

Excellent Development

Annual Report 2019/20



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.excellentdevelopment.com

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Photo: Front cover
Mawia Malonza, Vice Chairlady of Mapatano ma aka Malunda self-help group (southeast Kenya), drinking water from the shallow well that is connected to her community’s sand dam.

Printed on 100% recycled paper.

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“As part of our sand dam project we have been trained on how to improve our farms and yield, and as a result, my harvest has improved. I used to buy vegetables at the market, but now I can just take them from my garden, feed my family, and use any excess to sell and pay for my children’s school fees.”

Lifetime achievements.

1,077,763

People with access to safe water

£13.86

Cost per person with safe water

1,158

Sand dams enabled

£12,896

Cost per sand dam enabled

10

Countries supported:
Kenya, Mozambique, Zimbabwe, Malawi,
Ethiopia, Eswatini, Sudan, Chad, Tanzania and India



2019/20.

£1,114,291

Total income

£911,080

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.*



I am very pleased to report another year of successful water and climate-smart agriculture projects for Excellent Development.

By the end of the year, and since our inception in 2002, we had enabled the construction of 1,158 sand dams, bringing clean water to over 1,077,000 people. We had also supported the planting of more than 1,130,000 trees, providing sources of food, shade and fuel, whilst also helping to mitigate the effects of climate change.

Much of our work this year has focused on developing new programmes, in line with our strategy to inspire and influence others to build sand dams. We launched new programmes in Ethiopia and Malawi, started working with a new in-country partner in Tanzania, as well as continued our work in Kenya, Mozambique (where we also have a new partner) and Zimbabwe.

This year we also enabled the construction of two dams in Tsavo National Park in Kenya. This should form the basis for an extensive programme over the coming years in wildlife parks across East Africa which are suffering from the impact of climate change.

Another highlight is our successful co-funding of three sand dams as part of a pilot programme in partnership with the Makueni County Government in Kenya; this has now developed into a long-term programme with a joint ambition to enable hundreds of dams

in this country, an approach we are looking to replicate elsewhere. Meanwhile, our research work continued to make steady progress. Our water yield study, in conjunction with Cranfield University and using innovative technology from Oxford University, is providing top quality data to enable us to assess the effectiveness of sand dams in providing year-round water to communities. And we have been collaborating with Warwick University to analyse substantial historic datasets, providing insights into nutrition, health and other benefits provided by sand dams and associated agriculture work.

We also ran two sand dam expeditions (before the coronavirus outbreak and subsequent restrictions) - one with a team from Jersey Overseas Aid and another with a group of volunteers from various corners of the world. Both trips were highly successful, demonstrating to our supporters the immeasurable impact of sand dams on the lives of the people in the communities visited.

At the same time, the unforeseen COVID-19 pandemic inevitably brought some significant impacts to our work, and to our partners. Reflecting on the consequential constraints on travel and programme development, we reduced our overheads and staff numbers in the UK, to allow for continued support to our programmes. In response to the pandemic some of our partners in Africa also scaled back operations for short periods in line with their own governments' guidelines.

COVID-19 has clearly highlighted the need for our continued work given the impact of global health threats and the need for communities to have clean water, sanitation and food close to their homes. Notwithstanding our current challenges, we have persevered, working remotely with our overseas partners to support vulnerable dryland communities to build more sand dams and develop sustainable agriculture.

Indeed, despite the challenges, I am immensely proud of what the Excellent team with the invaluable support of our partners and donors has achieved, and I am delighted that their hard work has been recognised with some accolades; including winning the Best Small Charity Award at the 2019 Charity Times Awards, and following that up with a national award at the 2020 Energy Globe Awards.

We now look forward to creating more lasting change in 2020/21 with your support – which has been nothing short of amazing and I continue to be humbled by the generosity of so many.

With profound thanks.

A handwritten signature in black ink, appearing to read "David Jordan".

David Jordan OBE
Chairman

We have enabled over 1,077,000 people to have year-round safe water close to home.



Photo: Josephine Mueni, member of Kyamuisu self-help group, southeast Kenya, collecting water from the group's sand dam via 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.

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, over 785 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 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 trees, establishing seed banks, terracing 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 building sand dams will enable millions of the world’s poorest people to transform their own lives. So far, Excellent Development has built or enabled over 1,000 sand dams.

Since 2002 we have enabled over 1,077,000 people to have year-round safe water close to home at an average cost of £13.86 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 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 200 sand dams 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.

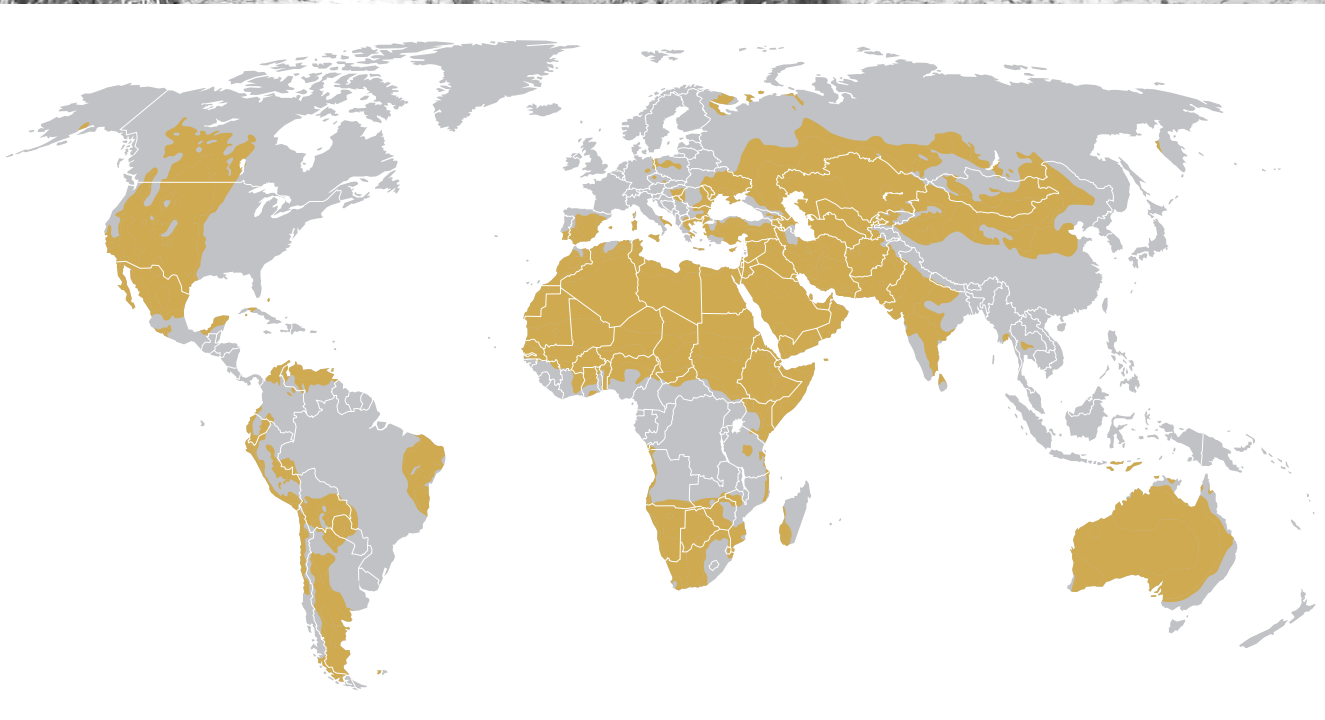
We plan to review our goals as part of a review of Our Strategy, to be undertaken in 2020/21.

People living in drylands are:

3 billion of the world’s population.

90% live in developing countries.

50 million could be displaced by 2030 due to desertification.



People living in drylands manage:

46% of the world’s land area.

50% of the world’s livestock.

44% of the world’s productive land.

Photo: Soil and water conservation terracing, Kathekani, Mtito Andei, southeast Kenya.

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 data from our southeast Kenyan in-country partner, the Africa Sand Dam Foundation, and others. 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:

- Develop new measures as part of the review of Our Strategy.
- Expand our programmes in countries where we have already made an impact including Kenya, Mozambique and Zimbabwe.
- 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, and Zimbabwe.
- 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 five 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.

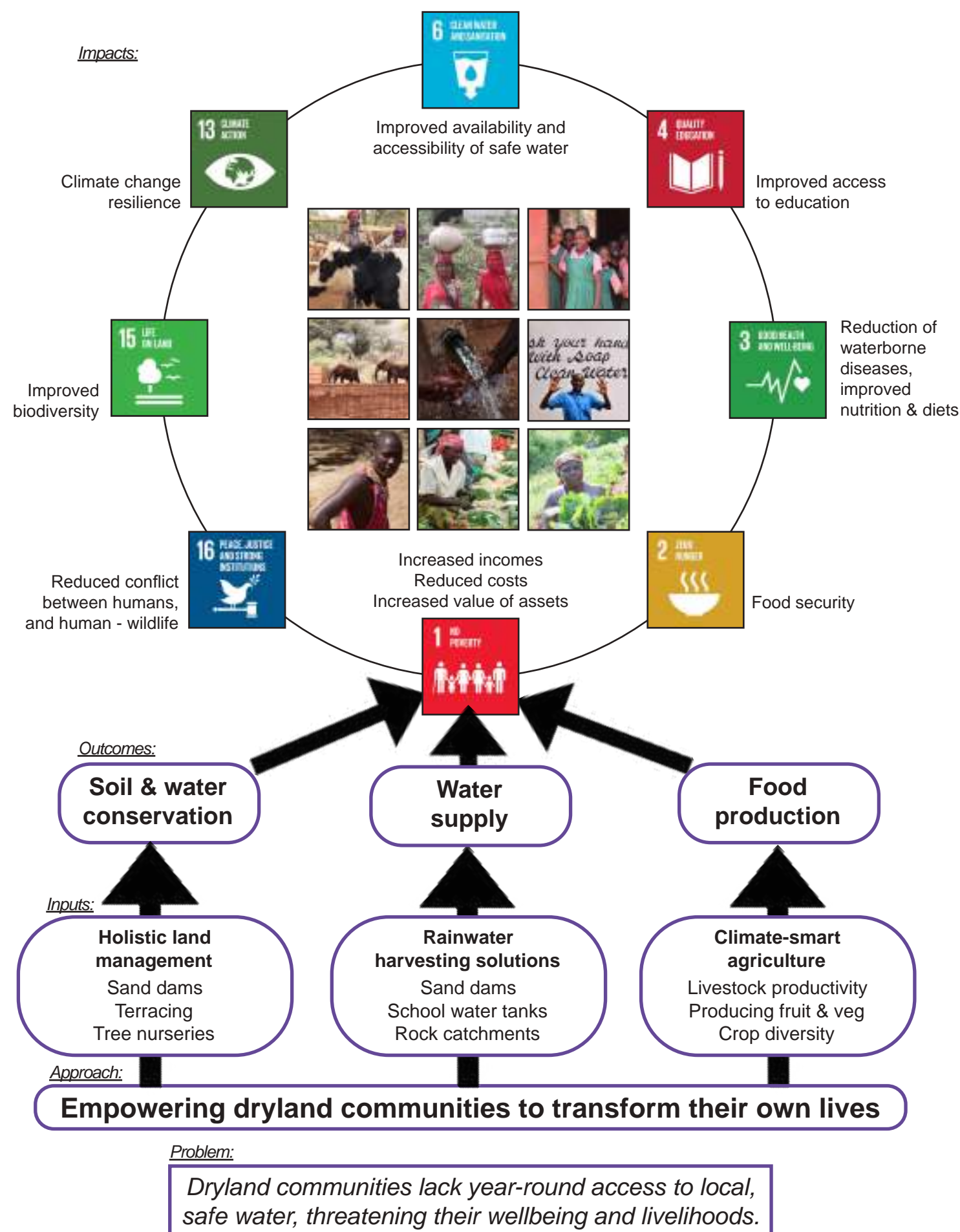
We will need to grow our annual income to £5 million to directly fund the construction of 200 sand dams every year by 2025.

