year with a 25% reduction in income, due mainly to a significant reduction in funding from Rotary, small governments, institutions and trusts and foundations.

We received the final instalment of a 3 year grant in September 2016 from the UK Government to support the completion of a successful programme to improve food production and security for communities in Makeuni County, Kenya. Jersey Overseas Aid awarded us a grant for water security in Southern Africa and we also received a grant from the Isle of Man International Development Committee to support the creation of sustainable lives for people and wildlife in the Northern Rangelands of Kenya.

### Income stream mix

	2016/17 actual £000	2015/16 Total £000	% Variance
Small governments & institutions	301	601	-50
Trusts & foundations	413	490	-16
Rotary	101	212	-52
Individual donors	303	203	49
Other income	26	28	-7
<b>Total income</b>	<b>1,144</b>	<b>1,534</b>	<b>-25</b>

### Where every £ went in 2016/17

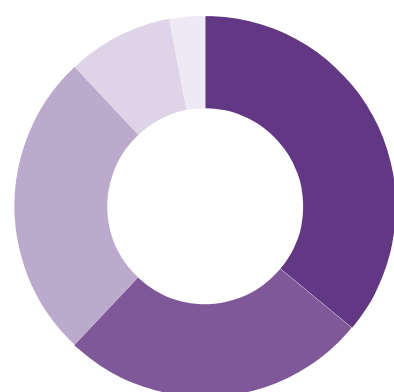
For every pound Excellent Development raised in 2016/17, 81p went directly to our charitable activities:

- Enabling dryland communities to build sand dams, access safe water close to home, and grow more food to feed and support their families
- Gathering evidence to influence more organisations to implement sand dams wherever they can be a solution to water scarcity
- Sharing our knowledge and expertise, to help other organisations to build sand dams – so that we can enable more people around the world to access safe water, more quickly

19p was used for raising more funds for our work – which has succeeded in securing large grants for the next financial year, and new funder relationships to strengthen our funding mix going forward.

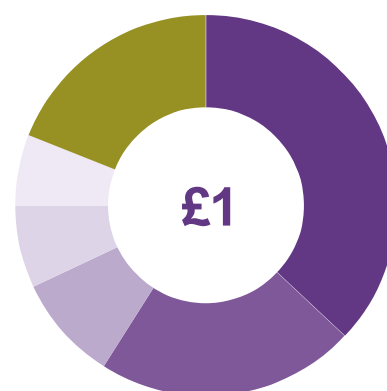
It was also used for communicating the impact of our work via our website and social media to spread the word about sand dams, to encourage others to build them, and attract new donors.

### Income stream mix 2015/16



- 36% Trusts & foundations
- 26% Small governments & institutions
- 26% Individual donors
- 9% Rotary
- 3% Other income

### Where every £1 went in 2016/17



- 37p Community water and food, southeast Kenya
- 22p Community wildlife conservancies, Lekurruki, northern Kenya
- 9p Water for arid lands, India
- 7p Building sand dam capacity, Southern Africa
- 6p Pioneering sand dams
- 19p Costs of raising funds

## Donation and legacies fundraising

Expenditure on donation and legacies fundraising includes the costs of fundraising campaigns, marketing and communications.

These costs are spread over the differing income streams.

	2016/17 Total £000	2015/16 Total £000
Small governments & institutions	68	55
Trusts & foundations	64	77
Rotary	35	25
Individual donors	109	106
Corporate	3	4
Community fundraising	3	2
Awards	-	2
<b>Total</b>	<b>282</b>	<b>271</b>

## Fundraising targets

The Charity achieved 64% of its fundraising target of £1.787K for the year. The increased funds raised from individual donors were offset by the shortfall from other income streams.

	2016/17 actual £000	2016/17 target £000	% achieved
Small governments & institutions	301	609	49%
Trusts & foundations	413	615	67%
Rotary	101	260	39%
Individual donors	303	270	112%
Other	22	33	67%
<b>Total</b>	<b>1,787</b>	<b>1,140</b>	<b>64%</b>

## Fundraising cost as a percentage of 2016/17 total donation and legacies income

The Board's target is to reduce the cost of raising donation and legacies income as a percentage of income to 15%.

The total cost of raising voluntary income as a percentage of 2016-17 total donations and legacies income stands at 24.7%. This is 7% higher than in the previous financial year and we aim to reduce this significantly over the next financial year.

The increase in our fundraising costs this year is as a result of many changes in the fundraising environment. These are affecting most charities, and presenting smaller charities like Excellent with additional funding challenges.

To address this, it has been necessary for us to invest more time in fundraising to identify new opportunities to compensate for the reduction in income resulting in changes to the funding sources that we have previously been able to rely on. This will enable us to grow our income over the coming years, and ensure a sustainable funding mix going forward.

	2016/17 £000	2015/16 £000
Cost of raising donation and legacies income	282	271
Donation and legacies income	1,140	1,524
Ratio of spend to income	24.7	17.8



## Fund accounting

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by Excellent Development for a specific purpose. Restricted funds have decreased by £300k from £520k to £220k. The reduction in restricted income is because we did not secure small government grants due to changes in funder priorities.

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of Excellent Development Ltd and which have not been designated for other purposes. Unrestricted funds have decreased by £74k from £174k to £100k. As we were not able to generate the significant level of restricted funds to support our sand dam programmes that we had in previous years, it was necessary to use unrestricted funds to fill this gap, in order to fulfil our commitment to the communities that we support.

## Reserves policy and going concern statement

Reserves are needed to bridge the gap between core cost expenditure and the receiving of income and to cover other unplanned cash flow pressures. The Trustees consider reserves of six months of previous year core costs (employment, accommodation and administration) as the preferred minimum level and 12 months as the preferred maximum level.

	2015/16 actuals months	2016/17 actuals months	Better/Worse than minimum target months	2017/18 Budget months	Better/Worse than minimum target months
Reserves vs annual core costs (Policy 6 months)	3.45	1.74	4.26	2.08	3.92

Our unrestricted reserves decreased by £74k to £100k, from £174k the previous year, to compensate for the shortfall in restricted funds. It is recognised that ongoing work is required in order to meet the reserves target.

To this end, we invested heavily over the financial year in activities to develop a more sustainable funding portfolio. This included promoting legacy giving, reactivation of lapsed donors, cultivation of high net worth donors, and a range of efforts to attract new donors, in order to increase long-term income from individual giving. To address our shortfall of restricted funds, we focused on developing new institutional funding opportunities – to cover our long-term programme funding needs over the coming years.

We also developed a plan to reduce our core costs, including reducing our team to a level more in keeping with our current level of income, and ensuring maximum cost efficiencies across the board – which will be implemented from the beginning of the new financial year.

The Trustees also monitor the total available funds in relation to previous year total expenditure and consider four months as the minimum level and eight months as the preferred maximum level of available funds. The Trustees consider the target for reserves and available funds to be six months.

The performance of available funds against the policy is as follows:

	2015/16 actuals months	2016/17 actuals months	Better/Worse than minimum target months	2017/18 Budget months	Better/Worse than minimum target months
Available funds vs annual expenditure (Policy 4-8 months)	6.36	2.52	1.48	6.36	2.36

The Consolidated Balance Sheet shows current assets of £325k. The Trustees have reviewed the circumstances of the Group, and consider that adequate resources continue to be available to fund the activities of the Group for the foreseeable future. The Trustees are of the view that the Group is a going concern.

## Risk management

The Trustees have a structured approach to fulfil their responsibilities with regard to risk management. This involves a quarterly review of these risks at Board meetings, which:

- Seek to identify the major risks facing the charity.
- Assess the likelihood and severity of the risks involved.
- Review the existing controls and actions that the charity has in place to mitigate the risks.
- Identify and implement any further actions required to limit risk.

The Trustees confirm that they have policies and systems in place to mitigate the major risks facing the charity which they have identified:

- Overseas political situations can disrupt the work being undertaken through our grant funding. This risk is mitigated by expanding the breadth of its activities to more countries, and in line with this risk, the organisation is looking to increase its activities to more countries.
- 39% of our income comes from the UK, Jersey, Guernsey and the Isle of Man governments, while 14% comes from Rotary clubs within Rotary International Great Britain and Ireland. A lack of diversity and the financial implications if one of these grants stops provides a revenue risk to the organisation. Measures are now in place to increase and diversify our funding.

## Investment powers and policy

The trustees, having regard to the liquidity requirements of paying out grants, are holding all funds in short term bank deposits. Currently they are all on deposit with CAF bank and Co-operative bank in the UK. The invested funds achieved an average rate of 0.2% for the year.

