

Excellent Development

Annual Report 2018/19



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

Veronica Mwende Mutua, Chairlady of Heka Heka Syomwambya 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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“The extra water has helped us to farm and grow new fruits and vegetables like watermelon, spinach, papaya and kales... We then sell surplus crops at local markets and now we can make around 30,000 Kenyan shillings (around £228) during harvest which we spend on developing our farms further.”

Lifetime achievements.

1,029,222

People with access to safe water

£13.39

Cost per person with safe water

1,098

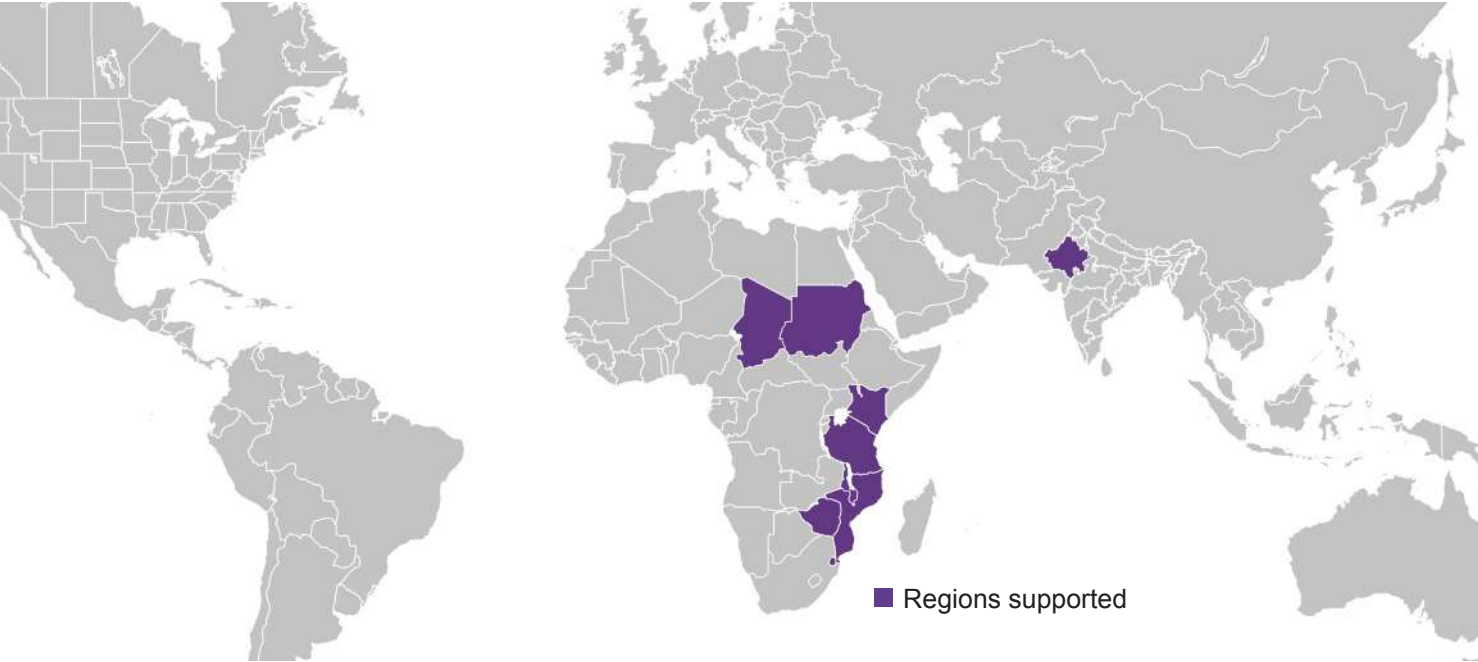
Sand dams enabled

£12,548

Cost per sand dam enabled

9

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



2018/19.

£1,221,584

Total income

£911,137

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 delighted to report another year of successful development and delivery for Excellent Development. Not only have we continued to deliver a hugely important programme of sand dam construction with and for communities, with the profound and life-changing benefits that this brings, but we have also made real progress with other elements of our work.

By the end of the year, and since we started in 2002, we had enabled the construction of 1,098 sand dams, the planting of 1,115,895 trees and bringing fresh, safe water to over 1,029,000 people within a short distance of their homes. Enabling communities to make a real difference, to transform their own lives and environment is the most important thing we do.

Last year we also started our research into yield, i.e. how much water can sand dams provide and over what period of time. This work is in partnership with Cranfield University and Oxford University and is a crucial piece of evidence in demonstrating, independently and unequivocally, the benefits which sand dams deliver.

And back home we now have a new website enabling us even better to showcase our work, and a new database helping us to ensure compliance with GDPR.

An important part of our Strategy, launched in April 2018, is to promote awareness of sand dams so that others incorporate them as part of their own programmes of work.

A good example is our new partnership with the Makueni County Government in Kenya where we co-funded three sand dams in a pilot programme to support our joint ambition to enable hundreds of dams in this county. These sand dams have now been constructed and we will evaluate the success of the approach with a view to extending it to other counties in Kenya and indeed elsewhere.

Awareness of our work was further enhanced by our successful BBC Radio 4 Appeal which was aired in February 2019, reaching an audience of many thousands.

Fundamental insights into our work are gained when people who support us actually witness what we do 'on the ground'. Last year we led three expeditions in Kenya - two with staff from Barclays Isle of Man - to work alongside community members to build sand dams. Building a sand dam is always hard work, but it was equally, hugely rewarding for all concerned; a life-changing experience for many of us to see the value which communities attach to what sand dams can achieve, and how they work to realise this.

Our ambitions remain undiminished. We have started a new programme building sand dams in Malawi and will undertake feasibility studies for new programmes in Tanzania and Ethiopia this year, working with new partners and with communities, as always, to enable them to achieve their needs for clean water and sustainable, climate-smart agriculture.

All of this is achieved only through the financial support we receive, from those who share our vision. In a difficult funding environment for small charities we are hugely grateful for this, for your support, and for the impacts which it achieves.

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

David Jordan OBE
Chairman

We have enabled over 1,029,000 people to have year-round safe water close to home.



Photo: Secretary Rachael Kisio Ngui (left) and group coordinator Cosmas Musyoki Kalonzo (right), of Kamwonyeni self-help group, southeast Kenya, collecting water from their 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.

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

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

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

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

Drylands comprise over 40% of the world's land surface and are home to 2.5 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 in 8 countries (with plans to support the construction of 2 pilot sand dams in a ninth country, Malawi, in 2020).

Since 2002 we have enabled over 1,029,000 people to have year-round safe water close to home at an average cost of £13.39 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 100 sand dams every year by 2020, increasing to 200 every year by 2025.