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.

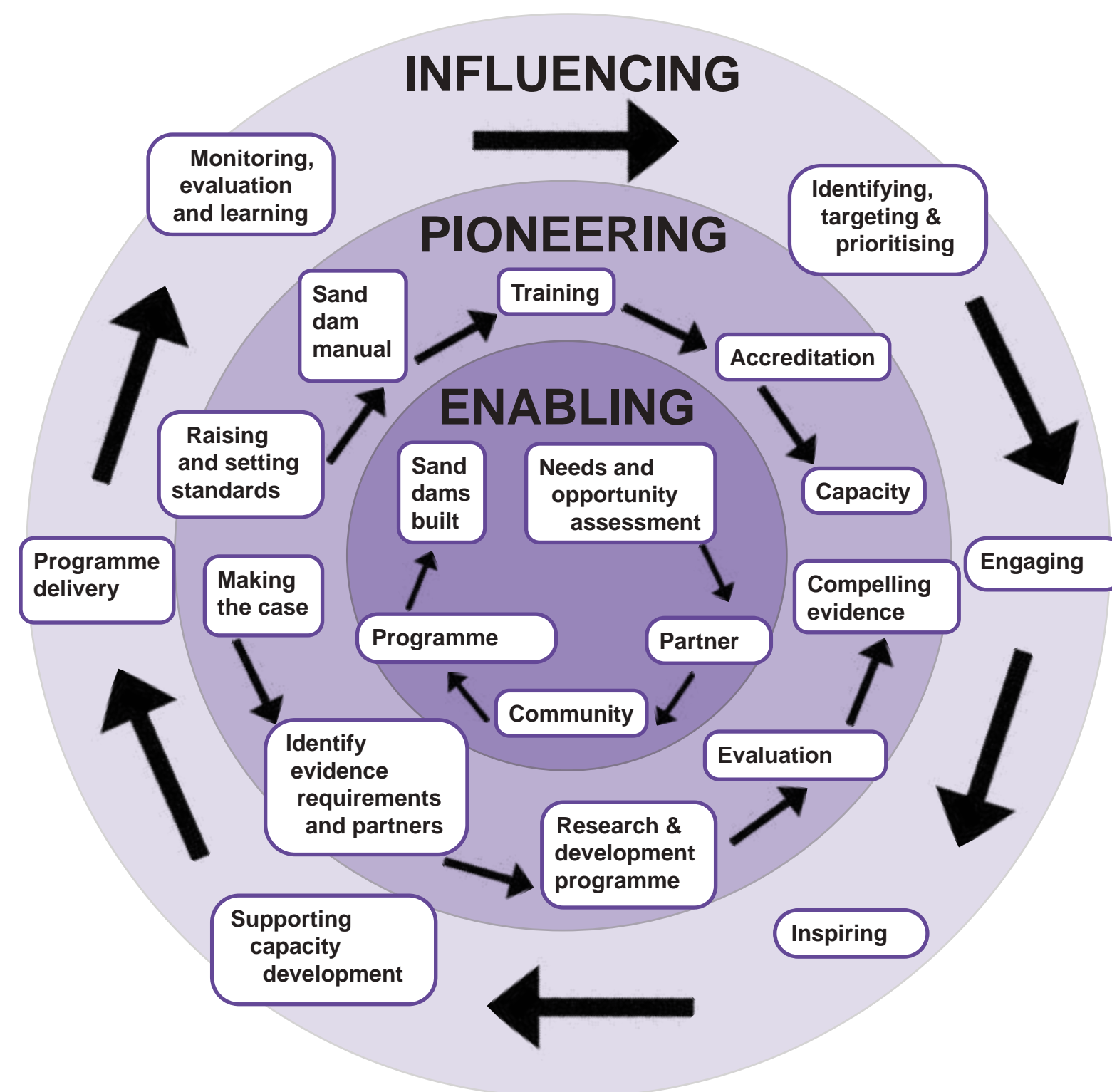
We will know we are succeeding when...

- 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.

Our Theory of Change: Model of development



Our Theory of Change: Strategy



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

Transforming lives.

“My life was very difficult before our sand dams were built. I used to struggle walking for 10 miles to get water, it was tough for any of us to develop our farms. Now we can get water anytime, we have planted various vegetables and trees, our health has changed because of the sand dams and the health of our children and our grandchildren’s health will also improve. Thank you for the impact of this sand dam.”

Frances Musyoka (bottom right),
Vice-secretary for Kamwonyeni self-help group.

Transformational impact of sand dams

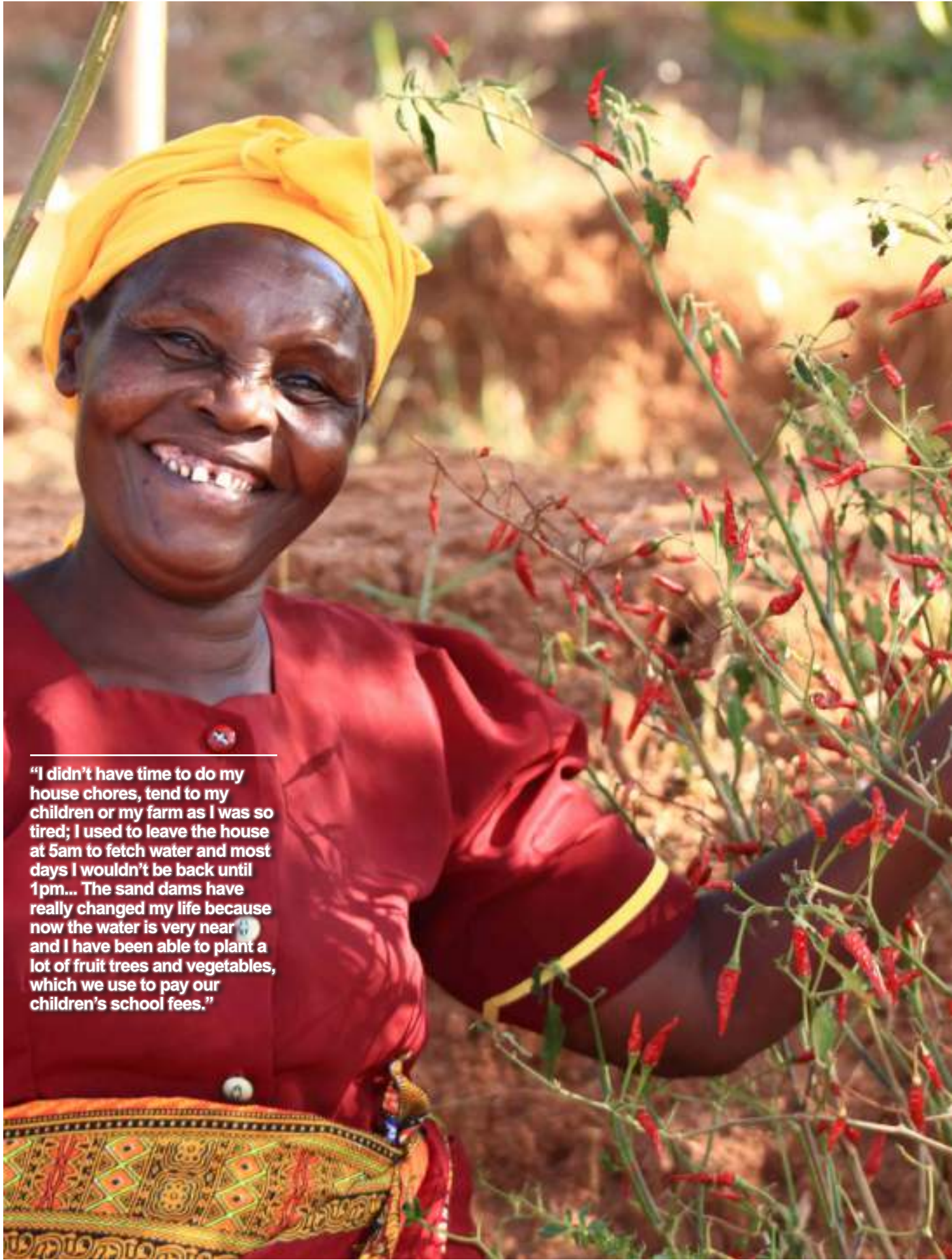
The impact of sand dams can be transformational in all aspects of communities’ lives. With up to 11 hours saved every day in the driest months through having a reliable and safe water source nearby, people have more time to focus on their education or to invest in farming. Combined with training in climate-smart agriculture, farmers can grow a wider variety of crops, and return a higher yield, which improves their families’ nutritional intake, and increases incomes from more surplus to sell. Community health is improved both through better diets, and access to clean and safe water.

This year we had data from the last 12 years independently evaluated, which demonstrated this impact:

- **50%** reduction in the number people falling sick after a sand dam had been constructed
- **25%** increase in the number of people contributing to the income of a household
- **14%** reduction in the number of households living below the poverty line
- **38%** reduction in the number of households to experience food shortages in the last year
- **50%** increase in the number of respondents consuming a healthy and balanced diet



Photo: Members of Kamwonyeni self-help group, southeast Kenya, at their tree nursery.