## Grant management policy

The majority of Excellent Development's charitable activity is carried out by providing grants to other organisations. Grants may be financial or in kind. Grants are only usually made to legally recognised and constituted charitable organisations, unless approved by the Board. A thorough assessment process is conducted prior to any decision being made and grants will only be given once it has been established that:

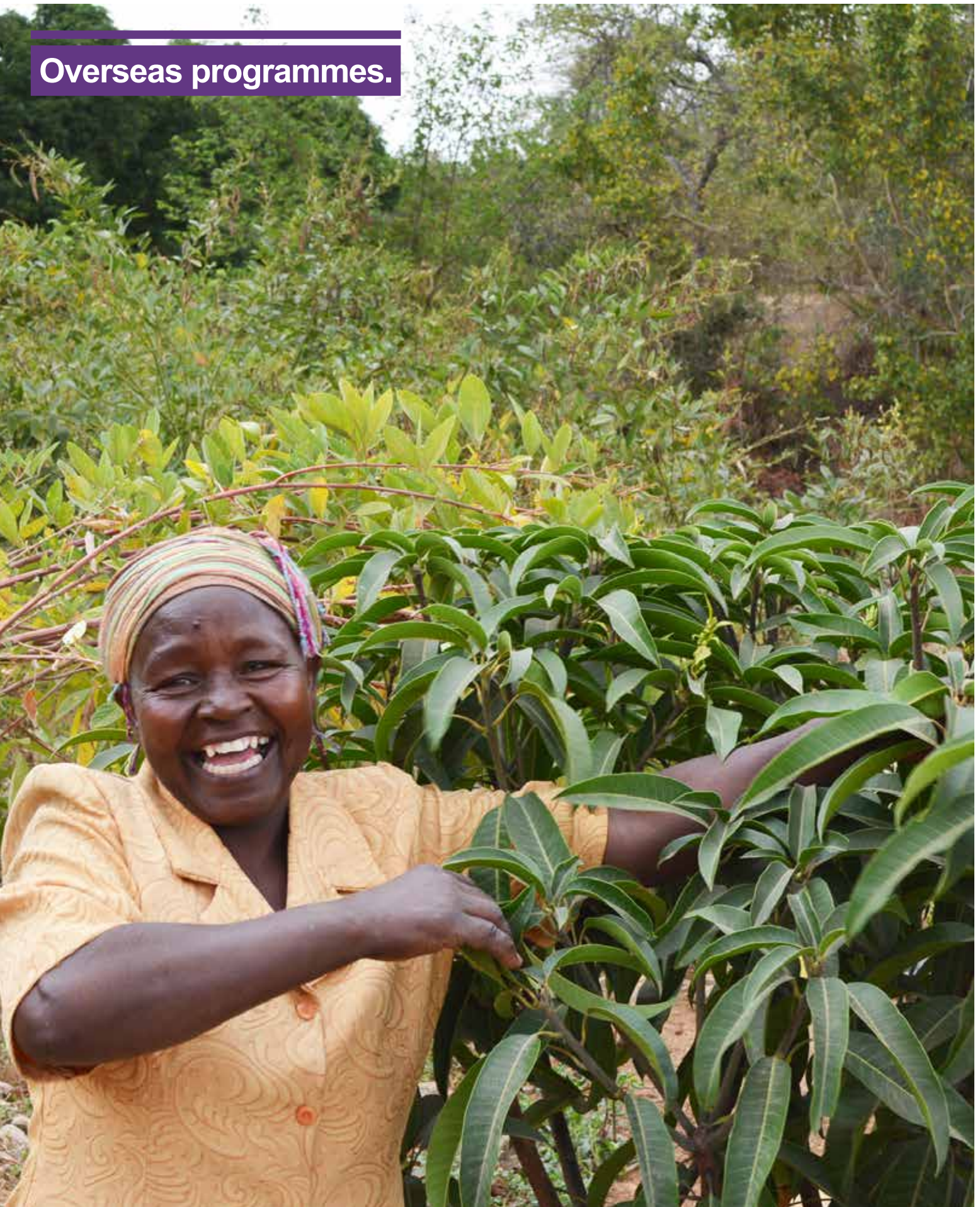
- The proposed organisation and opportunity have successfully proceeded through Excellent's engagement process.
- The proposed project fits with Excellent's vision, charitable objects and strategic priorities.
- The organisation has the necessary skills, knowledge, experience and capacity (technical, operational, managerial, financial and logistical) to carry out the proposed activities, or demonstrates the willingness and capability to develop these capacities with our support.
- The organisation has developed clear plans and budgets for the project and is able to demonstrate sufficient operational and financial processes to manage the plans and budgets efficiently and effectively.
- The organisation complies with our policies, especially regarding anti-bribery.
- The organisation is willing and able to provide sufficient information and evidence to enable fundraising applications and reporting to meet Excellent's and donors' needs.
- The organisation is willing and able to provide regular reporting in accordance with Excellent's monitoring and evaluation process.

All grants are subject to Excellent Development having sufficient funds and capacity. All grants follow an approval process involving the Senior Management Team, the Executive Director, and/or the Board, depending on the grant value.

Excellent Development does not accept applications for funding but does respond to those organisations who wish to engage with Excellent with a view to future funding.



## Overseas programmes.



**Photo:** Ndinda Wambua, farmer and member of the Kinuva self-help group, southeast Kenya, with her mango tree.



## Community water & food – Southeast Kenya.

### A long walk for water

In Ukambani, southeast Kenya, as many as 83% of households have no access to safe water. During dry seasons, women and girls spend between six and 12 hours each day collecting water, which is usually dirty. This leaves little time for farming or going to school and maintains a dependency on food aid.

### Creating opportunity and hope

We are supporting rural communities in Ukambani to harvest rainwater and grow food. To date we have enabled the construction of 873 sand dams, 12 rainwater harvesting rock catchments, and 92 school water tanks, bringing safe water close to home for 859,804 people.

### About our partner

Africa Sand Dam Foundation (ASDF) is our partner in southeast Kenya and our strategic partner for pioneering sand dams worldwide. We are supporting their capacity to provide technical expertise for the siting, design and construction of sand dams by other organisations, as an income generating activity.

ASDF have been instrumental in enabling the transfer of sand dam technology to Rajasthan, as well as supporting programmes in the Northern Rangelands and Rift Valley in Kenya, as well as in Southern Africa.

### Major donors

UK Government, The States of Guernsey Overseas Aid and Development Commission, Medicor Foundation, Jersey Overseas Aid and The Charitable Foundation.



**Photo:** Members of the Watuka self-help group, southeast Kenya, working on their tree nurseries.





## 2016/17 Plans

**£637k**

Investment

**51**

Sand dams  
built

**5**

School water  
tanks

## 2016/17 Achievements

**£562k**

Investment

**51**

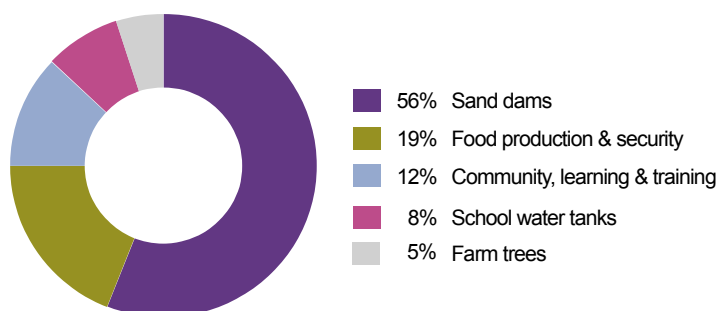
Sand dams  
built

**5**

School water  
tanks

**6,089**

People with  
safe water



25 self-help groups supported by ASDF achieved water and food security, therefore reaching the end of their support from ASDF; and in 2017 they will graduate. They are the first of ASDF's self-help groups to reach this exciting milestone, which will now enable ASDF to expand their support to a larger number of new self-help groups, increasing the total new beneficiaries impacted in the coming year.

Over 2016/17, ASDF invested resources in training Excellent's other partners from Mozambique, Zimbabwe, and northern Kenya in the siting, design and construction of sand dams. ASDF also conducted a pilot water yield assessment of their shallow wells which showed high water yield from all eight assessed shallow wells during the driest month of the year, October. Cranfield University conducted water quality testing on all ASDF shallow wells in 2016 which produced strong evidence that, when used to access water from sand dams, these devices provide water which conforms to WHO quality standards. And an external evaluation was conducted upon completion of a UK Government and Direct funded project in September 2016. The report, given grade 'A' by the UK Government, found that "Communities in Makueni County now have vastly improved access to new and improved water sources...The farmers who played a major part in building these dams are now practising water conservation, and improved agriculture and livestock management techniques on their farms. They are diversifying their crops and share examples of having increased food production."

## 2017/18 Plans

**£430k**

Investment

**50**

Sand dams built

**61,180**

People with safe water

The reduction in investment is part of our overall plan to build capacity of ASDF, so that they raise a greater proportion of their income, therefore allowing the Charity to focus resources on other partners and strategic priorities.