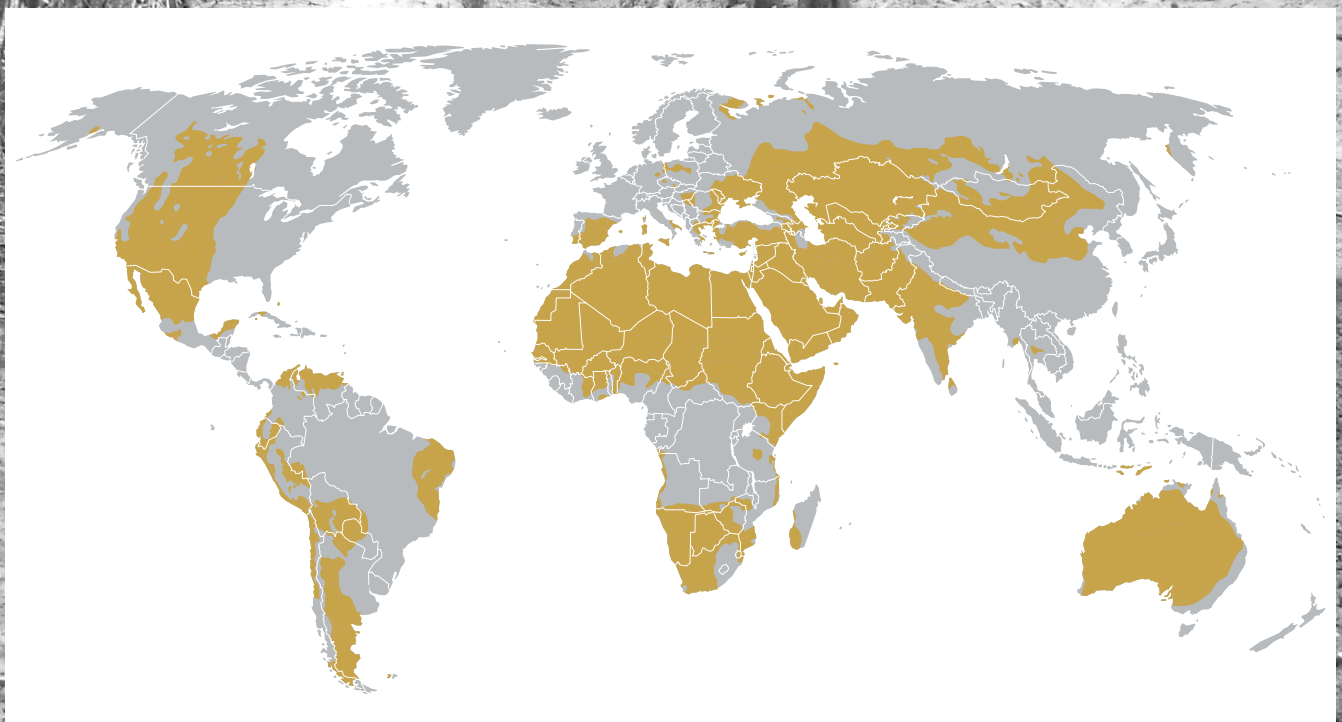
To influence the implementation of 10,000 dams for 5 million people by 2025 and 1 million sand dams for 0.5 billion people by 2040.

People living in drylands are:

2.5 billion of the world's population.

Living with 6,000,000km² degraded land.

90% live in developing countries.



People living in drylands manage:

41% of the world's land area.

50% of the world's livestock.

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

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

We will:

- Fully evidence the impacts and benefits of sand dams, using work done by others and commissioned by ourselves. We need this to demonstrate that sand dams can deliver significant benefits at low cost on a long-term basis.
- Carry out a review of available evidence. We will evaluate work already published, and analyse historic data from our southeast Kenyan in-country partners, 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:

- Directly support other organisations to build 100 sand dams every year by 2020, increasing to 200 every year by 2025.
- Expand our programmes in countries where we have already made an impact including Kenya, Mozambique 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 £2.5 million to directly fund the construction of 100 sand dams every year to 2020, and to £5 million for 200 dams every year by 2025.

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

We will know we are succeeding when...

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

Transforming lives.



Photo: Winfred Peter, Chairlady of Wikwatyo wa Mativo self-help group, southeast Kenya, on her farm of kales, spinach, banana and papaya trees.



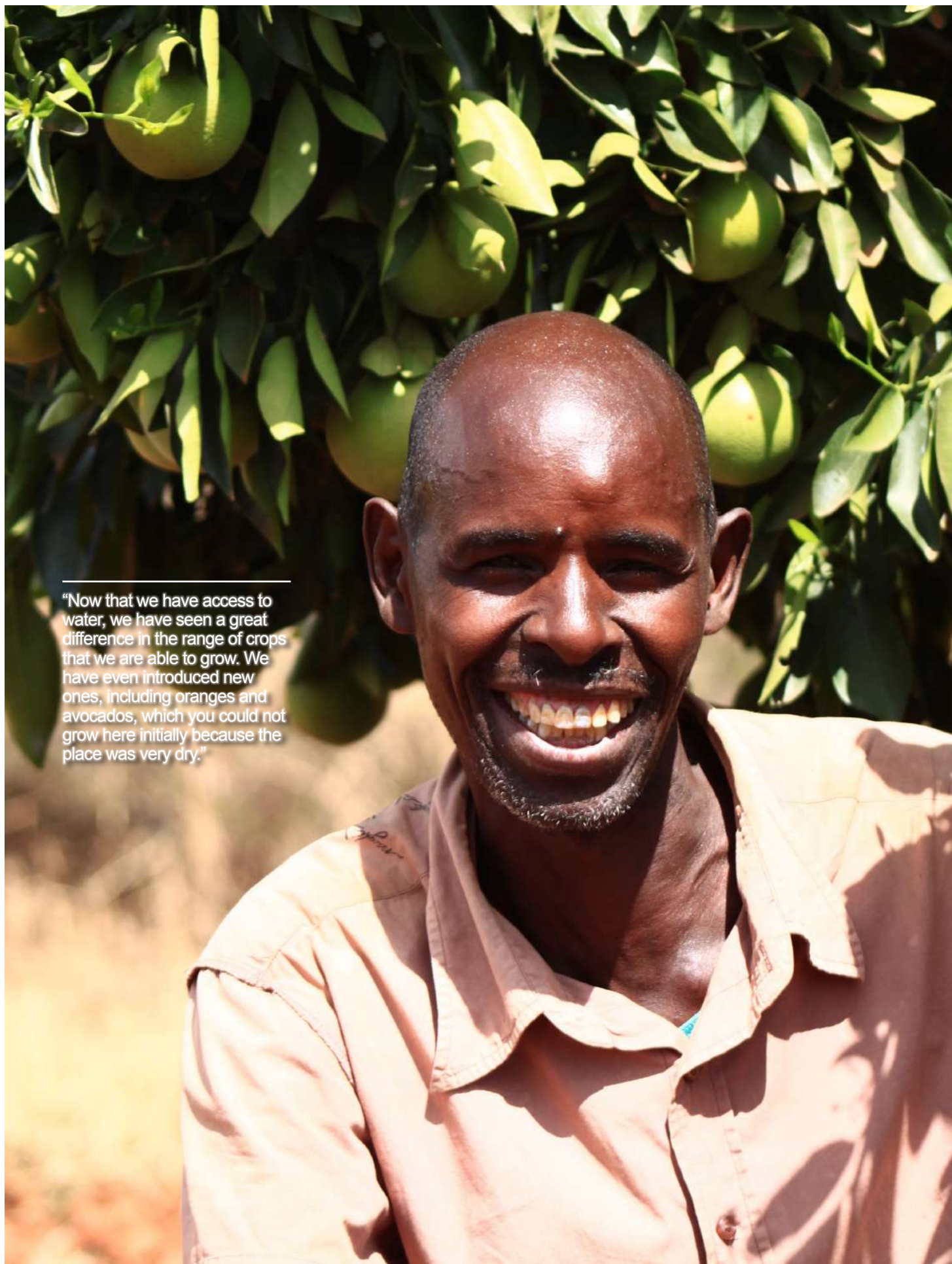
Adapting to the impacts of climate change

The impacts of climate change affect the world's population, particularly those living in poverty, but the impacts of climate change on people living in drylands can be devastating. Already affected by erratic rain, livelihoods can be destroyed by changing temperatures and even more erratic and unreliable rainfall caused by climate change.