“I didn’t have time to do my house chores, tend to my children or my farm as I was so tired; I used to leave the house at 5am to fetch water and most days I wouldn’t be back until 1pm... The sand dams have really changed my life because now the water is very near and I have been able to plant a lot of fruit trees and vegetables, which we use to pay our children’s school fees.”

Photo: Bendetta Mulee, committee member for Sindano wa Wia self-help group, southeast Kenya, with the chillies on her flourishing farm.

Financial review.

We have maintained our charitable spend and invested in new programmes.



Photo: Julianne Daudi, Vice Chairlady of Kavili self-help group, southeast Kenya. Thanks to her group’s sand dam project, she now has more time and money to invest in this woven basket enterprise.

We invested in three new overseas programmes in 2019/20.

The results of the year’s operations are set out in the attached financial statements. The unrestricted reserves at 31 March 2020 amounted to £173k.

2019-20 has been another challenging year with pressures on fundraising. Despite a 9% reduction in income to £1,114k, we achieved 91% of our income target. Total expenditure was the same as last year with charitable expenditure remaining unchanged at 79% of total expenditure.

	2019/20 actual £000	2018/19 actual £000	2018/19 to 2019/20 Movement	%
Total income	1,114	1,222	(108)	(9)
Total expenditure	1,147	1,150	3	-
Surplus/(deficit)	(33)	72	(105)	

Expenditure

Overall expenditure for the year ended 31 March 2020 was £1,147k, a very small decrease from £1,150k the previous year. We spent the same as last year on charitable activities, £911k. The cost of generating donations decreased by 7% as we spent 17% less than the previous year on raising funds from Individuals. We reduced fundraising costs by utilising a fundraiser to support both Individual Giving and Trust Fundraising.

Our support to overseas programmes decreased by 1% from £871k in 2018-19 to £864k in 2019-20. In line with our strategy we invested £135k in developing new programmes in Malawi, Tanzania, and Ethiopia. We significantly increased our investment in our Zimbabwe programme and developed a new partnership with Micaia Foundation to continue building sand dam capacity in Mozambique.

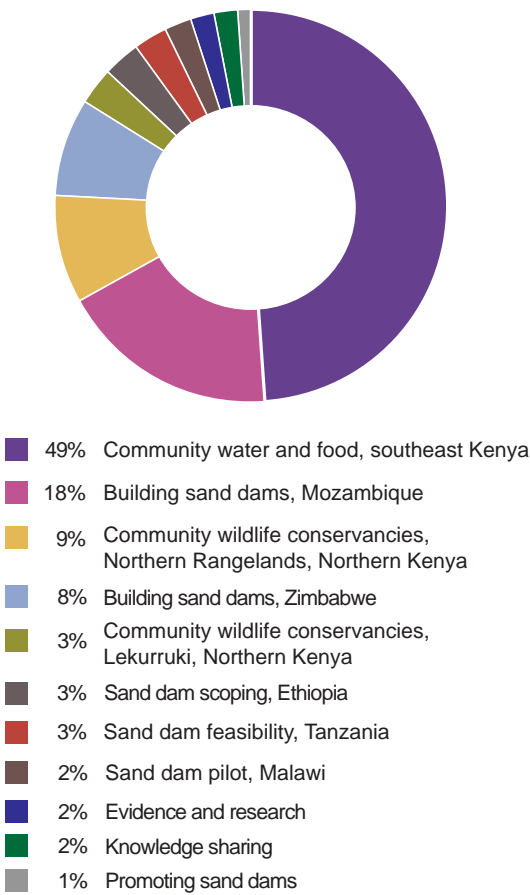
This year we decreased our investment in ASDF programmes that enabled 54 sand dams, compared with 67 the previous year. We also spent less than the previous year in northern Kenya as we have now completed our programme with the Lekurruki Conservation Trust and are in the process of transitioning the programme to be delivered by the Northern Rangelands Trust.

Overall, we spent £7k more than last year on pioneering expenditure, driven mainly by a 127% increase in evidence and research offset by 42% reduction in knowledge sharing activities.

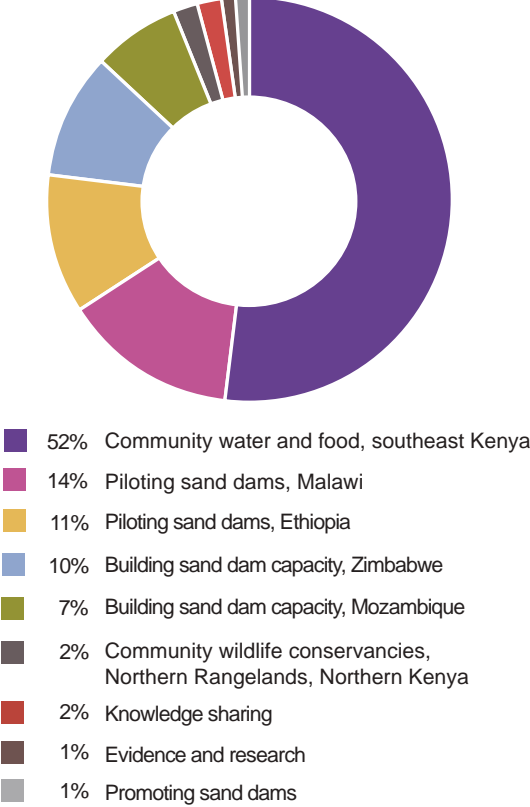
Charitable expenditure as a % of total expenditure

	2019/20 £000	2018/19 £000
Total spend on charitable activities	911	911
Total spend	1,147	1,150
Ratio	79%	79%

2019/20 Actual charitable expenditure: £911k



2020/21 Planned charitable expenditure: £867k



Income

Income for the year ended 31 March 2020 amounted to £1,114k compared with £1,222k in the previous year.

Income for the year dropped by 9% overall with a range of decreases in Trusts & Foundations, Individual Giving, and Rotary income streams offset by 29% and 2% increases in funding from Corporates and Small Governments respectively.

Jersey Overseas Aid awarded us a three-year grant for £323k to support a new sand dam pilot in Ethiopia, of which we received £124k this year. Small government income also includes £93k, the second instalment of a three-year Jersey Overseas Aid grant to support and strengthen climate resilience of smallholder farmers in Malawi (2019: £74k). We also secured two grants from Guernsey Overseas Aid and Development Commission, £39k to improve water security and climate resilience in Zimbabwe and £40k to support and strengthen climate resilience of smallholder farmers in Malawi.

In the year we received £100k from Medicor Foundation, the second instalment of a £350k three-year grant for building resilient food and water secure communities in Kenya.

Income raised from charitable activities was generated mainly from two Expeditions in the year. We received £43k from Jersey Overseas Aid to fund a sand dam expedition in Kenya in September 2019. A further £10k was raised from our February 2020 Excellent expedition in Kenya.

Income stream mix

	2019/20 Total £000	2018/19 Total £000	% Variance
Small governments & institutions	298	293	2
Trusts & foundations	439	492	-11
Rotary	61	69	-12
Individual donors (including media appeal income)	225	283	-21
Other income	91	85	7
Total income	1,114	1,222	-

Where every £ went in 2019/20

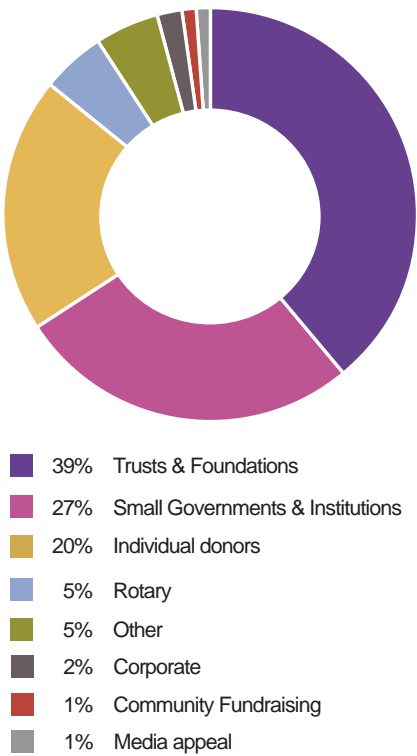
For every pound Excellent Development raised in 2019/20, 79p went directly to our charitable activities:

- 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.

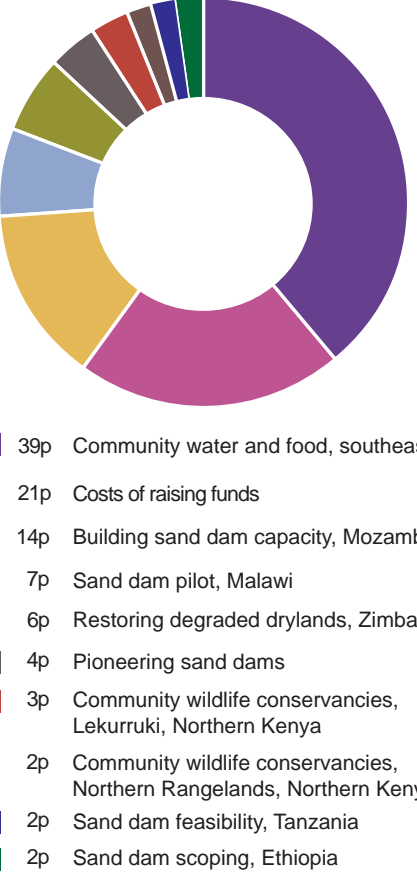
21p was used for raising more funds for our work – which has succeeded in securing large grants for the next financial year, and new funder relationships to strengthen our funding mix going forward.

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: 2019/20



Where every £1 went in 2019/20



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.

	2019/20 Total £000	2018/19 Total £000
Small governments & institutions	37	40
Trusts & foundations	71	68
Rotary	19	15
Individual donors	71	87
Corporate	5	9
Community fundraising	1	-
Total	204	219

Fundraising cost as a percentage of 2019/20 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 2019-20 total donations and legacies income stands at 19%. This is the same as it was in the previous financial year.

	2019/20 £000	2018/19 £000
Cost of raising donation and legacies income	204	219
Donation and legacies income	1,055	1,163
Ratio of spend to income	19%	19%

Fundraising targets

The Charity achieved 91% of its fundraising target of £1,222k for the year. The increased funds raised from small governments and expeditions were offset by the shortfall from other income streams.

	2019/20 actual £000	2019/20 target £000	% achieved
Small governments & institutions	298	293	102%
Trusts & foundations	439	492	89%
Rotary	61	69	88%
Individual donors	225	259	87%
Other	91	109	83%
Total	1,114	1,222	91%

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 increased by £23k from £455k to £478k.

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 £56k from £229k to £173k.

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 current year core costs (employment, accommodation and administration) as the preferred minimum level and 12 months as the preferred maximum level.