## Community wildlife conservancies – Northern Rangelands, Kenya.

### Competing for water

The Northern Rangelands is a unique network of 33 community-owned conservancies. People and wildlife live side by side, but dwindling water reserves and degrading pasture threaten people's livelihoods and the survival of vulnerable species, often forcing them into conflict over scarce water sources. In some areas the population has no access to safe water at all and up to 72% of the population lives below the poverty line.

### An ancient idea for a sustainable future

Our work with the Northern Rangelands Trust (NRT) began in 2015 in Lekurruki Conservancy, Laikipia. The conservancy has two distinct regions, lowland plains occupied by nomadic pastoralists and highland juniperus cloud forest where people live year-round and practise mixed agro-pastoralism. The only improved water supply in the region before our projects was a low capacity school roof tank. Since last year we have enabled four sand dams, one sand dam road crossing, and a school water tank. Plans have been developed for several more sand dams in the conservancy. Much work has focused on community mobilisation; we have trained four Lekurruki artisans in the art of dam construction; gained community trust and involvement through the scenario planning process; and gained key impact metrics through a baseline survey. Further capacity building has taken place with Lekurruki Conservation Trust (LCT) through water quality testing training of water resource management staff.

### About our partner

Our first partner in the Northern Rangelands is the LCT. We are working with LCT to provide access to safe water in the conservancy by 2018. Our long-term goal is to support the NRT, which develops conservancies in our target region and beyond, to implement a holistic water resource management programme.

### The programme will:

- help to reduce water conflict
- create sustainable lives for 200,000 people and vulnerable animal species, such as elephants, in more conservancies like Lekurruki

### Major donors

Isle of Man International Development Committee, Jersey Overseas Aid, Beatrice Laing Trust, The Charitable Foundation and The Darwin Initiative.



**Photo:** Elephants in Lekurruki Conservancy, Northern Rangelands, Northern Kenya, drinking from our sand dam road crossing in February 2017.





## 2016/17 Plans

<b>£315k</b>	<b>11</b>	<b>3,126</b>
Investment	Sand dams built	People with safe water

## 2016/17 Achievements

<b>£336k</b>	<b>3</b>	<b>1</b>	<b>1</b>	<b>3,126</b>
Investment	Sand dams built	Sand dam road crossing	School water tank	People with safe water

Over the past year, the Northern Rangelands have suffered from significant drought and an increasingly critical humanitarian situation. This has affected the region's security as pastoralists come into conflict over increasingly scarce resources, particularly pasture and water. The flare-up of violence meant that we had to limit activities in the area to safeguard our staff, partners and community members. This has meant that only four sand dams were constructed during 2016/17 compared with the 11 which had been planned. However, one of these dams was an innovative road crossing sand dam, which was significantly larger than initially expected (due to the depth of the bedrock) and took three months longer to construct.

Significant time and resources have been used to build the capacity of partners, both in terms of training and physical investment through the provision of a vehicle, and providing a signal booster to aid communication at LCT HQ. Other support has included purchasing a water quality test kit, and providing field training in water quality testing.

We have also delivered a feasibility study in three other conservancies as part of our plans to scale up this model across the whole Northern Rangelands area.

The impact of our existing sand dams is already being seen. Strong flows of clear water from pipes integrated into sand dam walls confirm that large quantities of rainwater are being stored behind the dams. In addition, herds of wildlife have been seen returning to sand dam sites during dry periods, showing that programme activities are helping to replenish the region's water reserves.

## 2017/18 Plans

<b>£210k</b>	<b>7</b>	<b>3,126</b>
Investment	Sand dams built	People with safe water



## Water for arid lands – Rajasthan, India.

### The land of death

The Marwar region, where we work in Rajasthan, is the most densely populated arid land in the world. Its name is derived from the Sanskrit 'Maruwat', which means 'land of death.' Most people do not have a single source of safe water within a radius of 1.6 km. The salinity of the groundwater can be as much as 10 times higher than is considered safe for human consumption.

### Turning salty water sweet

Our work in Marwar is providing safe drinking water close to people's homes and enabling small scale farming. To date we have supported eight sand dams to be built, and designed five for construction in 2017/18.

The Government's Public Health and Engineering Department reported a 50% increase in the supply of water and a significant decrease in salinity of water provided by the first dam we enabled.

### About our partner

Jal Bhagirathi Foundation (JBF) is our regional partner in Rajasthan. Their mission is to enable an environment where communities of the Marwar region can access drinking water for humans and animals by leveraging traditional knowledge and appropriate technology. In 2015, JBF won the prestigious showcase prize at the global World Water Forum for its work in water conservation in Marwar. We are supporting JBF to become a Centre of Expertise – the first in the Indian sub-continent – to enable the scaling up of sand dams, first in the districts of Barmer and Jalor, then throughout Rajasthan.

### Major donors

Rotary Clubs within Rotary International in Great Britain & Ireland and The ED Charitable Trust.

**Photo:** Members of the Thumba ka Goliya community in Marwar, Rajasthan, India, next to their recently built sand dam.





## 2016/17 Plans

**£117k**

Investment

**5**

Sand dams  
built

**763**

People with  
safe water

## 2016/17 Achievements

**£108k**

Investment

**1**

Sand dams  
built

**5**

Sand dams  
sited

**1,911**

People with  
safe water

Following the success of the first seven dams, it was agreed that the most efficient and sustainable way of moving forward and scaling up would be for JBF to recruit their own sand dam team to be trained.

We took the decision to delay further sand dam construction until this sand dam team was recruited and trained.

Excellent Development provided comprehensive on-site sand dam siting, designing and construction training to the expanding team from September 2016, which enabled the first four sand dams to be completed by June 2017, with the remaining two sand dams set for completion by the end of August 2017.

## 2017/18 Plans

**£80k**

Investment

**5**

Sand dams  
built

**12,600**

People with  
safe water



## Building sand dam capacity – Southern Africa.

### Unreliable rain

Southern Africa encompasses many diverse geographies and cultures. But common to all regions is a pattern of variable and unreliable rainfall, which contributes to water scarcity and worsens vulnerability to drought, especially for the rural poor. About 70% of the population lives below the international poverty line of US \$2 per day and 35% of under-five mortality is attributed to under-nutrition.

### A cost-effective solution

Following a successful pilot sand dam project in Southern Africa, we are continuing to work in the region by building upon the work that brought safe water to over 3,000 people across Zimbabwe and Mozambique. The aim of the project is to support communities to provide themselves with a year-round clean supply of water whilst also promoting sand dams throughout Southern Africa; further highlighting sand dams as a viable and successful technology for the region. This will be done by building the capacity of our partners in Southern Africa, developing their construction and designing skills, leading to successful dams that can be used as a model for the region.

### About our partners

Christian Council of Mozambique (CCM) Tete, and Dabane Trust, Zimbabwe, are our partners in Southern Africa. Both are established organisations working with farming communities in dryland areas.

### Major donors

Isle of Man International Development Committee and Jersey Overseas Aid.



**Photos:** Community members in Mozambique working on the Wiriamo sand dam construction site.





### 2016/17 Plans

<b>£150k</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>2,900</b>
Investment	Sand dams built	Knowledge sharing visits	People trained in water quality testing	People with safe water

### 2016/17 Achievements

<b>£139k</b>	<b>3</b>	<b>3</b>	<b>2</b>	<b>3,605</b>
Investment	Sand dams built	Knowledge sharing visits	People trained in water quality testing	People with safe water

In addition to the successful sand dams constructed across Southern Africa last year (two in Zimbabwe and one in Mozambique), we facilitated shared learning between our partners, including three learning visits that catered to the strengths of the hosting organisations.

The African Sand Dam Foundation hosted a learning visit based on strengthening expertise in sand dam construction. Dabane Trust hosted partners highlighting their novel Rowa Handpump water abstraction method, and CCM shared their in-depth knowledge of community farming techniques.

### 2017/18 Plans

<b>£97k</b>	<b>3</b>	<b>7,750</b>
Investment	Sand dams built	People with safe water



Photo: Completed and maturing Wiriamo sand dam, January 2017.



## Pioneering sand dams.

To enable millions of the world's poorest people in drylands to transform their own lives, sand dams must become a mainstream water resource technology. This requires providing robust evidence of their socio-economic and environmental benefits as well as a better understanding of the physical environments in which they work. Engaging with key decision-makers to influence policy-makers and funding priorities is as critical as developing the global capacity to successfully site, design and build sand dams.

There are three elements to our strategy for achieving this: promoting sand dams, developing evidence and research, and sharing knowledge.

### Evidence & research

#### Water quality

In 2016/17 we trained partners in northern Kenya and southern Africa to test the quality of water being abstracted from sand dams. Students from Cranfield University also spent time in southeast Kenya studying water quality from sand dams in the region. In 2017/18 we plan to continue working with the university to enable a published paper that will demonstrate sand dam water is clean and safe, further strengthening our evidence base.