But, there is a solution.

By raising the water table, storing and providing a year round supply of safe water, encouraging more vegetation growth and increasing the surrounding area's biodiversity, sand dams have a huge role to play in supporting people to adapt to the impacts of climate change. As water collection becomes a much less onerous task, people have more time to invest in their livelihoods, and children can spend more time focusing on their education. Farmers are able to grow and harvest more crops, both quantity and variety, providing more food for their families and providing a surplus for them to sell. As more water and vegetation is available, conflict over scarce resources is reduced, both human to human, and human to wildlife, in addition to people's environments being much greener and healthier.

Over the next year, we plan to support more communities to transform their lives, and adapt to the impacts of climate change through sand dams, both in our existing projects, and as we scale up into new regions and countries.



"Now that we have access to water, we have seen a great difference in the range of crops that we are able to grow. We have even introduced new ones, including oranges and avocados, which you could not grow here initially because the place was very dry."

Photo: Sivika Kitui, member of Kyamuisu self-help group, southeast Kenya, in front of his orange tree.

Financial review.

Compared with last year:

19%

Increase in charitable expenditure

36%

Increase in direct grants to partners

29%

Increase in reserves



Photo: Samuel Mubambaa, secretary of Kyamukulu self-help group, southeast Kenya, drinking water from the shallow well that is connected to the group's sand dam (visible in the background).

We increased charitable expenditure and grants to partners in 2018/19.

The results of the year's operations are set out in the attached financial statements. The unrestricted reserves improved by 29% to £229k at 31 March 2019.

2018-19 has been another challenging year with pressures on fundraising. Despite a 3% reduction in income to £1,222k, we achieved 81% of our income target. Expenditure increased by 18% with charitable expenditure increasing by 19% and represents 79% of total expenditure.

	2018/19 actual £000	2017/18 actual £000	2017/18 to 2018/19 Movement	%
Total income	1,222	1,264	(42)	(3)
Total expenditure	1,150	974	(176)	(18)
Surplus/(deficit)	72	290	(218)	

Expenditure

Overall expenditure for the year ended 31 March 2019 was £1,150k, an increase from £974k the previous year. We spent 19% more than last year on charitable activities, an increase from £765k to £911k. The cost of generating donations increased by 7% due to investments we made to Trust fundraising and lower than planned income.

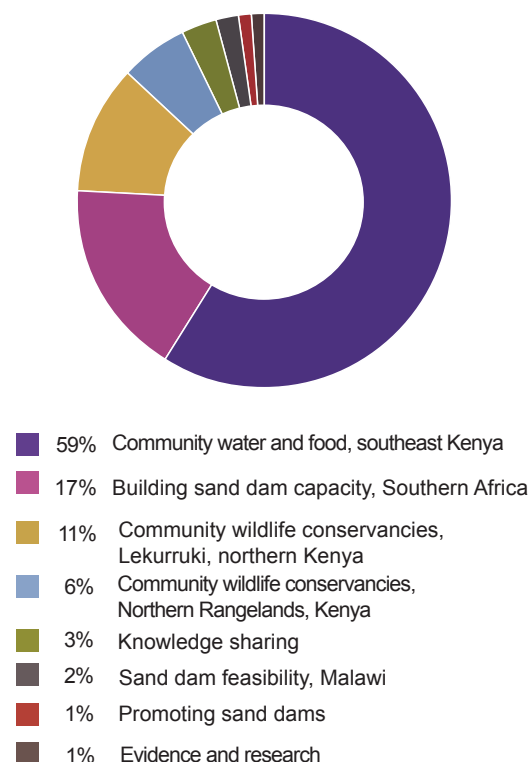
Our support to overseas programmes increased by 24% from £700k in 2017-18 to £871k in 2018-19. This year we increased our investment in ASDF programmes that enabled 67 sand dams, as opposed to 61 the previous year. We also spent more than the previous year in southern Africa in order to increase climate smart agriculture training and technical capacity building in the Christian Council of Mozambique (CCM), Mozambique programme.

Overall we spent £25k less than last year on pioneering expenditure, driven mainly by a 73% reduction in promoting sand dams activities.

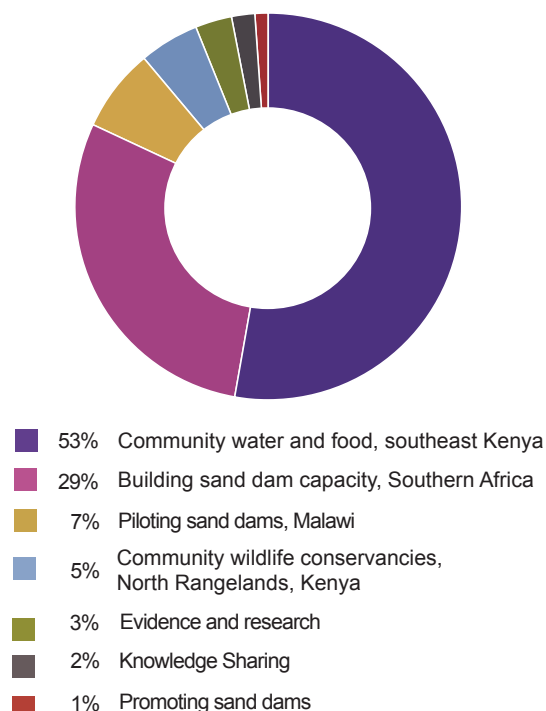
Charitable expenditure as a % of total expenditure

	2018/19 £000	2017/18 £000
Total spend on charitable activities	911	765
Total spend	1150	974
Ratio	79%	79%

2018/19 Actual charitable expenditure: £911k



2019/20 Planned charitable expenditure: £958k



Income

Income for the year ended 31 March 2019 amounted to £1,222k compared with £1,264k in the previous year.

Income for the year dropped by 3% overall with a range of decreases in Trust & Foundation, Individual, and Rotary income streams offset by a 24% increase in funding from Small Governments.

Jersey Overseas Aid awarded us a three year grant for £250k to support a sand dam pilot in Malawi, of which we received £75k this year. Small government income includes £157k of the second installment of a three year Jersey Overseas Aid grant to support water security in southern Africa (2018: £135k).

Expedition income was boosted by £49k donations raised by Barclays Isle of Man staff for two expeditions in Kenya in September 2018. A further £10k was raised from the July 2018 Excellent expedition in Kenya.