	2018/19 actuals months	2019/20 actuals months	Better/Worse than minimum target months	2020/21 Budget months	Better/Worse than minimum target months
Reserves vs annual core costs (Policy 6 months)	6.3	7.2	1.2	4.18	1.82

It is recognised that ongoing work is required in order to meet the reserves target.

Our reserves decreased by £56k due to a 9% reduction of unrestricted income combined with significant increases in expenditure to expand our work in new countries. In response to COVID-19 we have implemented cost saving measures including the reduction of staff and administrative expenses to maintain an acceptable level of reserves. We recognise that it will be challenging to raise unrestricted funds given the economic impact of the pandemic, however we will continue to invest in developing more sustainable funding sources by reactivating lapsed donors, seeking new trusts, major donors and corporate support. With the expansion of our work into new countries we remain focused on developing new funding opportunities to cover our long-term programme funding needs over the coming years.

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 to maximise cost efficiencies across the board.

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

	2018/19 actuals months	2019/20 actuals months	Better/Worse than minimum target months	2020/21 Budget months	Better/Worse than minimum target months
Available funds vs annual expenditure (Policy 4-8 months)	7.08	6.84	0.84	5.88	0.12

The Consolidated Balance Sheet shows current assets of £654k. 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 risk management responsibilities. 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.
- Identify current and emerging risk and impacts associate with COVID-19 and implement both long and short term measures to ensure business continuity.

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 as a mitigating measure, the organisation is looking to increase its activities to more countries.
- 39% of our income comes from Trusts and Foundations and 27% from Jersey, Guernsey and the Isle of Man governments, while the remainder comes from individuals, corporate expeditions and Rotary clubs within Rotary International Great Britain and Ireland. A lack of diversity and the financial implications if one or more 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 the Co-operative Bank in the UK.

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 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.

Fundraising statement

Excellent Development appreciates the generosity and commitment of the individuals and organisations that support our work and with whom we aim to build lasting and transparent relationships. Our fundraising activities include direct marketing appeals to individuals who have already expressed an interest to support our work; we seek donations and grants from major donors, companies, charitable trusts, governments and institutions; and we encourage people to participate in events to raise funds on our behalf. We strive for best practice in fundraising. We are registered with the Fundraising Regulator and adhere to its Code of Fundraising Practice. We send our supporters updates demonstrating the impact of their support. We keep supporters’ data secure and do not sell or share it for marketing purposes. We value feedback from supporters and we review our fundraising activities in line with any feedback and complaints.



Overseas programmes.

“We only received two days of rain last rainy season. Despite this, we are still able to access water from this sand dam now (four months after the rains). Our previous source of water was over 6km away and it was saline, which caused a lot of health issues for us and our livestock. But this sand dam has clean water and allows us to keep more livestock, this means that we have greater income and greater security in times of drought.”

Photo: Nabore Leyasuyan, pastoralist who benefits from the Kitagezi sand dam in Oldonyiro Conservancy, Northern Rangelands, northern Kenya.

Community water & food – Southeast Kenya.

A long walk for water

In Kenya, 73% of the population live in rural areas. During dry seasons, women and girls spend between six and 12 hours travelling long distances each day to collect 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 Makueni, Machakos and Kitui counties to harvest rainwater and grow food. To date we have enabled the construction of 1055 sand dams, 15 rainwater harvesting rock catchments, and 187 school water tanks, bringing safe water close to home for 983,305 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 and supporting programmes in the Northern Rangelands and Rift Valley in Kenya, as well as across Southern Africa.

Major donors

Rotary Clubs within Rotary International in Great Britain and Ireland, and Medicor Foundation.



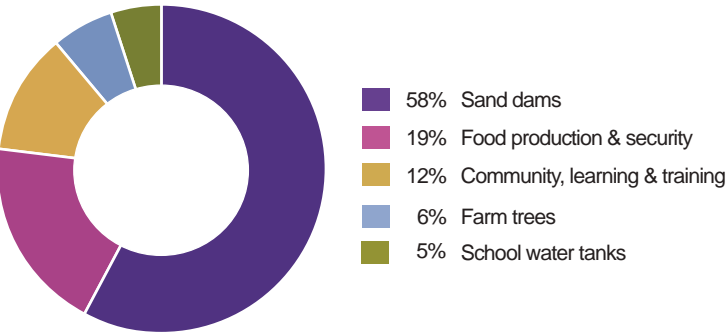
Photo: Members of Kavili self-help group, southeast Kenya, at their seed bank.

2019/20 Plans

£520k	59	48,541
Investment	Sand dams built	People with safe water

2019/20 Achievements

£449k	54	29	48,541
Investment	Sand dams built	School water tanks	People with safe water



This year ASDF were able to complete 54 sand dams, just short of their target of 59. This was due to an exceptionally long rainy season, which severely hampered dam building during the last quarter of 2019/20. However, the number of beneficiaries remains the same as the target. This is because the sand dams that were not completed this year were planned to be built in the vicinity of previous sand dams, therefore not adding to the number of new beneficiaries, but increasing the benefits and impact for some of the existing communities supported. ASDF were also able to construct 29 school water tanks, reducing the burden from many children of collecting water for school every day.

2019/20 also saw the continuation of a study into the amount of water sand dams yield. In partnership with the universities of Oxford and Cranfield, the study analyses data transmitted from smart water meters attached to 30 handpumps installed by ASDF. This will give an accurate picture as to the minimum quantity of water provided by sand dams year-round. The data so far has looked very promising, with communities harvesting up to 170,000 litres of water from their sand dam in a single month.

2020/21 Plans

£452k	46	27	25,421
Investment	Sand dams built	School water tanks	People with safe water

Competing for water – Northern Rangelands, Kenya.

Competing for water

The Northern Rangelands is a unique network of over 30 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.

Transforming lives of people, livestock and wildlife

Our work in the Northern Rangelands began in 2015 in Lekurruki Conservancy, Laikipia. This initial programme in the region delivered through the Lekurruki Conservation Trust (LCT) ended in June 2019. In total, 14 sand dams have been constructed; bringing an improved source of clean water to over 10,400 people, as well as many other pastoralists who move through the area.

This programme has had a number of positive impacts on the community and surrounding environment:

- The distance people have to walk for water during the dry season has reduced from 6km to 2km, and more significantly for these communities the amount of water they are able to collect has increased by 370%, from 12 litres per household in 2015 to 8 almost 50 litres per household in 2018.
- Wildlife numbers in the area have increased resulting in more tourists visiting the community-owned tourist lodge, generating over 1 million KES (around £7,500) of community funds.
- These funds have been used for a range of community projects, including providing bursaries for 22 students to continue their education: in school, and university.

The success of this programme has significantly raised the profile of sand dams in this region and provided the evidence that sand dams are a viable and effective solution to water shortages within the Northern Rangelands. The Northern Rangelands Trust (NRT), the umbrella organisation for all of the conservancies, has also recognised the impact of sand dams and the role they can play in their own Water Resource Management strategies throughout the Northern Rangelands. Over the next two years we will work closely with NRT to build their local capacity and transition the expertise of sand dams across the region to them.

About our partner

Our partner in the Northern Rangelands was the Lekurruki Conservancy Trust (LCT) until June 2019. We are now working with the Northern Rangelands Trust (NRT) to scale up sand dams across the region.

Major donors

Rotary Clubs within Rotary International in Great Britain and Ireland.



Photo: Tassia B sand dam in Lekurruki Conservancy, Northern Rangelands, northern Kenya.

2019/20 Plans

£52k	7	3,258
Investment	Sand dams built	People with safe water

2019/20 Achievements

£47k	2	1,500
Investment	Sand dams built	People with safe water

In addition to completing the final two dams with LCT, much of our work has been in transitioning the programme from being delivered by LCT to NRT; enabling sand dams to be scaled up across the region in an effective and efficient way.

Key activities have included scoping visits with the NRT team to both identify the conservancies and areas NRT would like to focus sand dam construction on. This is based on need and the outcomes of Community Water Resource Management plans NRT have developed with many of the community conservancies in the region. Once conservancies have been identified and prioritised, scoping visits to identify specific rivers and sites in the priority conservancies were conducted. Following on from these visits, we have agreed a five sand dam programme over the next two years with NRT, including an element of capacity building.

The plan for 2019/20 was to construct seven sand dams with NRT as part of the new programme, but the site selection and programme design period took longer than initially planned.

2020/21 Plans

During 2020/21 we will design all five sand dams, while building the capacity of NRT in this element of sand dam construction; and construct the first two dams of the programme.

£35k	2	2,300
Investment	Sand dams built	People with safe water

Restoring degraded lands with sand dams – Zimbabwe.

Dwindling resources

Zimbabwe suffers from political and economic instability, which exacerbates the situation for millions of farmers living below the poverty line. The southern regions also suffer from insufficient and unreliable rains, which force rural populations to use unsustainable practices, such as deforestation for livestock grazing and for burning to create charcoal to sell. This leads to widespread land degradation and susceptibility to desertification, damaging local ecosystems and the ability of rural populations to create sustainable sources of income.

A focus on land

We are supporting communities in southern Zimbabwe to construct sand dams and implement land conservation measures and tree planting. Not only does this create a source of clean water nearby, but also helps to reverse consistent land degradation and provides the communities with alternative income streams through sustainable agriculture.

About our partners

Dabane Trust are our partners in Zimbabwe and act as technical consultants for other projects across Southern Africa. They work with farming communities in dryland areas to reduce poverty and restore degraded lands.

Major donors

Isle of Man Overseas Aid Commission, Guernsey Overseas Aid.



2019/20 Plans

£52k	1	694
Investment	Sand dam built	People with safe water

2019/20 Achievements

£68k	1	1,075
Investment	Sand dam built	People with safe water

This year, the focus has been on combining environmental protection measures with sand dam construction to restore degraded lands in southern Zimbabwe. In addition to the construction of one sand dam, environmental management training workshops have been conducted with 58 participants to equip the community with skills and knowledge to manage the environment in a sustainable manner, and to implement various measures such as gabions and stone bunds to prevent further environmental damage, and reverse the existing degradation.

The community have also created an environmental management committee and have drafted environmental bylaws to ensure the protection of the local environment going forward.

Dabane, in collaboration with the local Forestry Commission, conducted training in tree planting and forest management. Alongside the 654 trees planted, 11 grass species have naturally regenerated within the woodlot showing the ability of land to naturally recover when it is not abused through over-grazing. The implementation team, alongside environmental health technicians, also conducted two trainings in Participatory Health and Hygiene Education, reaching over 100 people.