#### Water yield

In 2016/17 we undertook a pilot study, which for the first time, recorded how much water people collected from sand dams during the driest months. We studied eight sand dams, which showed people were able to collect enough water for their families from sand dams every day. The average amount being collected was 5.44 litres per day per person, which exceeds WHO minimum levels of 2 litres per day per person.

The aim for 2017/18 is to fit meters to the handpumps that will record the amount of water abstracted every hour to build up a large database, and demonstrate water yield and year-round availability.

#### Sediment profiling

In 2016/17 Cranfield University supported us to profile the sediment in sand dams in Zimbabwe to better understand factors that contribute to highly successful dams. Further work with more in depth analysis across a larger sample is now needed to complete this work.

### Promoting sand dams

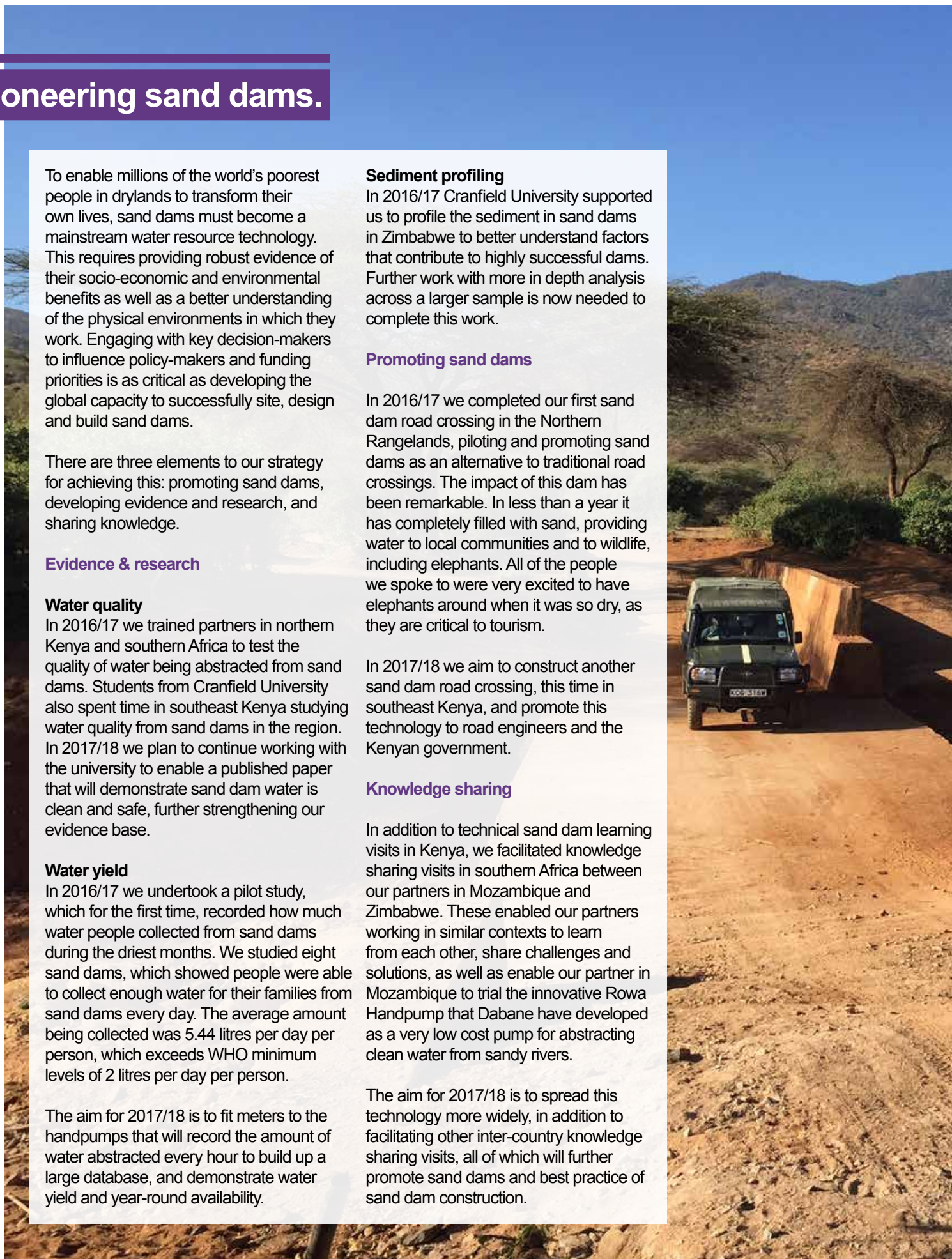
In 2016/17 we completed our first sand dam road crossing in the Northern Rangelands, piloting and promoting sand dams as an alternative to traditional road crossings. The impact of this dam has been remarkable. In less than a year it has completely filled with sand, providing water to local communities and to wildlife, including elephants. All of the people we spoke to were very excited to have elephants around when it was so dry, as they are critical to tourism.

In 2017/18 we aim to construct another sand dam road crossing, this time in southeast Kenya, and promote this technology to road engineers and the Kenyan government.

### Knowledge sharing

In addition to technical sand dam learning visits in Kenya, we facilitated knowledge sharing visits in southern Africa between our partners in Mozambique and Zimbabwe. These enabled our partners working in similar contexts to learn from each other, share challenges and solutions, as well as enable our partner in Mozambique to trial the innovative Rowa Handpump that Dabane have developed as a very low cost pump for abstracting clean water from sandy rivers.

The aim for 2017/18 is to spread this technology more widely, in addition to facilitating other inter-country knowledge sharing visits, all of which will further promote sand dams and best practice of sand dam construction.



**Photo:** A vehicle crossing our sand dam road crossing in Lekurruki Conservancy, Northern Rangelands, Northern Kenya.





## 2016/17 Plans

**£62k**

Investment

## 2016/17 Achievements

**£85k**

Investment

## 2017/18 Plans

**£86k**

Investment

The key area for 2017/18 was strengthening our evidence base to demonstrate the impact of sand dams, particularly in terms of sand dam yield, year round availability of water, and water quality, demonstrating that the water from sand dams is clean and safe to drink.

## What we have done so far

**£1191k**

Investment

**233**

People trained

**33**

Organisations  
supported

**629**

Sand dam  
manuals  
distributed

## Excellent friends.

**In 2016/17, we were delighted to have the exceptional support of the following donors, who each donated over £30,000:**

Isle of Man International Development Committee.

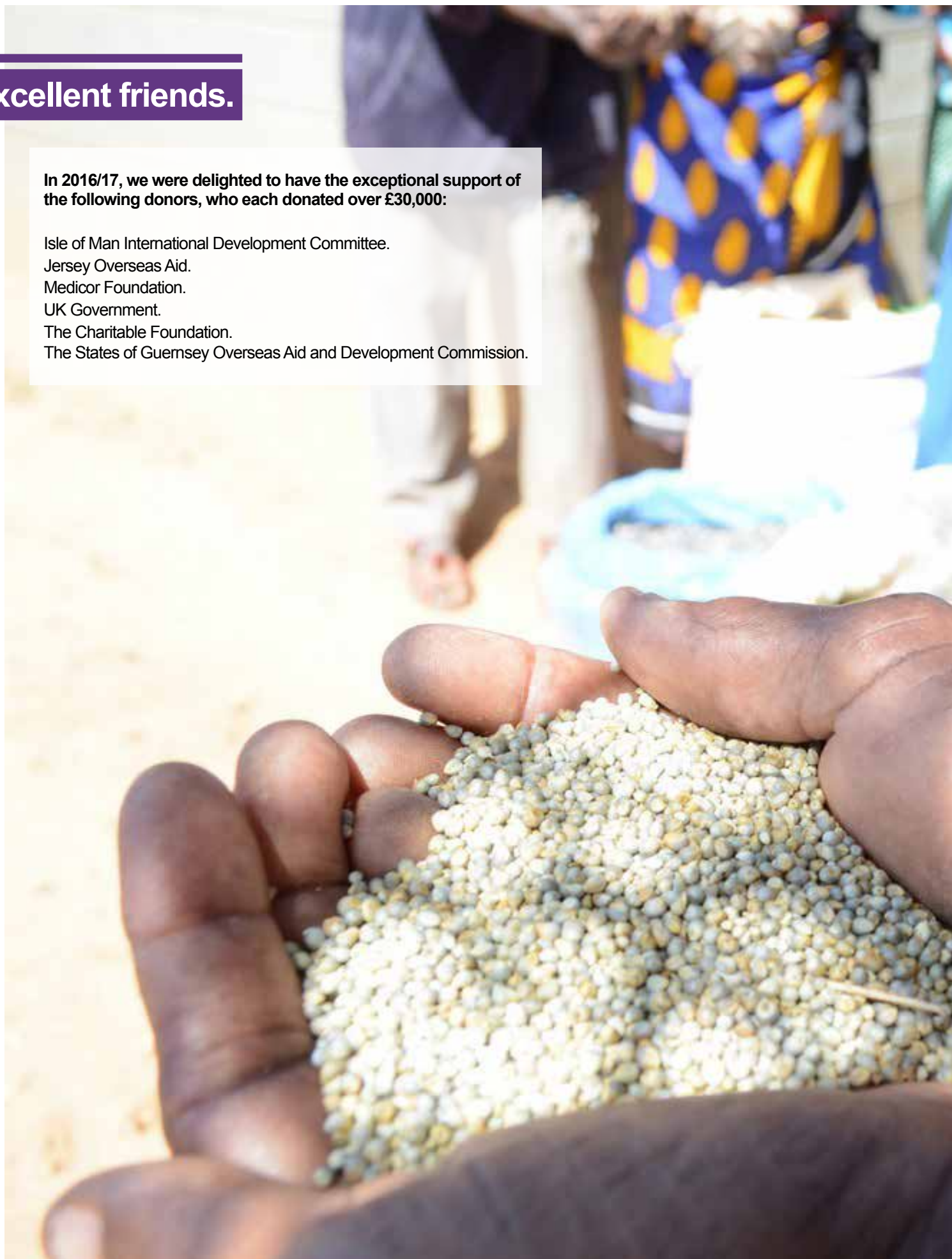
Jersey Overseas Aid.