Income stream mix

	2018/19 Total £000	2017/18 Total £000	% Variance
Small governments & institutions	293	236	24
Trusts & foundations	492	506	-3
Rotary	69	84	-18
Individual donors (including media appeal income)	283	407	-30
Other income	85	31	174
Total income	1,222	1,264	-

Where every £ went in 2018/19

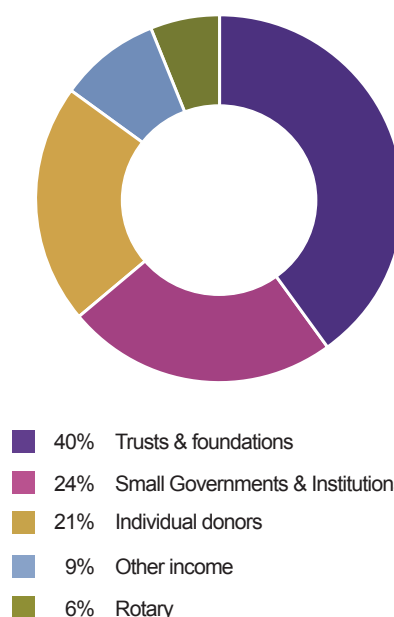
For every pound Excellent Development raised in 2018/19, 79p went directly to our charitable activities:

- 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.

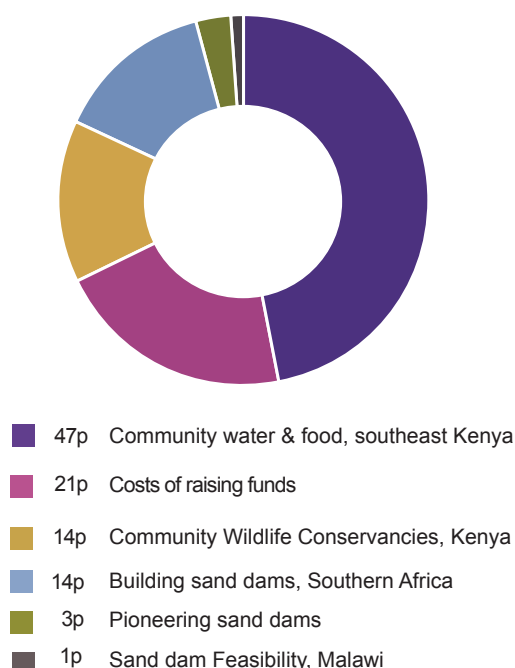
21p was used for raising more funds for our work – which has succeeded in securing large grants for the next financial year, and new funder relationships to strengthen our funding mix going forward.

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 2018/19



Where every £1 went in 2018/19



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.

	2018/19 Total £000	2017/18 Total £000
Small governments & institutions	40	41
Trusts & foundations	68	43
Rotary	15	21
Individual donors	87	93
Corporate	9	4
Community fundraising	-	2
Total	219	204

Fundraising targets

The Charity achieved 81% of its fundraising target of £1,506k for the year. The increased funds raised from small governments and expeditions were offset by the shortfall from other income streams.

	2018/19 actual £000	2018/19 target £000	% achieved
Small governments & institutions	293	487	60%
Trusts & foundations	492	583	84%
Rotary	69	105	66%
Individual donors	283	246	115%
Other	85	85	100%
Total	1,222	1,506	81%

Fundraising cost as a percentage of 2018/19 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 2018-19 total donations and legacies income stands at 19%. This is 3% higher than in the previous financial year as we have increased our investment in fundraising capacity while in the short-term, the level of income has reduced.

	2018/19 £000	2017/18 £000
Cost of raising donation and legacies income	219	204
Donation and legacies income	1,163	1,260
Ratio of spend to income	19%	16%

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 £20k from £435k to £455k.

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 increased by £52k from £177k to £229k.

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.

	2017/18 actuals months	2018/19 actuals months	Better/Worse than minimum target months	2019/20 Budget months	Better/Worse than minimum target months
Reserves vs annual core costs (Policy 6 months)	4.9	6.3	0.3	5.17	0.8

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

Our reserves improved by £52k over the year due primarily to the receipt of additional unrestricted trust income. This financial year we continued to invest in developing more sustainable funding sources by reactivating lapsed donors, seeking new trusts, major donors and corporate supporters. As we continue to expand our work into new countries we will continue to focus on developing new institutional 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:

	2017/18 actuals months	2018/19 actuals months	Better/Worse than minimum target months	2019/20 Budget months	Better/Worse than minimum target months
Available funds vs annual expenditure (Policy 4-8 months)	7.56	7.08	1.08	5.04	0.96

The Consolidated Balance Sheet shows current assets of £687k. 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.

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.
- 40% of our income comes from Trusts and Foundations and 29% 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.

A close-up portrait of a smiling woman with dark skin and short, curly hair, wearing a black and white horizontally striped shirt. She is looking down and to the right. The background is a rural setting with large trees, a dirt path, and other people in the distance. A blue plastic bucket is visible on the ground in the lower right.

"Before the sand dam, life was difficult. It was tough because for us to get enough water was a great problem... Now, with the sand dam, water, and the products we are growing, we can feed our families and also have a little bit to sell to get some money which can help us in a lot of different activities. This is a great step for us, because before, we were not surviving easily."

Photo: Rosa Leonardo, Chairlady of the Catipo sand dam committee, Mozambique, standing on her community's farm.

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 995 sand dams, 12 rainwater harvesting rock catchments, and 159 school water tanks, bringing safe water close to home for 957,250 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 in India and Southern Africa.

Major donors

Isle of Man International Development Committee, Rotary Clubs within Rotary International in Great Britain and Ireland, and Medicor Foundation.



Photo: Anna Munanye Makau, member of Kavoko self-help group, southeast Kenya, on her kale, spinach and tomato farm.



2018/19 Plans

£513k

Investment

51

Sand dams
built

70,792

People with
safe water

2018/19 Achievements

£538k

Investment

67

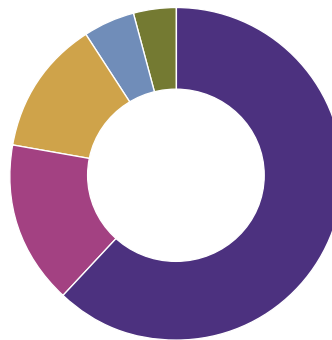
Sand dams
built

38

School water
tanks

70,792

People with
safe water



- 62% Sand dams
- 16% Food production & security
- 13% Community, learning & training
- 5% Farm trees
- 4% School water tanks

This year ASDF were able to work to well past their annual target of 51 sand dams, instead managing to construct 67 in 2018/19. The number of beneficiaries remains the same as the target. This is because the extra sand dams constructed this year were 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.

Following a successful pilot in 2017/18, this year ASDF also incorporated Quality of Life surveys into their usual project monitoring procedures, which allows for more detailed and accurate data to be collected over a longer period of time, demonstrating how sand dams impact the levels of hope, pride, empowerment and confidence within a community. This data will continue to be collected on an ongoing basis.

2018/19 also saw the start of a study into the amount of water sand dams yield. In partnership with the universities of Oxford and Cranfield, the study analyses the data transmitted from water yield meters attached to 30 handpumps installed by ASDF. This will give an accurate picture as to the minimum quantity of water stored by sand dams year round.