We have also worked with Dabane to further strengthen their skills in sand dam delivery, particularly in terms of designing sand dams in different contexts and environments.

2020/21 Plans

£89k	1	694
Investment	Sand dam built	People with safe water

Photos: Nhlanhla Nkala, farmer from Sizanani community watering his crops on his farm in Gwanda, Zimbabwe.

Piloting sand dams – Malawi.

Vulnerability to drought

Chikwawa and Nsanje districts form the Shire valley; a low-lying region characterised by extreme temperatures and a lack of rainfall, resulting in a vulnerability to drought. With over 80% of the country's population living in rural areas, and the majority of agriculture rain-fed, a poor rainy season has serious consequences for those already living in poverty.

Potential for sand dams in a new region

This year we moved into the second phase of an exciting programme to assess the potential of sand dams in Malawi. To our knowledge, there are no sand dams already existing in Malawi, so this project will introduce them to the country for the first time.

About our partner

Churches Action for Relief and Development (CARD) are an established organisation that has been working in Malawi for 24 years, supporting communities with relief and emergency services, as well as development programmes in the areas of food security and economic empowerment, environmental management and climate change, health, and water and sanitation.

Major donors

Jersey Overseas Aid.

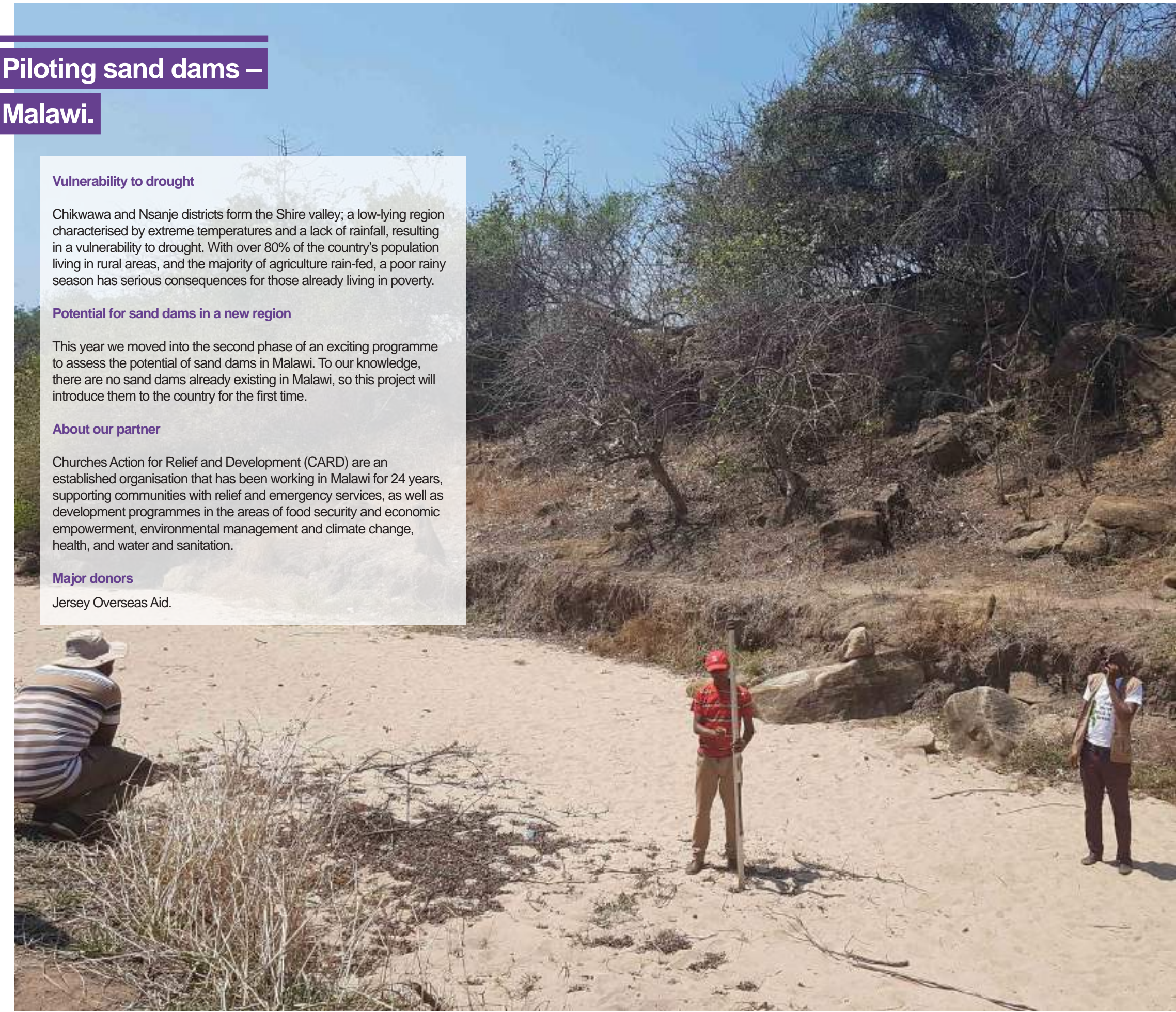


Photo: Africa Sand Dam Foundation and Churches Action in Relief and Development siting sand dams on Nyankwali River, Malawi.

2019/20 Plans

£72k

Investment

Detailed feasibility study to assess the potential, and technical suitability of sand dams to address the serious water shortages these communities in the Shire River catchment area face.

2019/20 Achievements

£80k

Investment

1

Successful completion of assessment for potential of sand dams

1

Learning visit to Zimbabwe

3

Potential sand dam sites selected

This programme focuses on two districts; Chikwawa and Nsanje in southern Malawi. This year has focused on assessing the potential for sand dams in the region. Despite serious challenges posed by the destruction caused by cyclone Idai in March 2019, a team from CARD and Dabane assessed the technical feasibility of sand dams in Malawi. This was to ensure they are an appropriate solution for addressing the serious water challenges communities in these regions face. The results of the assessment were very promising, and so CARD and Dabane have now been able to site three locations suitable for sand dams in the districts.

Community members from these three communities, along with relevant local government officials, participated in a learning visit to Dabane in Zimbabwe. There, they were able to see sand dams first hand and to speak to the community members responsible for their construction. This visit enabled the Malawian communities to understand the sand dam technology, what goes in to constructing them, and the benefits that they provide.

The learning visit was incredibly encouraging, and so years 2 and 3 of the project will now focus on the construction of three sand dams and evaluating their success and impact.

2020/21 Plans

£121k

Investment

3

Sand dams built

1,650

People with safe water

Community water & food – Mozambique.

Unreliable rain

Mozambique encompasses many diverse geographies. Common to all the provinces is a pattern of variable and unreliable rainfall, which contributes to water scarcity and worsens vulnerability to drought, especially for the rural poor. About 63% of the population of Mozambique lives below the poverty line and 65% live in rural areas.

A cost-effective solution

We are supporting communities in Mozambique to provide water and food security for themselves by building their own sand dams. The aim of our project is to support communities to provide themselves with a year-round supply of clean water and food, whilst also promoting sand dams throughout Mozambique. This will be done by piloting sand dams in new provinces, building the capacity of our partner in Mozambique to develop their construction and design skills, leading to successful dams that can be used as a model for the region.

About our partners

We have worked with the Christian Council of Mozambique (CCM) Tete since 2015, and this year concluded our partnership with them. We have now begun partnering with the Micaia Foundation to pilot sand dams in Manica province. The Micaia Foundation are an established organisation working with rural communities to enhance livelihoods.

Major donors

Jersey Overseas Aid and Fondation Ensemble.



Photos: Jina José, member of the Candansana community on her flourishing farm in Tete, Mozambique.

2019/20 Plans

£232k	5	7,927
Investment	Sand dams built	People with safe water

2019/20 Achievements

£165k	3	5,198
Investment	Sand dams built	People with safe water

During this year, CCM constructed 3 dams, benefiting 5,198 people. This year also brought an end to the partnership after five years, having worked together to construct 12 sand dams, benefiting 26,629 people. We are now focusing on piloting sand dams in other provinces of Mozambique to scale up sand dams across the country.

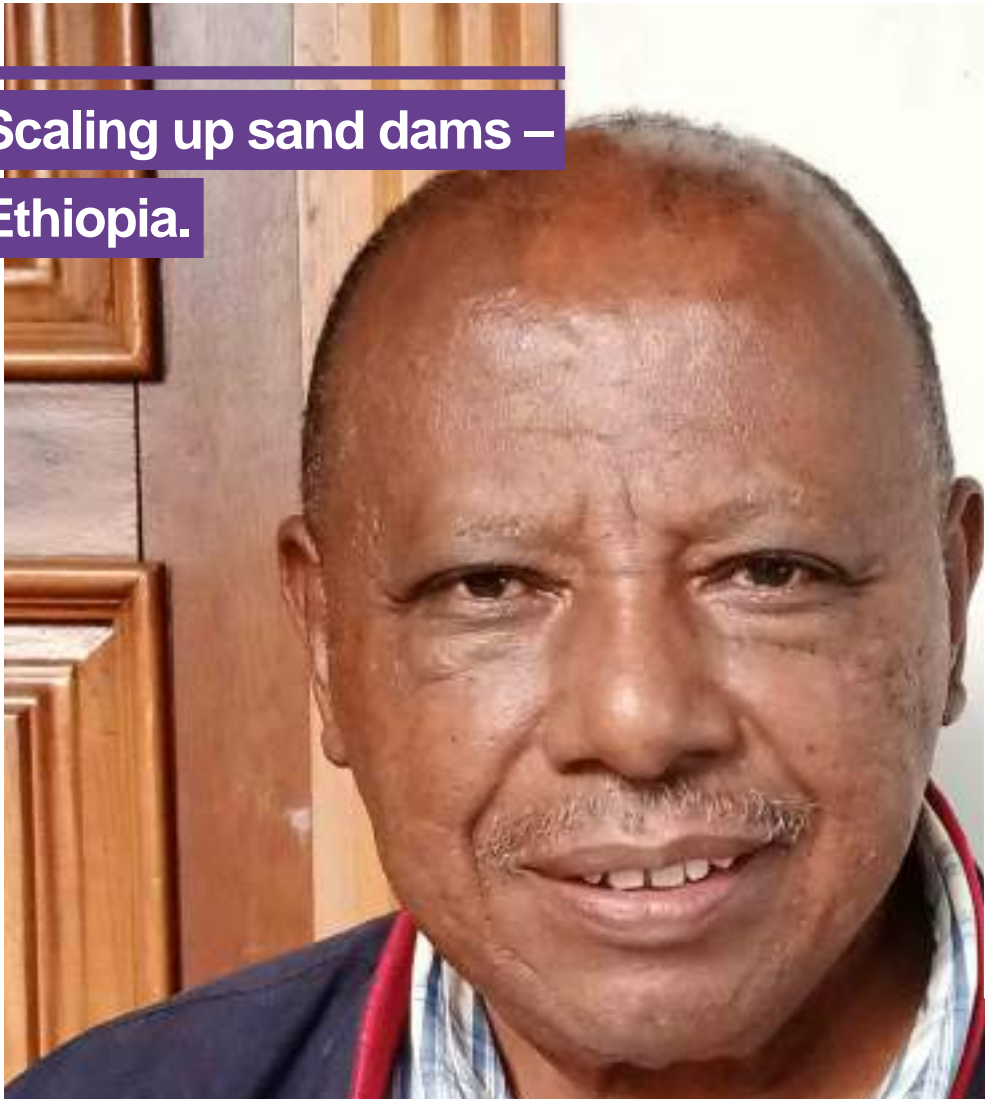
Following an open visit in 2019 for interested organisations to see sand dams in practice, we developed a new partnership with the Micaia Foundation to pilot sand dams in Manica Province. Partnership development included a due diligence visit, and discussions to ensure that both Excellent and Micaia Foundation have the same values, and a sand dam programme would add value to Micaia's work.