Medicor Foundation.

UK Government.

The Charitable Foundation.

The States of Guernsey Overseas Aid and Development Commission.



**Photo:** Seed distribution with the Muini self-help group, southeast Kenya.





**We would also like to recognise the investment of the following supporters who enable, or have enabled significant change at different times since our foundation:**

Advocates for International Development.	Rotary Clubs within Rotary International
Andrews Charitable Trust.	in Great Britain & Ireland.
Blandford Lake Trust.	S.G. Lancaster.
Four Acre Trust.	SJ Berwin LLP.
François Abellard.	Thames River Capital.
Joffe Charitable Trust.	The Beatrice Laing Trust.
Just a Drop.	The Charitable Foundation.
Margaret Hayman Charitable Trust Fund.	The Daily Telegraph.
Melinda Lewis.	The Dulverton Trust.
Mennonite Central Committee.	The ED Charitable Trust.
Mitsubishi Corporation Fund for Europe	The JJ Charitable Trust.
& Africa.	The Venture Partnership Foundation.
Newfield IT.	The Waterloo Foundation.
Noel Buxton Trust.	TRAID.
Private Public Ltd.	URS Millennium Project.

Charity number:	1094478
Company number:	4432166
Registered office:	2 Water Court, Water Street, Birmingham, B3 1HP
Operational address:	Unit 1.17, The Foundry, 17 Oval Way, London, SE11 5RR
Our contact details:	
Telephone:	+44 (0)20 3752 5780
E-mail:	team@excellent.org.uk
Website:	www.excellent.org.uk
Our advisors:	
Auditors:	Michael Kay & Company Ltd 2 Water Court, Water Street, Birmingham, B3 1HP
Bankers:	The Co-Operative Bank plc PO Box 250, Delf House, Southway, Skelmersdale, WN8 6WT  CAF Bank Ltd 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ
Patrons:	Sir Edward Clay
Directors and Trustees:	The directors of the charitable company (the charity) are its Trustees for the purpose of charity law. The Trustees and officers who have served during the year or appointed since the year end were as follows:
Trustees and Members:	Alison Bell David Jordan Mark Murphy Nigel Reader
Trustees:	Barbara Busby Alex Day (appointed May 2017) Bandish Gudka (appointed May 2017) Pam Gilder (appointed August 2017)
Additional Members:	Christopher Ian Pockett Darren John Worsley Fiona Charlotte Moore Jenine Ruth Langrish Richard Alan Barnes Richard Pearce-Thomas Sir Edward Clay Tim James Wood
Key management personnel:	
Senior management team:	David Jordan (Executive Chairman) Christine Whinney Judith Eaton Rachel Beer (until August 2017)



## Governing document

Excellent Development Ltd is a company limited by guarantee governed by its Memorandum and Articles of Association dated 26 October 2002. It is registered with the Charity Commission. Anyone over the age of 18 can become a Member of the Company and there are currently 12 members, each of whom agrees to contribute up to £10 in the event of the charity winding up.

## Appointment of Trustees

As defined by the Memorandum and Articles of Association, Trustees retire annually and are elected by secret ballot at each Annual General Meeting. On an annual basis, a skills team role analysis is performed, in conjunction with individual Trustee appraisal and objective setting. The Chairman and the Board review whether each Trustee will stand for re-election prior to each Annual General Meeting.

Trustee recruitment is currently managed by the Governance and Risk Committee which identifies gaps in skills and/or experience on the Board, and assesses the team role mix and diversity of the existing Board as part of a process to create a profile for suitable candidates. Trustee roles will, where necessary, be advertised widely, to ensure a high quality and diverse set of applicants.

## Trustee induction and training

Trustee induction is carried out through a checklist of documents and specific conversations required to understand the Charity.

## Organisation

The Board of Trustees, which can have up to ten Members, administers the Charity. The Board normally meets quarterly and there are sub-committees covering finance and audit, governance and risk, which normally meet bi-monthly. An Executive Director is appointed by the Trustees to manage the day-to-day operations of the Charity. To facilitate effective operations, the Executive Director has delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance, employment and performance related activity. Since October 2016, the Chairman has been acting in an executive capacity following the resignation of the Executive Director.

## Related parties and co-operation with other organisations

Any connection between a Trustee or senior manager of the Charity with the overseas partners or suppliers used to achieve the Charity's objectives must be disclosed to the full Board of Trustees in the same way as any other contractual relationship with a related party. In the current year no such related party transactions were reported. The Charity has close relationships with Africa Sand Dam Foundation in Kenya which shares the Charity's vision for the pioneering of sand dams worldwide, and actively promotes the work of the Charity. Other partners include the Lekurruki Conservation Trust in northern Kenya, Jal Bhagirathi Foundation in India, Community Centre for Peace and Development in southeast Kenya, Northern Rangelands Trust in Kenya, Dabane Trust in Zimbabwe and Christian Council of Mozambique (CCM) Tete. A summary of transactions with these partners, is set out in Note 7 to the financial statements.

## Pay policy for senior staff

All Trustees give their time freely and none of the Trustees receive remuneration or other benefit from their work with the Charity. Details of any related party transactions are disclosed in Note 18 to the financial statement. Details of expenses are disclosed in Note 16 to the financial statements. The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the Charity, salaries are benchmarked against pay in other charities of a similar size.

## Trustees' responsibilities

The Trustees (who are also Directors of Excellent Development Limited for the purposes of company law) are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Company law requires the Trustees to prepare financial statements for the charity each financial year. Charity law requires the Trustees to prepare financial statements for the charity and its subsidiary undertakings.

The financial statements must be prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) and are required to give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for the year. In preparing the financial statements the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgments and estimates that are reasonable and prudent.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.
- Observe the methods and principles in the Charities SORP.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees are responsible for keeping accounting records that disclose, with reasonable accuracy at any time, the financial position of the Charity and the Group, and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 1993 and regulations made thereunder. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees have confirmed that, so far as they are aware, there is no relevant audit information of which the charitable company's auditors are unaware, and that they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

## Appointment of auditors

The auditors, Michael Kay & Company Limited, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

This report was approved and authorised for issue by the Trustees on 4 September 2017 and signed on its behalf by:



David Jordan OBE, Chairman

## Financial statements.



**Photo:** Members of the Northern Rangelands Trust use water from a sand dam via a built-in pipe.



## Independent Auditor's Report to the Members of Excellent Development Limited

We have audited the financial statements of Excellent Development Limited for the period ended 31 March 2017 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes.

The financial reporting framework that has been applied in their preparation is applicable law and FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company those matters we are required to state to them in an auditor's report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of Trustees and auditor

As explained more fully in the statement of Trustees' responsibilities set out on page 35, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditor under the Companies Act 2006 and report in accordance with the Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error.

This includes an assessment of: whether the accounting policies are appropriate to the group's and parent charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### Opinion on financial statements

In our opinion the financial statements:

- Give a true and fair view of the state of the group and charitable company's affairs as at 31 March 2017, and of its

incoming resources and application of resources, including its income and expenditure, for the period then ended;

- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

### Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report (including the Strategic Report) for the financial period for which the financial statements are prepared is consistent with the financial statements and The Strategic Report and Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Trustees' Annual Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- We have not received all the information and explanations we require for our audit; or
- Certain disclosures of Trustees remuneration specified by law are not made.