2019/20 Plans

£520k

Investment

59

Sand dams built

48,541

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 with the Northern Rangelands Trust (NRT) began in 2015 in Lekurruki Conservancy, Laikipia, and to date we have built 12 sand dams and one school water tank in the region. Since 2017, we have enabled four sand dams out of a planned network of five along the Tassia river, with the ambition of enabling this river to flow permanently again. These sand dams are already having a remarkable impact on the area, and are holding substantial quantities of water which the community are accessing through scoop holes and a pipeline providing crystal clear water. The nearby community-owned tourist lodge has also been able to fill their water tanks using water from these dams, greatly aiding the community's obligation to ensure the lodge has water. This had been a considerable financial burden on the community, which will now be eased, making more money available for community funds.

The whole area is becoming very green with water in places that had not been present since the river stopped flowing some years ago, adding weight to the hope that a series of dams along this river will result in the Tassia River flowing permanently again, and transforming this area for people, livestock, and wildlife.

About our partner

Our partner in the Northern Rangelands is the Lekurruki Conservancy Trust (LCT). We are working with LCT to provide access to safe water in the conservancy, and build their capacity to become the region's sand dam experts.

Major donors

Isle of Man International Development Committee, Jersey Overseas Aid and Rotary Clubs within Rotary International in Great Britain and Ireland.

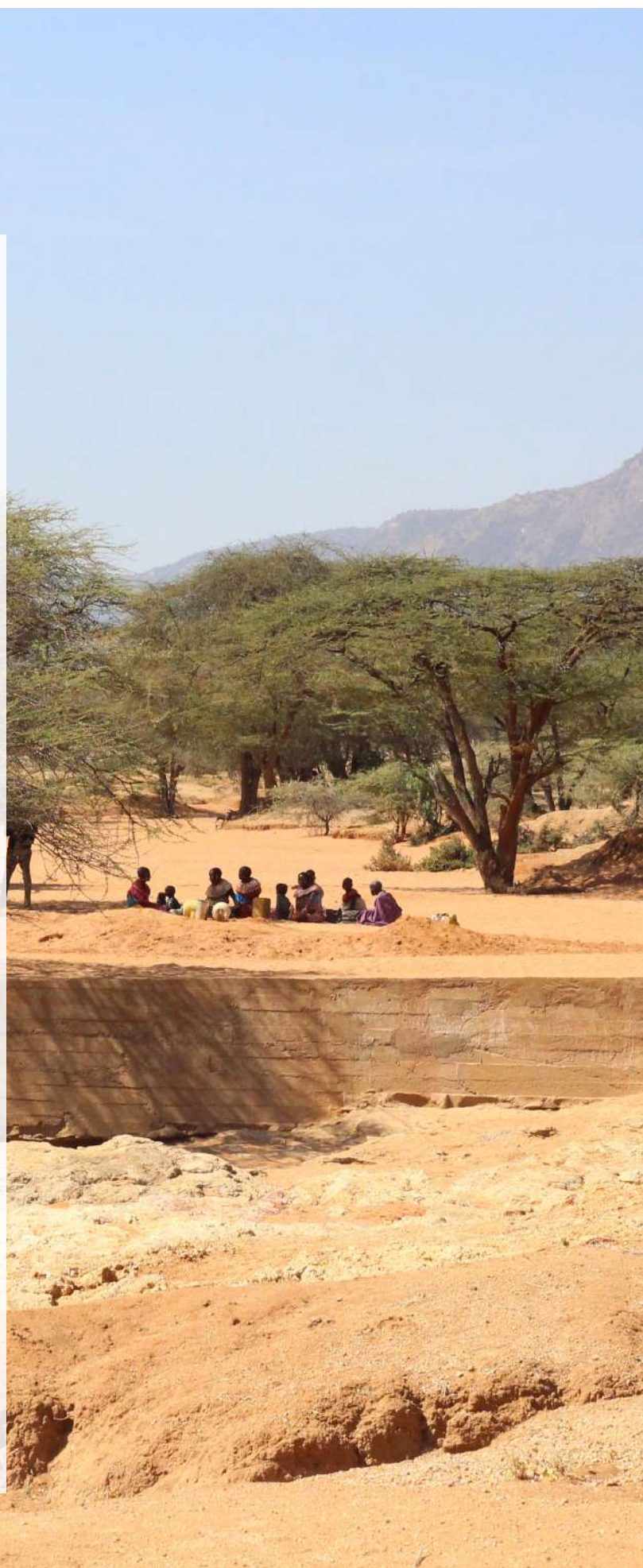


Photo: Pastoralists on the Kitagezi sand dam in Oldonyiro Conservancy, northern rangelands, northern Kenya.



2018/19 Plans

£189k

Investment

6

Sand dams
built

4,395

People with
safe water

2018/19 Achievements

£158k

Investment

4

Sand dams
built

7,200

People with
safe water

This year, this programme has continued to go from strength to strength, and has culminated in the Lekurruki team passing on their knowledge, and supporting a neighbouring conservancy, Oldonyiro to construct two sand dams.

The sand dams in Lekurruki continue to have a very positive impact on the whole conservancy. The water from the Tassia Dams is now supplying the community-owned tourist lodge with water, and meeting all of its water needs. Combined with increased wildlife numbers, and wildlife remaining in the area for longer resulting from increased water, numbers of tourists to the lodge have increased, which has increased the amount of money going to the community. This year over 1 million KES (Kenyan Shillings) have gone to the community and investments have included bursaries for 22 students; including university and teacher training students. Last year it was not possible to provide bursaries for any students due to the majority of the money being used to supply water to the lodge.

The network of sand dams on other rivers throughout the conservancy are holding water and providing significant benefits to people, livestock, and wildlife. Data shows that the distance people have to walk for water has halved from 6km to 3km, and more significantly for these communities the amount of water they are able to collect has increased by 370%, from 1.7 litres per person in 2015 to 8 litres per person in 2018.

The programme with LCT will end in June 2019, however since we began this programme, the NRT, a major player in the region, and the umbrella organisation for all of the conservancies, has recognised the impact of sand dams and the role they can play in their own water resource management strategies throughout the northern rangelands. They have asked us to work with them and support them to build their capacity in delivering sand dams across the region. As part of our long term plans to scale up into other conservancies, over the next year we plan to work closely with them to build local capacity within NRT, and transition the expertise of sand dams in the region to NRT.

2019/20 Plans

£52k

Investment

7

Sand dams
built

3,258

People with
safe water

Community water & food – Southern Africa.

Unreliable rain

Southern Africa encompasses many diverse geographies and cultures. But common to all regions is a pattern of variable and unreliable rainfall, which contributes to water scarcity and worsens vulnerability to drought, especially for the rural poor. About 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 Southern Africa to provide water and food security for themselves by building their own sand dams. The aim of our projects is to support communities to provide themselves with a year-round supply of clean water and food whilst also promoting sand dams throughout Southern Africa; further highlighting sand dams as a viable and successful technology for the region. This will be done by building the capacity of our partners in Southern Africa, developing their construction and design skills, leading to successful dams that can be used as a model for the region.

About our partners

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

Major donors

Jersey Overseas Aid and Fondation Ensemble.