So far, Micaia have undertaken preliminary siting visits to determine some potential sites for constructing sand dams. These will be assessed by our partners in southeast Kenya, the Africa Sand Dam Foundation, for their suitability.

When it is safe and feasible to do so, representatives from Micaia will participate in a sand dam learning workshop to build their capacity in all aspects of siting, designing and constructing sand dams, with the ultimate goal being for them to undertake sand dam projects independently.

2020/21 Plans

£59k	1	1,356
Investment	Sand dam built	People with safe water



Scaling up sand dams – Ethiopia.

2019/20 Achievements

£27k
Investment

2020/21 Plans

£97k
Investment

The project will implement four pilot sand dams in South Omo Zone in southern Ethiopia, benefiting approximately 16,800 people. Through environmental protection measures the project will reduce erosion, allowing for sustainable soil, water and forest management. The communities will enhance their food security through climate-smart agriculture, while the sand dams will provide water year-round.

During the first year, we plan to site and design all the project dams and begin community engagement and mobilisation.

“The project is intended to be implemented over the next three years, with the aim of implementing sand dams as a rainwater harvesting method and environmental protection technique in southern Ethiopia, paving the way for improved natural resource management, reversing environmental degradation, improved agricultural production, poverty reduction, and hygiene in the rural areas of South Omo zone.”

Living in extremes

Ethiopia covers a diverse range of landscapes, cultures and climates. These include some of the hottest and driest areas on Earth. In South Omo Zone, pastoralist communities travel for many kilometres in search of water and suitable grazing for their livestock amongst the degraded land.

Developing a new project

Over the past year, we have been developing a new project in Ethiopia. After a successful scoping study, we have begun a pilot partnership with Action for Development, and the opportunity to work with other organisations in different regions in future years.

About our partner

Action for Development work on water and food security, natural resource management and sustainable livelihoods programmes across Ethiopia. Active since 1997, Action for Development have previously constructed over 20 sand dams.

Major donors

Jersey Overseas Aid Commission.

Photo: Yoseph Negassa - Executive Director of Action for Development in Ethiopia.



Piloting sand dams – Tanzania.

2019/20 Achievements

£28k
Investment

2020/21 Plans

£35k
Investment

The primary objective for this year is to raise enough funds to start sand dam construction with the communities that have been identified. In addition to supporting four communities, a key objective of this project is to build the capacity of our partner, SAT in all aspects of sand dam siting, designing, and construction.

COVID-19 will have a significant impact on how much we can deliver, as our strategic partners, the Africa Sand Dam Foundation will need to travel from Kenya to Tanzania to provide the technical expertise. However, we will also look to see how much capacity building can be done remotely and look at new innovative ways of delivering this.

Potential for sand dams in a new region

Small-scale farming forms the core of the Tanzanian economy and is a source of food, in addition to the provision of employment opportunities for about 75% of Tanzanians. Yet climate change poses a significant threat to this. Many communities living in rural areas are dependent on rain-fed agriculture for farming, and so, as rainfall becomes increasingly erratic and periods of drought become more frequent, their livelihoods are at an even greater risk.

Feasibility study

This pilot project will construct four sand dams to improve the water supply for four communities and complement an existing project working with women-only groups. The aim is to improve the agricultural productivity, and variety of crops that can be grown, which is currently being constrained by lack of available water.

The longer-term plan is to develop a full programme in Tanzania, and offer a sustainable solution to the water poverty currently experienced in the drylands of Tanzania.

About our partner

Sustainable Agriculture Tanzania (SAT) is a Tanzanian organisation that has supported small-scale farmers since 2011. SAT educates farmers in sustainable and organic farming practices, aimed at increasing food production and income for farmers in a sustainable way. SAT currently reaches more than 90,000 small-scale farmers, pioneering the way for agro-ecological farming in East Africa.

Major donors

The Expat Foundation

Photo: Africa Sand Dam Foundation and Sustainable Agriculture Tanzania teams assessing Makasi River as part of the feasibility study in Mhangwe Village, Mpwapwa District, Tanzania.

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.

Evidence and research

Water yield remains our current key area of research. We are now into year two of data collection from the meters on handpumps measuring the amount of water abstracted from the sand dams via handpumps every day. Findings from our own analysis shows promising results, including groups being able to collect water in the driest months of August to October.

This year we also worked with a team from Warwick University who have supported us with demonstrating impact, developing key performance indicators (KPIs), and a framework for an impact report. Their work included

analysing baseline and evaluation data from Kenyan communities who have completed their programme with ASDF and have since 'graduated'. Some strong impact statistics came out of this work, including 87% fewer households having to skip meals at the end of the project compared with the start.

Promoting sand dams

The last year has been very busy in terms of establishing new programmes. We have secured funding and started two new programmes: one in Ethiopia, and one in Malawi.

We also constructed two sand dams in Tsavo National Park following a successful feasibility study. This is the first time we have worked with Kenya Wildlife Service. We have also agreed a programme with our identified partner in Tanzania, and the focus is now on fundraising for this.

Knowledge sharing

Over the past year we have looked at additional resources that can support training and complement the existing support and training we provide for new partners and other organisations constructing sand dams.



2019/20 Plans

£52k
Investment

2019/20 Achievements

£47k
Investment

2020/21 Plans

£35k
Investment

Plans for next year will focus on establishing and delivering our new programmes as best we can within the current climate, and current restrictions. This will include developing ways of supporting new partners and programmes remotely.

Over the next year we plan to develop a detailed video showing all stages of sand dam construction, a pictorial field guide for sand dam practitioners to use on site, and also to review our training methods to deliver more training remotely.

Other plans include:

- A PhD student from Cranfield will analyse and evaluate the data from the smart meters measuring amount of water being abstracted from sand dam handpumps every day. She will work on this project until the two-year data collection ends in April 2021.
- We will agree a second project with the Enactus team at Warwick University to build on last year's data analysis and impact work, including to analyse a larger data set focusing on the agreed set of KPIs.

What we have done so far

253 People trained
£1,349k Investment
43 Organisations supported

Excellent friends.

In 2019/20, we were delighted to have the exceptional support of the following donors, who each donated £30,000 or more:

Guernsey Overseas Aid and Development Commission.
Jersey Overseas Aid.
Medicor Foundation.
Mr and Mrs Butt, through The Calleva Foundation.
Rotary Clubs within Rotary International in Great Britain & Ireland.
The Dulverton Trust.

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.
Andrews Charitable Trust.
Barclays Isle of Man.
Blandford Lake Trust.
Four Acre Trust.
François Abellard.
Guernsey Overseas Aid and Development Commission.
Isle of Man Government.
Jersey Overseas Aid.
Joffe Charitable Trust.
Just a Drop.
Margaret Hayman Charitable Trust Fund.
Medicor Foundation.
Melinda Lewis.
Mennonite Central Committee.
Mitsubishi Corporation Fund for Europe & Africa.
Mr & Mrs Butt, through the Calleva Foundation.
Newfield IT.
Noel Buxton Trust.
Patel Family & Avenue Healthcare.
Private Public Ltd.
Rotary Clubs within Rotary International in Great Britain & Ireland.
S.G. Lancaster.
SJ Berwin LLP.
Thames River Capital.
The Beatrice Laing Trust.
The Charitable Foundation.
The Coles-Medlock Foundation.
The Daily Telegraph.
The Dulverton Trust.
The ED Charitable Trust.
The Expat Foundation.
The Funding Network.
The JJ Charitable Trust.
The Venture Partnership Foundation.
The Waterloo Foundation.
The Westridge Foundation.
TRAID.
URS Millennium Project.

Charity number:	1094478	
Company number:	4432166	
Registered office:	5-6 Greenfield Crescent, Edgbaston, Birmingham, B15 3BE	
Operational address:	Excellent Development, 7-14 Great Dover Street, London, SE1 4YR	
Our contact details:		
Telephone:	Mob: +44 (0)7596 225 677	Tel: +44 (0)20 3096 7861
E-mail:	team@excellent.org.uk	
Website:	www.excellent.org.uk	
Our advisors:		
Auditors:	Haines Watts Birmingham LLP 5-6 Greenfield Crescent, Edgbaston, Birmingham, B15 3BE	
Bankers:	The Co-Operative Bank plc PO Box 250, Delf House, Southway, Skelmersdale, WN8 6WT	
Patrons:	Sir Edward Clay (until October 2019) The Lady Katherine Rockley	
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:	David Jordan Mark Murphy Nigel Reader	
Trustees:	Alex Day Bandish Gudka Barbara Busby Pam Gilder Faith Chastain	
Additional Members:	Alison Bell Andrew Paterson Angela Seal Bruce Irvine Christopher Ian Pockett Darren John Worsley David Brocklebank Dr John Seagar Fiona Charlotte Moore James Onions Jenine Ruth Langrish	June Stapley Kirsty Cunningham Miten Patel Richard Alan Barnes Richard Pearce-Thomas Ron Daniels Sarah Parker Sian Edwards Sir Edward Clay Tim James Wood Vaughan Pomeroy
Senior management team:	David Jordan (Chairman) Judith Eaton (Chief Operating Officer) Christine Whinney (Head of Programmes)	

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 23 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, Northern Rangelands Trust in Kenya, Dabane Trust in Zimbabwe, Christian Council of Mozambique (CCM) Tete and Churches Action in Relief and Development, Malawi. A summary of transactions with these partners, is set out in Note 6 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 19 to the financial statement. Details of expenses are disclosed in Note 15 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, Haines Watts Birmingham LLP, 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 13th October 2020 and signed on its behalf by:



David Jordan OBE, Chairman

Independent Auditor’s Report to the Members of Excellent Development Limited

Opinion

We have audited the financial statements of Excellent Development Limited (the parent ‘charitable company’) and its subsidiaries (the ‘group’) for the year ended 31 March 2020 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 ‘The Financial Reporting Standard applicable in the UK and Republic of Ireland’.