**Michael Kay**  
Senior Statutory Auditor

For and on behalf of:

Michael Kay & Company Limited  
2 Water Court  
Water Street  
Birmingham  
B3 1HP

**Excellent Development Limited (Company Reg. No. 4432166)**  
**Statement of financial activities for the period ended 31 March 2017**  
**Including consolidated Income and expenditure account**

	Note	2017 Unrestricted £000	2017 Restricted £000	2017 Total £000	2016 Total £000
<b>INCOME FROM:</b>					
Donations and legacies funding	2	405	735	1,140	1,524
Charitable activities	3	-	3	3	9
Investment management and interest	4	1	-	1	1
<b>Total income</b>		<u>406</u>	<u>738</u>	<u>1,144</u>	<u>1,534</u>
<b>EXPENDITURE ON:</b>					
<b>Raising funds</b>					
- Donation and legacies funding	5	223	59	282	271
- Charitable activities	6	3	3	6	6
<b>Cost of raising funds</b>		<u>226</u>	<u>62</u>	<u>288</u>	<u>277</u>
<b>Charitable activities</b>					
Overseas programmes	7	204	941	1,145	980
Pioneering sand dams	8	50	35	85	57
<b>Cost of charitable activities</b>		<u>254</u>	<u>976</u>	<u>1,230</u>	<u>1,037</u>
<b>TOTAL EXPENDITURE</b>		<u>480</u>	<u>1,038</u>	<u>1,518</u>	<u>1,314</u>
<b>NET INCOME/(EXPENDITURE)</b>		<u>(74)</u>	<u>(300)</u>	<u>(374)</u>	<u>220</u>

The movement in funds is detailed in Note 13 on page 49.

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. All of the above results are derived from continuing activities.

There are no other recognised gains or losses other than those stated above.

The Consolidated Statement includes income from Excellent Development IOM Ltd. of £57k; (£162k; 2016), and expenditure of £57k; (£162k; 2016), net loss of £NIL (£NIL 2016).

2016 total income of £1,534k consists of £1,232k restricted and £302k unrestricted income.



**Excellent Development Limited (Company Reg. No. 4432166)**  
**Balance sheet as at 31 March 2017**

	Note	Group 2017 £000	Group 2016 £000	Charity 2017 £000	Charity 2016 £000
<b>Fixed assets</b>					
Tangible fixed assets	9	5	3	5	3
<b>Total fixed assets</b>		<u>5</u>	<u>3</u>	<u>5</u>	<u>3</u>
<b>Current assets</b>					
Debtors	10	61	67	58	62
Cash at bank and in hand	11	<u>303</u>	<u>694</u>	<u>303</u>	<u>694</u>
<b>Total current assets</b>		<b>364</b>	<b>761</b>	<b>361</b>	<b>756</b>
<b>Liabilities</b>					
Creditors falling due within one year	12	<u>(44)</u>	<u>(67)</u>	<u>(41)</u>	<u>(62)</u>
<b>Net assets</b>		<u><b>325</b></u>	<u><b>697</b></u>	<u><b>325</b></u>	<u><b>697</b></u>
<b>Funds of the charity</b>					
Unrestricted funds	13	<b>100</b>	174	100	174
Restricted funds	13a	<b>220</b>	520	220	520
Property and equipment fund		<u>5</u>	<u>3</u>	<u>5</u>	<u>3</u>
<b>Total funds</b>		<u><b>325</b></u>	<u><b>697</b></u>	<u><b>325</b></u>	<u><b>697</b></u>

The Trustees have prepared consolidated accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. The Consolidated Statement includes liabilities of £3k (2015: £5k) and assets of £3k (2015: £5k) from Excellent Development IOM Ltd.

The notes on pages 41 to 50 form part of these financial statements.

The accounts were approved and authorised for issue by the Board on 4 September 2017.

**Signed on behalf of the Board of Trustees.**



**David Jordan OBE**  
**Chairman**

	Group 2017 £000	Group 2016 £000	Charity 2017 £000	Charity 2016 £000
<b>A. Consolidated cashflow statement for the period ended 31 March 2017</b>				
<b>Cash generated from operating activities</b>				
Net cash used in operating activities	(386)	208	(386)	208
Interest received	1		1	
<b>Cash flow from investing activities</b>				
Purchase of fixed assets	(6)	1	(6)	1
<b>Net increase/decrease in cash</b>	<b>(391)</b>	<b>209</b>	<b>(391)</b>	<b>209</b>

	Group 2017 £000	Group 2016 £000	Charity 2017 £000	Charity 2016 £000
<b>B. Reconciliation of net income/(expenditure) to net cash flow from operating activities</b>				
Net expenditure (as per the Statement of Financial Activity)	(373)	220	(373)	218
<b>Adjustments for:</b>				
Interest received	(1)	1	(1)	1
Depreciation	4	2	4	2
Movements between funds		(2)		(2)
Movement in debtors	6	(44)	4	(44)
Movement in creditors	(22)	31	(20)	33
<b>Net cash used in operating activities</b>	<b>(386)</b>	<b>208</b>	<b>(386)</b>	<b>208</b>

	Group 2017 £000	Group 2016 £000	Charity 2017 £000	Charity 2016 £000
<b>C. Analysis of cash and cash equivalents</b>				
Increase in cash and cash equivalents	(391)	209	(391)	209
Cash at bank and in hand at the beginning of the year	694	485	694	485
Cash at bank and in hand at the end of the year	303	694	303	694



## 1. Accounting policies

### 1.1 Basis of preparation

Excellent Development Limited is a charitable company limited by guarantee in England and the Isle of Man. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 34 of these financial statements. The nature of the charity's operations and principal activities are stated in the Trustees' Annual Report (Including Directors Report and Strategic Report).

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), The Charities Act 2011, The Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The Trustees have at the time of approving the financial statements, a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements; as per paragraph 8 on page 19 of the Trustees' Report, where a more detailed statement is made.

The financial statements are prepared under the historical cost convention. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £'000.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

### 1.2 Group entities

The financial statements consolidate the results of the charitable parent company and its wholly owned subsidiaries Excellent Development Trading Limited and Excellent Development (IOM) Limited on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charitable parent company has not been presented because the Trustees have taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

#### Excellent Development Trading Ltd

The Charity has a wholly-owned subsidiary company, Excellent Development Trading Limited (EDTL) - Company Reg. No. 5105411. EDTL has been dormant since 31 March 2010 and all trading activities of the company were transferred to the Charity.

The Capital and Reserves at 31 March 2017 was £0k (2016: £0k).

#### Excellent Development (IOM) Ltd

Excellent Development (IOM) Ltd is a company registered in the Isle of Man. It is limited by guarantee (company number 128231C) and is a charity (registration number 1147). It is a

subsidiary because the company is the sole member.

The Capital and Reserves at 31 March 2017 was £0k (2016: £0k).

### 1.3 Income

Any materials (tools, equipment, etc.) received are included in the Financial Statements at market value. Properties, investments, and other fixed assets donated to the charity are included as donation income at market value at the time of receipt. Items donated for resale are included in trading income when sold and no value is placed on stock at the year end.

Income includes the following types of income:

- grants from government and other agencies where these amount to a contract for service to be used to further the Charity's objects.
- donations, where the money is given either in response to an appeal, or to be used with greater freedom.

Income is recognised in the period in which the Charity is entitled to receipt, the performance conditions have been met, the receipt is probable and the amount can be measured with reasonable certainty.

Income is deferred only when the Charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period. For donations to be recognised the charity will have been notified of the amounts and settlement date in writing.

### 1.4 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably.

Fundraising costs include the salaries, direct expenditure and overhead costs associated with the time staff carried out fundraising, including events. Expenditure is included when incurred.

Grants payable to other organisations for relief and development projects are included in the SOFA when approved by the Trustees and agreed with the other organisation. The value of such grants unpaid at the year end is accrued. Grants where the beneficiary has not been informed or has to meet certain conditions before the grant is released are not accrued but are noted as financial commitments.

Expenditure on operational programmes is recognised in the period in which it is incurred. A designated fund is established for expenditure which has been committed to projects, but remains unspent at the year end.

In kind grants are donations of materials, equipment or staff time that are not recognised in the grant recipient accounts but represent expenditure on direct charitable activity by Excellent Development Ltd.

Rentals payable under operating leases are charged as an expense on a straight line basis over the lease term.

## 1.4 Core, support and governance costs

### Core costs summary

Core costs relate to the cost of organisational overheads such as accommodation, staffing and general administration that support the work of the Charity.