Photos: A community member standing beside the Nhansato sand dam (mid-construction), Mozambique.



2018/19 Plans

£175k

Investment

5

Sand
dams
built

11,431

People
with safe
water

2018/19 Achievements

£158k

Investment

4

Sand
dams
built

5,956

People
with safe
water

During a year of heavy rainfall and intense flooding, our partners in Mozambique still managed to enable the construction of 4 sand dams in Tete province, bringing safe water to 5,956 people across the communities of Cadansana, Canchoeira, Nhansato, and Machezo. The final number of beneficiaries was lower than expected as the construction of the final sand dam had to be postponed.

In 2018/19, our two southern Africa partners, Dabane and CCM, successfully collaborated to install Rowa Handpumps in Mozambique. Following the training, three handpumps were fabricated and installed at sand dams to great effect. The innovative design of the pumps provides an efficient means of abstracting water from the sand dams, requiring less energy to be spent by members of the communities collecting water.

The team at CCM also took part in a learning visit in Kenya, with our strategic partners ASDF. This learning visit covered technical aspects of sand dam design and riparian conservation measures, such as terracing, that can be used to control erosion and boost farmers' crop yields. Since the training, communities working with CCM have dug over 500 metres of terracing.

2019/20 Plans

£284k

Investment

6

Sand
dams
built

8,621

People
with safe
water

Piloting sand dams – Malawi.

Potential for sand dams in a new region

This year we secured funding to embark on an exciting three year programme to assess the potential of sand dams in an entirely new country – Malawi. To our knowledge, there are no sand dams in Malawi, so this project will introduce sand dams to Malawi for the first time.

Feasibility study

This programme will focus on two districts; Chikwawa and Nsanje in southern Malawi. The first year of this three year programme will be to assess the potential for sand dams, and with the support of our Zimbabwean partner, Dabane Trust, assess the technical feasibility of sand dams and to ensure they are an appropriate solution for addressing the serious water challenges communities in this region face. Assuming they are an appropriate solution, and suitable sites are found, years 2 and 3 will be to construct three sand dams as part of a pilot programme, and evaluate their success and impact.

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: The Churches Action in Relief and Development (CARD) team in Malawi.



2018/19 Achievements

£16k

Investment

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..



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

Our Strategy to 2025, which we produced in 2017, identified a number of priority areas of research, including water yield. This has been the priority research area over the last year and we have continued our partnership with Cranfield University, and also started working with Oxford University, who have developed suitable meters that can be attached to sand dam handpumps to measure how much water people are abstracting from the sand dam. Meters have been attached to 30 hand pumps, and a Masters student from Cranfield University has been selected to analyse and evaluate data collected.

This research is critical to building up the evidence required to prove that sand dams provide a year round supply of water for communities, and to provide further quantitative, and scientifically rigorous evidence of the impact of sand dams. This quantitative data is crucial for scaling up, and providing the evidence needed for influencing organisations such as the United Nations of the role sand dams can play in dryland water policies.

Promoting sand dams

A key area of focus is to scale up our programmes both in new regions / countries, and also with new partners. Last year we identified, and conducted a due diligence visit with a potential organisation to partner and scale up within Mozambique, and identified and planned a feasibility study in Tanzania with a potential new partner. This feasibility study took place in May

2019. A feasibility study in Tsavo National Park supported by Kenya Wildlife Service and Tsavo Trust was also carried out, which highlighted a huge potential, and two priority dam sites were selected for a pilot project.

This year, we will focus on identifying other potential partners in Mozambique that we can scale up with, and plan for a pilot sand dam programme next year. Following the feasibility study in May 2019 in Tanzania, which demonstrated the potential for sand dams, we will plan to develop a pilot programme in Tanzania, in addition to delivering the pilot programme in Tsavo National Park.

We have also recently had the opportunity to look at Ethiopia as a country to work in. From initial research, there is a lot of scope for sand dams in Ethiopia, and if funding can be secured, we will conduct a visit to assess and secure a partner in the country who can support us in delivering a pilot sand dam programme.

Knowledge sharing

Another area of focus for working towards our strategy is improving the technical skills of people designing and constructing sand dams. We have started to develop an accreditation system, which now needs to be further developed and piloted with an organisation that wants to develop or strengthen their skills and capacity in delivering sand dam programmes, including having the technical ability to design and construct sand dams.

The other strand is developing and strengthening technical resources to support organisations and practitioners with sand dam construction. This year we have worked with Translators Without Borders to translate our sand dam manual, and the sand dam animation into three languages; Portuguese, French, and Spanish. This has also been disseminated to organisations, including our partners in Mozambique.

One sand dam learning visit also took place in July 2019, with eight individuals attending from five different organisations.



2018/19 Plans

£86k

Investment

2018/19 Achievements

£40k

Investment

2019/20 Plans

£52k

Investment

A major focus of our work will be to start collecting monthly data from the 30 smart meters that have been attached to handpumps on 30 sand dams. This will demonstrate how much water is being abstracted each day by the community, and we will also be working with a Masters student from Cranfield University who will be analysing the first year's data.

Following on from our very successful feasibility study in Tanzania, we will also be working to secure funding in order to deliver a pilot programme to construct four sand dams over the next two years.

We also plan to conduct a feasibility study in Ethiopia to assess the potential for scaling up our work in the country.

What we have done so far

242

People trained

£1,297k

Investment

38

Organisations supported



Excellent friends.

In 2018/19, we were delighted to have the exceptional support of the following donors, who each donated £30,000 or more:

Barclays Isle of Man.

Isle of Man Government.

Jersey Overseas Aid.

Mr and Mrs Butt, through The Calleva Foundation.

Rotary Clubs within Rotary International

in Great Britain & Ireland.

The Coles-Medlock Foundation.

The Expat Foundation.

The Westridge Foundation.



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:	Unit G13, The Foundry, 17 Oval Way, London, SE11 5RR																				
Our contact details:																					
Telephone:	+44 (0)20 3752 5780																				
E-mail:	team@excellent.org.uk																				
Website:	www.excellent.org.uk																				
Our advisors:																					
Auditors:	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 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:	Alison Bell (resigned on 20th September 2018) David Jordan Mark Murphy Nigel Reader																				
Trustees:	Alex Day Bandish Gudka Barbara Busby Pam Gilder Faith Chastain (appointed in May 2019)																				
Additional Members:	<table><tr><td>Andrew Paterson</td><td>June Stapley</td></tr><tr><td>Angela Seal</td><td>Kirsty Cunningham</td></tr><tr><td>Bruce Irvine</td><td>Miten Patel</td></tr><tr><td>Christopher Ian Pockett</td><td>Richard Alan Barnes</td></tr><tr><td>Darren John Worsley</td><td>Richard Pearce-Thomas</td></tr><tr><td>David Brocklebank</td><td>Ron Daniels</td></tr><tr><td>Dr John Seagar</td><td>Sian Edwards</td></tr><tr><td>Fiona Charlotte Moore</td><td>Sir Edward Clay</td></tr><tr><td>James Onions</td><td>Tim James Wood</td></tr><tr><td>Jenine Ruth Langrish</td><td>Vaughan Pomeroy</td></tr></table>	Andrew Paterson	June Stapley	Angela Seal	Kirsty Cunningham	Bruce Irvine	Miten Patel	Christopher Ian Pockett	Richard Alan Barnes	Darren John Worsley	Richard Pearce-Thomas	David Brocklebank	Ron Daniels	Dr John Seagar	Sian Edwards	Fiona Charlotte Moore	Sir Edward Clay	James Onions	Tim James Wood	Jenine Ruth Langrish	Vaughan Pomeroy
Andrew Paterson	June Stapley																				
Angela Seal	Kirsty Cunningham																				
Bruce Irvine	Miten Patel																				
Christopher Ian Pockett	Richard Alan Barnes																				
Darren John Worsley	Richard Pearce-Thomas																				
David Brocklebank	Ron Daniels																				
Dr John Seagar	Sian Edwards																				
Fiona Charlotte Moore	Sir Edward Clay																				
James Onions	Tim James Wood																				
Jenine Ruth Langrish	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 18 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 27th August 2019 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 2019 which comprise the statement of financial activities, the balance sheet and the 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, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 2019 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 Auditor's responsibilities for the audit of the accounts 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 accounts 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 twelve months from the date when the financial statements are authorised for issue.