In our opinion, the financial statements:

- Give a true and fair view of the state of the group’s and parent charitable company’s affairs as at 31 March 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 ‘The Financial Reporting Standard applicable in the UK and the Republic of Ireland’; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditors’ responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees’ use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group’s or parent charitable company’s ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from the date when the financial statements are authorised for issue.

However, not all future events or conditions can be predicted. The COVID-19 viral pandemic is one of the most significant economic events for the UK with unprecedented levels of uncertainty of outcomes. It is therefore difficult to evaluate all of the potential implications on the entity’s activities, funders, suppliers and wider economy. The Trustees’ view on the impact of COVID-19 is disclosed in the Report of the Trustees and in the Post Balance Sheet Events note.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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
- Certain disclosures of trustees’ remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group’s and parent charitable company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council’s website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company’s members, 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’s members those matters we are required to state to them in an auditors’ 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 charitable company and the charitable company’s members as a body, for our audit work, for this report, or for the opinions we have formed.

Lee Meredith ACA (Senior Statutory Auditor)

For and on behalf of: Haines Watts Birmingham LLP
5-6 Greenfield Crescent
Edgbaston
Birmingham
B15 3BE

Date: 13th October 2020

Excellent Development Limited (Company Reg. No. 4432166)
Statement of financial activities for the period ended 31 March 2020
Including consolidated Income and expenditure account

	Note	2020 Unrestricted £000	2020 Restricted £000	2020 Total £000	2019 Total £000
INCOME FROM:					
Donations and legacies funding	2	264	791	1,055	1,163
Charitable activities	3	1	58	59	59
Total income		265	849	1,114	1,222
EXPENDITURE ON:					
Raising funds					
- Donation and legacies funding	4	132	72	204	219
- Charitable activities	5	2	30	32	20
Cost of raising funds		134	102	236	239
Charitable activities					
Overseas programmes	6	175	689	864	871
Pioneering sand dams	7	12	35	47	40
Cost of charitable activities		187	724	911	911
TOTAL EXPENDITURE		321	826	1,147	1,150
NET INCOME/(EXPENDITURE)		(56)	23	(33)	72

The movement in funds is detailed in Note 12 on page 55.
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 £27k; (£137k; 2019), and expenditure of £27k; (£137k; 2019), net loss of £NIL (£NIL 2019).

2019 total income of £1,222k consists of £930k restricted and £292k unrestricted income.

Excellent Development Limited (Company Reg. No. 4432166)
Balance sheet as at 31 March 2020

	Note	Group 2020 £000	Group 2019 £000	Charity 2020 £000	Charity 2019 £000
Fixed assets					
Tangible fixed assets	8	3	3	3	3
Total fixed assets		3	3	3	3
Current assets					
Debtors	9	126	250	124	244
Cash at bank and in hand	10	585	463	585	463
Total current assets		711	713	709	707
Liabilities					
Creditors falling due within one year	11	(60)	(29)	(58)	(23)
Net assets		654	687	654	687
Funds of the charity					
Unrestricted funds	12	173	229	173	229
Restricted funds	12a	478	455	478	455
Property and equipment fund		3	3	3	3
Total funds		654	687	654	687

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 £12k (2019: £2k) and assets of £2k (2019: £4k) from Excellent Development IOM Ltd.

The notes on pages 47 to 58 form part of these financial statements.

The accounts were approved and authorised for issue by the Board on 12th October 2020.

Signed on behalf of the Board of Trustees.

David Jordan OBE
Chairman

	Group 2020 £000	Group 2019 £000	Charity 2020 £000	Charity 2019 £000
A. Consolidated cashflow statement for the period ended 31 March 2020				
Cash generated from operating activities				
Net cash used in operating activities	123	(143)	123	(143)
Interest received	-	-	-	-
Cash flow from investing activities				
Purchase of fixed assets	(1)	(3)	(1)	(3)
Net increase/decrease in cash	122	(146)	122	(146)

	Group 2020 £000	Group 2019 £000	Charity 2020 £000	Charity 2019 £000
B. Reconciliation of net income/(expenditure) to net cash flow from operating activities				
Net expenditure (as per the Statement of Financial Activity)	(33)	72	(33)	72
Adjustments for:				
Interest received	-	-	-	-
Depreciation	1	3	1	3
Movements between funds	-	-	-	-
Movement in debtors	124	(207)	120	(203)
Movement in creditors	31	(11)	35	(15)
Net cash used in operating activities	123	(143)	123	(143)

	Group 2020 £000	Group 2019 £000	Charity 2020 £000	Charity 2019 £000
C. Analysis of cash and cash equivalents				
Increase in cash and cash equivalents	122	(146)	122	(146)
Cash at bank and in hand at the beginning of the year	463	609	463	609
Cash at bank and in hand at the end of the year	585	463	585	463

D. Analysis of changes in net funds			
	As at 1st April 2019 £000	Cash flow £000	As at 31st March 2020 £000
Net cash			
Cash at bank	463	122	585
Total	463	122	585

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 40 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 page 41 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 2020 was £0k (2019: £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 2020 was £0k (2019: £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				
	2020 %	2020 £000	2019 %	2019 £000
Employment costs (see note 14)	88.0	386	86.9	354
Accommodation costs	8.1	35	8.5	35
Administration costs	3.9	17	4.6	19
Total	100.00	438	100.0	408

1.4b Core costs allocation
Core costs have been allocated on the basis of staff time attributable to each activity as follows:

	2020 %	2020 £000	2019 %	2019 £000
Expenditure on raising funds				
Donations and legacies funding	40.4	177	45.0	184
Charitable activities	1.9	8	1.0	4
	42.3	185	46.0	188
Expenditure on charitable activities				
Overseas programmes	16.0	70	11.0	45
Pioneering sand dams	3.3	15	5.1	21
	19.3	85	16.1	66
Governance				
	5.3	23	5.2	21
Support costs				
Overseas programmes	30.7	135	30.9	126
Pioneering sand dams	2.4	10	1.8	7
Sub-total	33.1	145	32.7	133
Total core costs allocation				
	100	438	100	408

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 £169k (2019: £155k) includes core costs and travel and accommodation.

1.4c Breakdown of total support costs

	2020 £000	2019 £000
Core costs	146	133
Travel and accommodation	23	22
Total support costs	169	155

1.4d Support costs allocation:				
	2020 %	2020 £000	2019 %	2019 £000
Overseas programmes	92.8	157	94.6	147
Pioneering sand dams	7.2	12	5.4	8
Total support costs allocation	100.0	169	100.0	155

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		
	2020 £000	2019 £000
Insurance	5	5
Audit fees	6	6
Trustee expenses	7	5
Professional fees and registration	1	2
Other governance expenses	1	1
Core cost allocation (See note 1.4b)	23	21
Total governance costs	43	40

Audit fees include the remuneration of the independent examiner for professional services incurred in relation to Excellent Development IOM Ltd for 2019/20.

	2020 £000	2019 £000
Excellent Development UK Ltd 2018/19	4	4
Excellent Development IOM Ltd 2018/19	2	2
Total	6	6

1.4f Governance costs allocation				
	2020 %	2020 £000	2019 %	2019 £000
Overseas programmes	92.8	40	94.6	38
Pioneering sand dams	7.2	3	5.4	2
Total governance costs allocation	100	43	100.0	40

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 2020 (nil to 31 March 2019).

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				
	2020 Unrestricted £000	2020 Restricted £000	2020 Total £000	2019 Total £000
Trusts & foundations	86	353	439	492
Small governments & institutions	-	298	298	293
Individual donors	154	71	225	259
Rotary	6	55	61	69
Corporate	15	12	27	21
Community fundraising	3	1	4	5
Media Appeals	-	1	1	24
Total	264	791	1,055	1,163

2019 income of £1,163k consists of £871k restricted and £292k unrestricted income.

2.1. Analysis of government grants (all restricted)			
	Purpose for which grant was received (see note below)	2020 Total £000	2019 Total £000
Jersey Overseas Aid Commission 2019-2022	a	124	-
Jersey Overseas Aid Commission 2019-2022	b	93	74
Jersey Overseas Aid Commission 2018-2021	c	-	157
Jersey Overseas Aid Commission 2018-2020	c	-	13
Guernsey Overseas Aid Commission	d	39	-
Guernsey Overseas Aid Commission	b	20	-
Guernsey Overseas Aid Commission	e	-	19
Isle of Man International Development Committee	f	22	-
Isle of Man International Development Committee	g	-	30
Total government grants		298	293

Included in the small governments and institutions income above are government grants of £298k (2019: £293k). This includes £124k which is part of a 36 month grant from the Jersey Government and £93k which is also part of a 36 month grant from the Jersey Government.

Programmes for which grants have been received

- a. Restoring degraded lands to reduce rural poverty, Ethiopia
- b. Strengthening climate resilience of smallholder farmers, Malawi
- c. To improve water security, Mozambique
- d. Improving water security & climate resilience in rural communities, Zimbabwe
- e. School water tanks, Makueni County, Kenya
- f. Restoring degraded lands to reduce rural poverty, Zimbabwe
- g. Building resilient food and water secure communities, Ukambani, Kenya

3. Charitable activities income				
	2020 Unrestricted £000	2020 Restricted £000	2020 Total £000	2019 Total £000
Expeditions	1	52	53	59
Learning Visits	-	6	6	-
Total	1	58	59	59

2019 income of £59k was restricted.

4. Expenditure on raising funds – Donation and legacies funding				
	2020 Unrestricted £000	2020 Restricted £000	2020 Total £000	2019 Total £000
Trusts & foundations	26	45	71	68
Individual donors	56	15	71	87
Small governments & institutions	34	3	37	40
Rotary	11	8	19	15
Corporate	4	1	5	9
Community fundraising	1	0	1	-
Total	132	72	204	219

2019 expenditure of £219k consists of £84k restricted and £135k unrestricted expenditure.
Core costs of £177k have been allocated across the income stream activities (see Note 1.4b).

5. Expenditure on raising funds – Charitable activities				
	2020 Unrestricted £000	2020 Restricted £000	2020 Total £000	2019 Total £000
Expeditions costs	1	24	25	20
Learning visits costs	1	6	7	-
Total	2	30	32	20

2019 expenditure of £20k consists of £20k restricted expenditure.