#### 1.4a Breakdown of total core costs

	2017 %	2017 £000	2016 %	2016 £000
Employment costs (see note 15)	89.5	609	88.5	541
Accommodation costs	6.5	45	7.2	44
Administration costs	4.0	27	4.3	26
<b>Total</b>	<b>100.0</b>	<b>681</b>	<b>100.0</b>	<b>611</b>

#### 1.4b Core costs allocation

Core costs have been allocated on the basis of staff time attributable to each activity as follows:

	2017 %	2017 £000	2016 %	2016 £000
<b>Expenditure on raising funds</b>				
Donations and legacies funding	35.7	243	36.9	226
Charitable activities	0.2	1	0.6	4
	<b>35.9</b>	<b>244</b>	<b>37.5</b>	<b>230</b>
<b>Expenditure on charitable activities</b>				
Overseas programmes	18.6	127	22.2	135
Pioneering sand dams	4.8	33	4.0	25
	<b>23.4</b>	<b>160</b>	<b>26.2</b>	<b>160</b>
<b>Governance</b>	<b>7.8</b>	<b>53</b>	<b>4.6</b>	<b>28</b>
<b>Support costs</b>				
Overseas programmes	31.3	213	30.2	184
Pioneering sand dams	1.6	11	1.5	9
Sub-total	<b>32.9</b>	<b>224</b>	<b>31.7</b>	<b>193</b>
<b>Total core costs allocation</b>	<b>100</b>	<b>681</b>	<b>100.0</b>	<b>611</b>

### Support costs summary:

Support costs represent the costs incurred that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. This includes both staff time and direct costs such as flights and accommodation, providing support for charitable activities including management, monitoring, evaluation, policy work and technical support for programmes. This also includes the costs incurred by finance, human resources and information technology attributable to the management of the Charity assets and organisational administration. Total support costs of £277k (2016: £234k) includes core costs and travel and accommodation.



**1.4c Breakdown of total support costs**

	2017 £000	2016 £000
Core costs	224	193
Travel and accommodation	53	41
<b>Total support costs</b>	<b>277</b>	<b>234</b>

**1.4d Support costs allocation:**

	2017 %	2017 £000	2016 %	2016 £000
Overseas programmes	95.2	263	95.5	221
Pioneering sand dams	4.8	14	4.5	13
<b>Total support costs allocation</b>	<b>100.0</b>	<b>277</b>	<b>100.0</b>	<b>234</b>

**Governance costs summary:**

Governance costs are costs incurred on the governance arrangements of the Charity. These costs are associated with the constitutional and statutory requirements and include any costs associated with the strategic management of the Charity's activities.

**1.4e Breakdown of total governance costs**

	2017 £000	2016 £000
Insurance	5	4
Audit fees	10	12
Trustee expenses	5	5
Professional fees and registration	2	9
Other governance expenses	-	1
Core cost allocation (See note 1.4b)	53	28
<b>Total governance costs</b>	<b>75</b>	<b>59</b>

Audit fees include the remuneration of the independent examiner for professional services incurred in relation to Excellent Development IOM Ltd for 2016/17.

	2017 £000	2016 £000
Excellent Development UK Ltd 2016/17	4	-
Excellent Development IOM Ltd 2016/17	4	-
Excellent Development UK Ltd 2015/16	-	4
Excellent Development IOM Ltd 2015/16	-	3
<b>Total</b>	<b>8</b>	<b>7</b>

**1.4f Governance costs allocation**

	2017 %	2017 £000	2016 %	2016 £000
Overseas programmes	95.2	71	95.5	56
Pioneering sand dams	4.8	4	4.5	3
<b>Total governance costs allocation</b>	<b>100.0</b>	<b>75</b>	<b>100.0</b>	<b>59</b>

**1.5 Tangible fixed assets and depreciation**

Fixed assets costing more than £500 are capitalised.

Depreciation:	%	Basis
Fixtures, fittings and equipment	20.0	Straight line
IT equipment	33.3	Straight line

Tangible assets are stated at cost less accumulated depreciation and impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life.

**1.6 Investment in subsidiaries**

Investment in subsidiaries is stated at book value at the balance sheet date.

**1.7 Foreign currency translation**

Transactions denominated in foreign currencies are recorded in sterling at the interbank rate ruling at the date of the transaction. Transactions in foreign currency cash are recorded in sterling at the rate ruling at conversion or the previous year end balance sheet value, whichever is the later.

Assets and liabilities denominated in foreign currencies are translated into sterling at the interbank rate ruling at the balance sheet date. All differences are included in net outgoing resources.

**1.8 Accumulated funds**

The property and equipment fund represents funds invested in the net book value of tangible fixed assets, which are therefore not available for other uses. Restricted funds represent grants and donations received which are prescribed by the donor for specific purposes. Expenditure made in line with these purposes is charged to the accumulated restricted funds.

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

**1.9 Irrecoverable VAT**

The Charity is not registered for VAT and therefore expenditure included within the accounts includes VAT where incurred.

**1.10 Taxation**

The activities of Excellent Development Ltd and Excellent Development Isle of Man Ltd. are for charitable purposes. Under part 11 of CTA 2010 no liability for corporation tax has arisen for the year to 31 March 2017 (nil to 31 March 2016).

**1.11 Debtors and creditors within one year**

Debtors and creditors with no stated interest rate and receivable/payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**1.12 Impairment**

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

**1.13 Employee benefits**

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

**1.14 Judgements and key sources of estimation uncertainty**

In the application of the charitable company's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.



**2. Donations and legacies income**

	2017 Unrestricted £000	2017 Restricted £000	2017 Total £000	2016 Total £000
Trusts & foundations	166	247	413	490
Individual donors	236	67	303	203
Small governments & institutions	-	301	301	601
Rotary	1	100	101	212
Corporate	-	20	20	13
Community fundraising	2	-	2	5
<b>Total</b>	<b>405</b>	<b>735</b>	<b>1,140</b>	<b>1524</b>

2016 income of £1,524k consists of £1,222k restricted and £302k unrestricted income.

**2.1. Analysis of government grants (all restricted)**

	Purpose for which grant was received (see note below)	2017 Total £000	2016 Total £000
UK Government	a	149	178
Isle of Man International Development Committee	b	44	75
Isle of Man International Development Committee	c	5	59
The States of Guernsey Overseas Aid and Development Commission	a	-	19
The States of Guernsey Overseas Aid and Development Commission	d	20	20
Jersey Overseas Aid	b	-	100
Jersey Overseas Aid	e	52	94
<b>Total government grants</b>		<b>270</b>	<b>545</b>

Included in the small governments and institutions income above are government grants of £270k (2016: £545k). This includes £149k (2016: £178k) which is part of a 36 month grant from the UK Government and £35k (2016: £75k) which is part of a 36 month grant from the IOM government.

**Programmes for which grants have been received**

- Improved Food Production and Security for Six Communities in Rural Makueni County, Kenya
- Creating Sustainable Lives for People and Wildlife, Northern Rangelands, Kenya
- To Improve Water security in Southern Africa
- Water Tanks, Makueni County, Kenya
- Water Security, Southern Africa

**3. Charitable activities income**

	2017 Unrestricted £000	2017 Restricted £000	2017 Total £000	2016 Total £000
Expeditions	-	3	3	7
Consultancy	-	-	-	2
<b>Total</b>	<b>-</b>	<b>3</b>	<b>3</b>	<b>9</b>

2016 income of £9k was restricted.

#### 4. Investment management and interest

	2017 Unrestricted £000	2017 Restricted £000	2017 Total £000	2016 Total £000
Bank interest	1	-	1	1
Total	-	-	1	1

2016 income of £1k was restricted.

#### 5. Expenditure on raising funds – Donation and legacies funding

	2017 Unrestricted £000	2017 Restricted £000	2017 Total £000	2016 Total £000
Trusts and foundations	45	19	64	77
Individual donors	98	11	109	107
Small governments and institutions	50	18	68	54
Rotary	25	10	35	25
Corporate	2	1	3	4
Community fundraising	3	-	3	2
Awards	-	-	-	2
Total	223	59	282	271

2016 expenditure of £271k consists of £126k restricted and £145 unrestricted expenditure.

Core costs of £243k have been allocated across the income stream activities (see Note 1.4b).

#### 6. Expenditure on raising funds – Charitable activities

	2017 Unrestricted £000	2017 Restricted £000	2017 Total £000	2016 Total £000
Expeditions costs	3	3	6	6
Total	3	3	6	6

2016 expenditure of £6k was restricted.

Core costs of £1k have been allocated to the cost of income from charitable activities (see Note 1.4b).

#### 7. Expenditure on charitable activities – Overseas programmes

	2017 Unrestricted £000	2017 Restricted £000	2017 Total £000	2016 Total £000
Community water and food, southeast Kenya	90	471	561	672
Community wildlife conservancies, Lekurruki, northern Kenya	50	205	255	144
Building sand dam capacity, Southern Africa	15	123	138	32
Water for arid lands, India	40	69	109	35
Community wildlife conservancies, Northern Rangelands, northern Kenya	9	73	82	11
Pastoralists for peace, northern Kenya	-	-	-	86
Total	204	941	1,145	980

2016 expenditure of £980k consists of £883k restricted and £97k unrestricted expenditure.

Core costs of £127k, support costs of £263k and governance costs of £71k have been allocated to the charitable activities (see Note 1.4).