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 auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 our audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report
- 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 directors' report included within the trustees' report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

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 purpose 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 an auditor's report 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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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.



Michael Kay (Senior Statutory Auditor)

For and on behalf of: Haines Watts Birmingham LLP

Chartered Accountants
Statutory Auditor
5-6 Greenfield Crescent
Edgbaston
Birmingham
B15 3BE

Date: 20th September 2019

Excellent Development Limited (Company Reg. No. 4432166)
Statement of financial activities for the period ended 31 March 2019
Including consolidated Income and expenditure account

	Note	2019 Unrestricted £000	2019 Restricted £000	2019 Total £000	2018 Total £000
INCOME FROM:					
Donations and legacies funding	2	292	871	1,163	1,260
Charitable activities	3	-	59	59	4
Total income		<u>292</u>	<u>930</u>	<u>1,222</u>	<u>1,264</u>
EXPENDITURE ON:					
Raising funds					
- Donation and legacies funding	4	135	84	219	204
- Charitable activities	5	-	20	20	5
Cost of raising funds		<u>135</u>	<u>104</u>	<u>239</u>	<u>209</u>
Charitable activities					
Overseas programmes	6	94	777	871	700
Pioneering sand dams	7	11	29	40	65
Cost of charitable activities		<u>105</u>	<u>806</u>	<u>911</u>	<u>765</u>
TOTAL EXPENDITURE		<u>240</u>	<u>910</u>	<u>1150</u>	<u>974</u>
NET INCOME/(EXPENDITURE)		<u>52</u>	<u>20</u>	<u>72</u>	<u>290</u>

The movement in funds is detailed in Note 12 on page 49.

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

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

The Consolidated Statement includes income from Excellent Development IOM Ltd. of £137k; (£92k; 2018), and expenditure of £137k; (£92k; 2018), net loss of £NIL (£NIL 2018).

2018 total income of £1,264k consists of £965k restricted and £299k unrestricted income.

Excellent Development Limited (Company Reg. No. 4432166)
Balance sheet as at 31 March 2019

	Note	Group 2019 £000	Group 2018 £000	Charity 2019 £000	Charity 2018 £000
Fixed assets					
Tangible fixed assets	8	3	3	3	3
Total fixed assets		<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>
Current assets					
Debtors	9	250	43	244	41
Cash at bank and in hand	10	<u>463</u>	<u>609</u>	<u>463</u>	<u>609</u>
Total current assets		<u>713</u>	<u>652</u>	<u>707</u>	<u>650</u>
Liabilities					
Creditors falling due within one year	11	<u>(29)</u>	<u>(40)</u>	<u>(23)</u>	<u>(38)</u>
Net assets		<u>687</u>	<u>615</u>	<u>687</u>	<u>615</u>
Funds of the charity					
Unrestricted funds	12	229	177	229	177
Restricted funds	12a	455	435	455	435
Property and equipment fund		<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>
Total funds		<u>687</u>	<u>615</u>	<u>687</u>	<u>615</u>

The Trustees have prepared consolidated accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. The Consolidated Statement includes liabilities of £2k (2018: £2k) and assets of £4k (2018: £2k) from Excellent Development IOM Ltd.

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

The accounts were approved and authorised for issue by the Board on 27th August 2019.

Signed on behalf of the Board of Trustees.



David Jordan OBE
Chairman

	Group 2019 £000	Group 2018 £000	Charity 2019 £000	Charity 2018 £000
A. Consolidated cashflow statement for the period ended 31 March 2019				
Cash generated from operating activities				
Net cash used in operating activities	(143)	309	(143)	309
Interest received	-	-	-	-
Cash flow from investing activities				
Purchase of fixed assets	(3)	(3)	(3)	(3)
Net increase/decrease in cash	(146)	306	(146)	306

	Group 2019 £000	Group 2018 £000	Charity 2019 £000	Charity 2018 £000
B. Reconciliation of net income/(expenditure) to net cash flow from operating activities				
Net expenditure (as per the Statement of Financial Activity)	72	290	72	290
Adjustments for:				
Interest received	-	-	-	-
Depreciation	3	2	3	2
Movements between funds	-	2	-	2
Movement in debtors	(206)	16	(202)	19
Movement in creditors	(11)	(1)	(15)	(4)
Net cash used in operating activities	(143)	309	(143)	309

	Group 2019 £000	Group 2018 £000	Charity 2019 £000	Charity 2018 £000
C. Analysis of cash and cash equivalents				
Increase in cash and cash equivalents	(146)	306	(146)	306
Cash at bank and in hand at the beginning of the year	609	303	609	303
Cash at bank and in hand at the end of the year	463	609	463	609

1. Accounting policies

1.1 Basis of preparation

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

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

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

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

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

1.2 Group entities

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

Excellent Development Trading Ltd

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

The Capital and Reserves at 31 March 2019 was £0k (2018: £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 2019 was £0k (2018: £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

	2019 %	2019 £000	2018 %	2018 £000
Employment costs (see note 14)	86.9	354	83.6	322
Accommodation costs	8.5	35	11.8	46
Administration costs	4.6	19	4.6	18
Total	100.0	408	100.0	386

1.4b Core costs allocation

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

	2019 %	2019 £000	2018 %	2018 £000
Expenditure on raising funds				
Donations and legacies funding	45.0	184	45.8	177
Charitable activities	1.0	4	0.0	-
	46.0	188	45.8	177
Expenditure on charitable activities				
Overseas programmes	11.0	45	12.2	47
Pioneering sand dams	5.1	21	4.3	17
	16.1	66	16.5	64
Governance	5.2	21	4.5	17
Support costs				
Overseas programmes	30.9	126	31.3	121
Pioneering sand dams	1.8	7	1.9	7
Sub-total	32.7	133	33.2	128
Total core costs allocation	100	408	100	386

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 £155k (2018: £150k) includes core costs and travel and accommodation.