6. Expenditure on charitable activities – Overseas programmes				
	2020 Unrestricted £000	2020 Restricted £000	2020 Total £000	2019 Total £000
Community water and food, southeast Kenya	69	380	449	538
Community wildlife conservancies, Lekurruki, northern Kenya	9	21	30	107
Building sand dam capacity, Mozambique	37	128	165	155
Restoring degraded drylands, Zimbabwe	11	57	68	3
Community wildlife conservancies, Northern Rangelands, northern Kenya	5	12	17	52
Sand dam pilot, Malawi	21	59	80	16
Sand dam feasibility, Tanzania	11	17	28	-
Sand dam scoping, Ethiopia	12	15	27	-
Total	175	689	864	871

2019 expenditure of £871k consists of £777k restricted and £94k unrestricted expenditure.
Core costs of £70k, support costs of £157k and governance costs of £40k have been allocated to the charitable activities (see Note 1.4).

6a. Analysis of overseas programmes					
	2020 Support & governance costs £000	2020 In kind grants £000	2020 Direct grants £000	2020 Total £000	2019 Total £000
Community water and food, southeast Kenya	78	7	364	449	538
Community wildlife conservancies, Lekurruki, northern Kenya	5	5	20	30	107
Building sand dam capacity, Mozambique	35	26	104	165	155
Restoring degraded drylands, Zimbabwe	18	3	47	68	3
Community wildlife conservancies, Northern Rangelands, northern Kenya	8	2	7	17	52
Sand dam pilot, Malawi	21	26	33	80	16
Sand dam feasibility, Tanzania	14	14	-	28	-
Sand dam scoping, Ethiopia	18	4	5	27	-
Total	197	87	580	864	871

2019 overseas programmes expenditure consists of £777k restricted and £94k unrestricted expenditure.

6b. Direct grants		
The Charity paid out £612k in direct grants to its partners (2018: £450k). These are identified as follows:		
	2020 £000	2019 £ 000
Africa Sand Dam Foundation, southeast Kenya	364	392
Christian Council of Mozambique	102	98
Dabane Trust, Zimbabwe	47	-
Churches Action for Relief & Development, Malawi	33	9
Lekurruki Conservation Trust, northern Kenya	20	73
Northern Rangelands Trust, northern Kenya	7	40
Action For Development, Ethiopia	5	-
Micaia Foundation, Mozambique	2	-
Total	580	612

7. Expenditure on charitable activities – Pioneering sand dams				
	2020 Unrestricted £000	2020 Restricted £000	2020 Total £000	2019 Total £000
Promoting sand dams	3	7	10	6
Knowledge sharing	6	9	15	26
Evidence & research	3	19	22	8
Total	12	35	47	40

2019 expenditure of £40k consists of £29k restricted and £11k unrestricted expenditure.
Core costs of £15k, support costs of £12k and governance costs of £3k have been allocated to the charitable activities (see Note 1.4).

7a. Analysis of pioneering sand dams expenditure				
	2020 Support and governance costs £000	2020 In Kind grants £000	2020 Total £000	2019 Total £000
Promoting sand dams	-	10	10	6
Knowledge sharing	14	1	15	26
Evidence and research	1	21	22	8
Total	15	32	47	40

2019 pioneering sand dams expenditure consists of £31k restricted and £9k unrestricted expenditure.

8. Tangible fixed assets		
	2020 £000	2019 £000
Cost or valuation		
Opening balance	33	30
Additions	1	3
Disposals	-	-
Balance as at year end	34	33
Depreciation		
Opening balance	30	27
Charge for year	1	3
Disposals	-	-
Balance as at year end	31	30
Net book value as at year end	3	3

9. Debtors		
	2020 £000	2019 £000
Prepayments	16	7
Accrued income	106	55
Deposits	3	3
Other debtors	1	185
Total	126	250

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

10. Cash at bank and in hand		
	2020 £000	2019 £000
Bank balances	580	461
Cash	5	2
Total	585	463

11. Creditors: amounts falling due within one year		
	2020 £000	2019 £000
Creditors	23	14
Accruals	18	7
PAYE	9	8
Deferred income	10	-
Total	60	29

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

11a. Deferred income		
	2020 £000	2019 £000
Deferred income included above comprised:		
Resources deferred in the year	10	-
Amounts released from previous years	-	(17)
Deferred income c/f	-	17
Total	10	-

At the balance sheet date the charity was holding funds received in advance for services due to be delivered after the year end and for which entitlement to the income is not received until the service is delivered.

12. Movement in funds						
	As at 1st April 2019 £000	Incoming resources £000	Outgoing resources £000	Transfers £000	Total Movements £000	As at 31st March 2020 £000
Unrestricted	229	265	(321)	-	(56)	173
Restricted	455	849	(826)	-	23	478
Property and equipment	3	-	-	-	-	3
Total	687	1,114	(1,147)	-	(33)	654

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.

12a Analysis of movement in restricted funds						
	As at 1st April 2019	Transfers £000	Incoming resources £000	Outgoing resources £000	Total movement £000	As at 31st March 2020 £000
Community water and food, southeast	146	3	359	(362)	-	146
Community wildlife conservancies, Lekurruki, northern Kenya	7	-	14	(21)	(7)	-
Community wildlife conservancies, Northern Rangelands, northern Kenya	1	(1)	13	(13)	(1)	-
Building sand dam capacity, Mozambique	188	-	-	(125)	(125)	63
Restoring degraded drylands, Zimbabwe	-	-	61	(56)	5	5
Sand dam pilot, Malawi	61	-	116	(58)	58	119
Sand dam feasibility, Tanzania	-	15	1	(15)	1	1
Sand dam feasibility, Ethiopia	-	-	132	(13)	119	119
Programme development	15	(15)	-	-	(15)	-
Expedition, southeast Kenya	-	-	52	(52)	-	-
Marketing costs	1	(1)	16	(16)	(1)	-
Fundraising costs	2	(2)	56	(56)	(2)	-
Evidence and research	20	2	8	(19)	(9)	11
Promoting sand dams	-	2	5	(7)	-	-
Knowledge sharing	14	(3)	16	(13)	-	14
Total	455	0	849	(826)	23	478

13. Analysis of net assets between funds				
	Unrestricted funds £000	Restricted funds £000	Property & equipment fund £000	Total funds £000
Fixed assets	-	-	3	3
Current assets	222	488	-	710
Current liabilities	(49)	(10)	-	(59)
Total assets less current liabilities	173	478	3	654

14. Employees		
	2020 £000	2019 £000
Salaries and wages	324	290
Employer NIC	29	27
Pension	9	5
Recruitment	9	15
Training	1	4
Health Insurance	14	13
Total	386	354
Average number of employees	9	9

The average number of employees reflects the full time equivalent.

The total amount of employee benefits received by key personnel is £118,123 (2019: £110,573). The key management personnel of the charity comprises of the Trustees, Chief Operating Officer and Head of Programmes.

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2020	2019
£60,001 - £70,000	1	1

15. Trustee expenses and key management personnel compensation		
	2020 £000	2019 £000
Travel	7	4
Other	-	1
Total	7	5

None of the seven Trustees who held office during the period (or any persons connected with them) received any remuneration during the year. All Excellent Development Trustees are unremunerated. The seven Trustees incurred expenses as detailed above. There are no key management personnel requiring disclosure.

16. Volunteers

We would like to reflect within the notes to these financial accounts the immense contributions made to the association by our volunteers, helpful members, friends, advisors, patrons and of course our committee members, the help of whom contributes greatly to enhance the work of the association and to whom we are most grateful. We benefitted for example from over 294 hours (2019: 266) from 3 volunteers (2019: 1) which if valued at the ASHE median wage rate for London would equate to £3k (2019: £3k).

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 £9k (2019: £5k).

18. Leasing agreements

Minimum lease payments under non-cancellable operating leases fall due within one year as follows: 2020: £9,211 (2019: £8,857).

19. Related parties

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

20. Post balance sheet events

At the time of approval of these financial statements, the COVID-19 pandemic is one of the most significant economic events for the UK and globally. The pandemic was officially announced as being present in the UK during January 2020. Under UK GAAP, the consequences of a condition present at the balance sheet date are considered to be an adjusting post balance sheet event and therefore potentially have implications for the year-end balance sheet.

Having reviewed the operating conditions in the post balance sheet period, and in particular having considered the balance sheet carrying values of fixed assets and the recoverability of debtors, the Trustees are satisfied there are currently no indications of any material impairment.

The Trustees' assessment of the impact of COVID-19 on the future development and performance of the Charity is detailed in the Trustees' Report.

At both management and governance levels the potential for Covid-19 to have a significant impact on our operations and organisation was recognised at an early stage of the pandemic. We took swift action to evaluate this, liaising extensively with our partners, and took early steps to mitigate these risks. This included:

- reducing our UK-based costs by furloughing staff where possible, serving notice on our office, cancelling overseas travel
- liaising with our in-country partners to support continued operations where permitted within governments' guidelines
- assessing innovative methods to address our inability to provide direct in-country support through our UK-based staff
- liaising swiftly and openly with our supporters and donors
- re-forecasting our 2020/21 budget in light of emerging circumstances.

During the critical early months of the crisis the Finance Sub-Committee of the Board met on a monthly basis to monitor the effectiveness of the Board's coping measures and provided regular updates and advice to the Board.

As a result of the actions taken Excellent Development has protected its unrestricted reserves, retained its viability and maintained a core of resources and expertise which will form the basis for recovery and expansion.

The Board continues to oversee Excellent Development's response to the pandemic and plans and actions are kept under constant review, and our Members have been regularly updated.

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.

Safeguarding statement:

Excellent Development has an integrated Safeguarding Policy that specifically addresses child protection and anti-sexual exploitation as well as all other forms of abuse. Safeguarding is everyone's responsibility and we do everything we can to both protect our staff and the people that we were set up to help. We expect all staff, volunteers, trustees and partners to conduct themselves in a way that preserves the dignity and respect of every individual. We promote good working practices that prevent harm, abuse, and coercion occurring and we create a climate where people feel safe to report any behaviour that threatens them or makes them feel uncomfortable.

Excellent

Development



Address

Excellent Development
7-14 Great Dover Street
London
SE1 4YR
United Kingdom

Contacts

Mob: +44 (0)7596 225 677
Tel: +44 (0)20 3096 7861
Email: team@excellent.org.uk

www.excellentdevelopment.com

Social

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

Charity registration number (England & Wales)

1094478
Registered company number: 4432166