**7a. Analysis of overseas programmes**

	2017 Support & governance costs £000	2017 In kind grants £000	2017 Direct grants £000	2017 Total £000	2016 Total £000
Community water and food, southeast Kenya	127	36	399	<b>562</b>	672
Community wildlife conservancies, Lekurruki, northern Kenya	103	84	67	<b>254</b>	144
Water for arid lands, India	31	40	37	<b>108</b>	35
Building sand dam capacity, southern Africa	50	16	73	<b>139</b>	32
Community wildlife conservancies, Northern Rangelands, northern Kenya	23	19	40	<b>82</b>	11
Community Centre for Peace and Development, northern Kenya	-	-	-	-	86
<b>Total</b>	<b>334</b>	<b>195</b>	<b>616</b>	<b>1,145</b>	<b>980</b>

2016 overseas programmes expenditure consists of £883k restricted and £97k unrestricted expenditure.

Community water and food, southeast Kenya expenditure for 2017 includes a grant of £149k from the UK Government, of which £121k was spent on direct grants to ASDF and £28k on support costs.

**7b. Direct grants**

The Charity paid out £616k in direct grants to its partners (2016: £519k). These are identified as follows:

	2017 £000	2016 £ 000
Africa Sand Dam Foundation, southeast Kenya	<b>399</b>	449
Lekurruki Conservation Trust, northern Kenya	<b>67</b>	61
Dabane Trust, Zimbabwe	<b>49</b>	-
Northern Rangelands Trust, northern Kenya	<b>40</b>	1
Jai Bhagirathi Foundation, India	<b>37</b>	4
Christian Council of Mozambique	<b>24</b>	-
Community Centre for Peace and Development, northern Kenya	-	4
<b>Total</b>	<b>616</b>	<b>519</b>

**8. Expenditure on charitable activities – Pioneering sand dams**

	2017 Unrestricted £000	2017 Restricted £000	2017 Total £000	2016 Total £000
Promoting sand dams	34	3	<b>37</b>	23
Knowledge sharing	14	16	<b>30</b>	29
Evidence & research	2	16	<b>18</b>	5
<b>Total</b>	<b>50</b>	<b>35</b>	<b>85</b>	<b>57</b>

2016 expenditure of £57k consists of £29k restricted and £28k unrestricted expenditure.

Core costs of £33k, support costs of £14k and governance costs of £4k have been allocated to the charitable activities (see Note 1.4).

### 8a. Analysis of pioneering sand dams expenditure

	2017 Support and governance costs £000	2017 In Kind grants £000	2017 Total £000	2016 Total £000
Promoting sand dams	14	23	37	23
Knowledge sharing	4	26	30	29
Evidence and research	-	18	18	5
Total	18	67	85	57

2016 pioneering sand dams expenditure consists of £29k restricted and £28k unrestricted expenditure.

### 9. Tangible fixed assets

	2017 £000	2016 £000
<b>Cost or valuation</b>		
Opening balance	31	37
Additions	6	1
Disposals	(7)	(7)
Balance as at year end	30	31
<b>Depreciation</b>		
Opening balance	28	32
Charge for year	4	2
Disposals	(7)	(6)
Balance as at year end	25	28
Net book value as at year end	5	3

### 10. Debtors

	2017 £000	2016 £000
Prepayments	4	11
Accrued income	41	9
Deposits	4	4
Other debtors	12	43
Total	61	67

All debtors are initially measured at the settlement amount after any discounts (under normal credit terms) have been applied.

### 11. Cash at bank and in hand

	2017 £000	2016 £000
Bank balances	301	694
Cash	2	-
Total	303	694



**12. Creditors: amounts falling due within one year**

	2017 £000	2016 £000
Creditors	24	23
Accruals	9	31
PAYE	10	13
Deferred income	1	0
Total	44	67

All creditors are initially measured at the settlement amount after any discounts (under normal credit terms) have been applied.

**13. Movement in funds**

	As at 1st April 2016 £000	Incoming resources £000	Outgoing resources £000	Transfers £000	Total Movements £000	As at 31st March 2017 £000
Unrestricted	174	406	(480)	(2)	(74)	100
Restricted	520	738	(1,038)	-	(300)	220
Property and equipment	3	-	-	2	2	5
Total	697	1,144	(1,518)	-	374	325

As per accounting policy 1.8, the property and equipment fund represents funds invested in the net book value of tangible fixed assets, which are therefore not available for other uses.

**13a Analysis of movement in restricted funds**

	As at 1st April 2016	Transfers £000	Incoming resources £000	Outgoing resources £000	Total movement £000	As at 31st March 2017 £000
Community water and food, southern Kenya	107	57	371	(476)	(48)	59
Community wildlife conservancies, Lekurruki, northern Kenya	33	28	204	(206)	27	60
Pastoralists for peace, northern Kenya	50	(50)	-	-	(50)	-
Water for arid lands, India	62	(2)	24	(68)	(47)	15
Building sand dam capacity, southern Africa	130	(27)	64	(121)	(84)	46
Community wildlife conservancies, Northern Rangelands, northern Kenya	118	(22)	4	(72)	(90)	28
Sand dams, southeast Kenya	7	(7)	-	-	(7)	-
Promoting sand dams	(1)	1	2	(2)	1	-
Knowledge sharing	12	-	14	(16)	(2)	10
Evidence and research	-	22	(6)	(16)	-	-
Expeditions	-	-	3	(3)	-	-
Marketing	-	-	10	(10)	-	-
Fundraising	2	-	48	(48)	-	2
Total Restricted	520	0	738	(1,038)	(300)	220

**14. Analysis of net assets between funds**

	Unrestricted funds £000	Restricted funds £000	Property & equipment fund £000	Total funds £000
Fixed assets	0	0	5	5
Current assets	127	237	-	364
Current liabilities	(27)	(17)	-	(44)
Total assets less current liabilities	<u>100</u>	<u>220</u>	<u>5</u>	<u>325</u>

**15. Employees**

	2017 £000	2016 £000
Salaries and wages	525	461
Employer NIC	49	40
Pension	2	-
Recruitment	20	26
Training	4	9
Health Insurance	9	5
Total	<u>609</u>	<u>541</u>
Average number of employees	<u>13.3</u>	<u>11.2</u>

The average number of employees reflects the full time equivalent.

No employee received total employee benefits (excluding employer pension costs) of more than £60,000.

**16. Trustee expenses and key management personnel compensation**

	2017 £000	2016 £000
Travel	1	4
Other	4	1
Total	<u>5</u>	<u>5</u>

None of the five Trustees who held office during the period (or any persons connected with them) received any remuneration during the year. The five Trustees incurred expenses as detailed above.

There are no key management personnel requiring disclosure.

**17. Pensions and post retirement benefits**

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £2k (2016: £0)

**18. Financial commitments**

As at 31 March 2017 the Charity is committed to £17,618 lease cost for its office until 31 August 2017 (2016: £16,867). From 1 September 2017, the Charity is committed to £108,522 lease cost for its office until January 2020.

**19. Related parties**

There have been no related party transactions in the current period.



# Our philosophy & values

## **People & relationships:**

We respect all the people with whom we work and build mutually beneficial relationships. We believe that the best results are achieved through working together. We enable self-leadership, personal development and empowerment.

## **Environment & sustainability:**

We believe that sustainable poverty reduction can only be achieved through the conservation of the environment. We believe that people and wildlife can live in harmony with their environment.

## **Service:**

We exist to provide excellent service to the people we work with in order to deliver our vision. We ensure that the people we support enact their right to identify their own needs and priorities. We anticipate change and respond with speed, agility and flexibility to maintain our excellent service.

## **Nothing comes for free:**

We value our supporters, and we respect the dignity of the people we support, by not giving away things for free. The people we support make a significant contribution to every Excellent Development project.

## **Excellence:**

We strive to be excellent in all we do. We promote the improvement in the quality and benefit of our work through continuous learning and the sharing of knowledge.

## **Innovation & passion:**

We are passionate and inspirational about our work. We demonstrate creativity, ingenuity and energy. We are innovative and entrepreneurial, taking calculated risks in pursuit of our vision. We ensure decision making is made at the most efficient and appropriate level.

## **Integrity:**

We do things right and keep our promises. We are professional, honest, fair and transparent in all that we do. We are uncompromising about our ethical principles.

## **Business efficiency:**

We run Excellent Development like a business, bringing the best of corporate skills, principles and experience to achieve our charitable objects. We responsibly and efficiently manage our supporters' investments to achieve lasting positive impact for millions of the world's poorest people.

# Excellent

# Development



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## Contacts

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## Social

**Facebook:** [Facebook.com/excellentdevelopment](https://www.facebook.com/excellentdevelopment)  
**Twitter:** [@ThisIsExcellent](https://twitter.com/ThisIsExcellent)  
**YouTube:** [Youtube.com/user/thisisexcellent](https://www.youtube.com/user/thisisexcellent)  
**LinkedIn:** [Linkedin.com/company/excellent-development](https://www.linkedin.com/company/excellent-development)  
**Instagram:** [ExcellentDevelopment](https://www.instagram.com/ExcellentDevelopment)

## Charity registration number (England & Wales)

1094478

Registered company number: 4432166