1.4c Breakdown of total support costs

	2019 £000	2018 £000
Core costs	133	128
Travel and accommodation	22	22
Total support costs	155	150

1.4d Support costs allocation:

	2019 %	2019 £000	2018 %	2018 £000
Overseas programmes	94.6	147	94.3	139
Pioneering sand dams	5.4	8	5.7	11
Total support costs allocation	100.0	155	100.0	150

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

	2019 £000	2018 £000
Insurance	5	5
Audit fees	6	9
Trustee expenses	5	4
Professional fees and registration	2	6
Other governance expenses	1	-
Core cost allocation (See note 1.4b)	21	17
Total governance costs	40	41

Audit fees include the remuneration of the independent examiner for professional services incurred in relation to Excellent Development IOM Ltd for 2018/19.

	2019 £000	2018 £000
Excellent Development UK Ltd 2017/18	4	4
Excellent Development IOM Ltd 2017/18	2	2
Total	6	6

1.4f Governance costs allocation

	2019 %	2019 £000	2018 %	2018 £000
Overseas programmes	94.6	38	94.3	39
Pioneering sand dams	5.4	2	5.7	2
Total governance costs allocation	100.0	40	100.0	41

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 2019 (nil to 31 March 2018).

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

	2019 Unrestricted £000	2019 Restricted £000	2019 Total £000	2018 Total £000
Trusts & foundations	130	362	492	506
Small governments & institutions	-	293	293	236
Individual donors	137	122	259	407
Rotary	-	69	69	84
Media Appeals	3	21	24	-
Corporate	17	4	21	15
Community fundraising	5	-	5	12
Total	292	871	1,163	1,260

2018 income of £1,260k consists of £961k restricted and £299k unrestricted income.

2.1. Analysis of government grants (all restricted)

	Purpose for which grant was received (see note below)	2019 Total £000	2018 Total £000
Isle of Man Government	a	-	26
Isle of Man Government	b	30	56
States of Guernsey Overseas Aid and Development Commission	c	19	19
Jersey Overseas Aid, 2016-2017	d	13	-
Jersey Overseas Aid, 2018-2021	d	157	135
Jersey Overseas Aid, 2019-2022	e	74	-
Total government grants		293	236

Included in the small governments and institutions income above are government grants of £293k (2018: £236k). This includes £157k which is part of a 36 month grant from the Jersey Government and £74k which is also part of a 36 month grant from the Jersey Government.

Programmes for which grants have been received

- Creating Sustainable Lives for People and Wildlife, Northern Rangelands, Kenya
- Building resilient food and water secure communities in Ukambani, Kenya
- Water Tanks, Makueni County, Kenya
- To Improve Water Security in Southern Africa
- Strengthening Climate Resilience of Smallholder Farmers in Malawi

3. Charitable activities income

	2019 Unrestricted £000	2019 Restricted £000	2019 Total £000	2018 Total £000
Expeditions	-	59	59	-
Learning Visits	-	-	-	4
Total	-	59	59	4

2018 income of £4k was restricted.

4. Expenditure on raising funds – Donation and legacies funding

	2019 Unrestricted £000	2019 Restricted £000	2019 Total £000	2018 Total £000
Trusts & foundations	25	43	68	43
Individual donors	64	23	87	93
Small governments & institutions	34	6	40	41
Rotary	5	10	15	21
Corporate	7	2	9	4
Community fundraising	-	-	-	2
Total	135	84	219	204

2018 expenditure of £205k consists of £93k restricted and £112k unrestricted expenditure.
Core costs of £184k have been allocated across the income stream activities (see Note 1.4b).

5. Expenditure on raising funds – Charitable activities

	2019 Unrestricted £000	2019 Restricted £000	2019 Total £000	2018 Total £000
Expeditions costs	-	20	20	-
Learning visits costs	-	-	-	5
Total	-	20	20	5

2018 expenditure of £5k consists of £4k restricted and £1k unrestricted expenditure.

6. Expenditure on charitable activities – Overseas programmes

	2019 Unrestricted £000	2019 Restricted £000	2019 Total £000	2018 Total £000
Community water and food, southeast Kenya	39	499	538	426
Community wildlife conservancies, Lekurruki, northern Kenya	17	90	107	126
Building sand dam capacity, Southern Africa	31	127	158	105
Community wildlife conservancies, Northern Rangelands, northern Kenya	3	49	52	18
Sand dam feasibility, Malawi	4	12	16	-
Water for arid lands, India	-	-	-	25
Total	94	777	871	700

2018 expenditure of £700k consists of £604k restricted and £96k unrestricted expenditure.
Core costs of £45k, support costs of £147k and governance costs of £38k have been allocated to the charitable activities (see Note 1.4).

6a. Analysis of overseas programmes

	2019 Support & governance costs £000	2019 In kind grants £000	2019 Direct grants £000	2019 Total £000	2018 Total £000
Community water and food, southeast Kenya	125	21	392	538	426
Community wildlife conservancies, Lekurruki, northern Kenya	15	19	73	107	126
Building sand dam capacity, southern Africa	33	27	98	158	105
Community wildlife conservancies, Northern Rangelands, northern Kenya	7	5	40	52	18
Sand dam feasibility, Malawi	6	1	9	16	-
Water for arid lands, India	-	-	-	-	25
Total	186	73	612	871	700

2018 overseas programmes expenditure consists of £604k restricted and £96k unrestricted expenditure.

6b. Direct grants

The Charity paid out £612k in direct grants to its partners (2018: £450k). These are identified as follows:

	2019 £000	2018 £ 000
Africa Sand Dam Foundation, southeast Kenya	392	324
Christian Council of Mozambique	98	57
Lekurruki Conservation Trust, northern Kenya	73	61
Northern Rangelands Trust, northern Kenya	40	-
Churches Action for Relief & Development, Malawi	9	-
Dabane Trust, Zimbabwe	-	8
Total	612	450

7. Expenditure on charitable activities – Pioneering sand dams

	2019 Unrestricted £000	2019 Restricted £000	2019 Total £000	2018 Total £000
Promoting sand dams	5	1	6	22
Knowledge sharing	2	24	26	32
Evidence & research	4	4	8	11
Total	11	29	40	65

2018 expenditure of £65k consists of £51k restricted and £14k unrestricted expenditure.

Core costs of £21k, support costs of £8k and governance costs of £2k have been allocated to the charitable activities (see Note 1.4).

7a. Analysis of pioneering sand dams expenditure

	2019 Support and governance costs £000	2019 In Kind grants £000	2019 Total £000	2018 Total £000
Promoting sand dams	-	6	6	16
Knowledge sharing	9	17	26	38
Evidence and research	-	8	8	11
Total	9	31	40	65

2018 pioneering sand dams expenditure consists of £51k restricted and £14k unrestricted expenditure.

8. Tangible fixed assets

	2019 £000	2018 £000
Cost or valuation		
Opening balance	30	30
Additions	3	-
Disposals	-	-
Balance as at year end	33	30
Depreciation		
Opening balance	27	25
Charge for year	3	2
Disposals	-	-
Balance as at year end	30	27
Net book value as at year end	3	3

9. Debtors

	2019 £000	2018 £000
Prepayments	7	11
Accrued income	55	15
Deposits	3	2
Other debtors	185	15
Total	250	43

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

	2019 £000	2018 £000
Bank balances	461	605
Cash	2	4
Total	463	609

11. Creditors: amounts falling due within one year

	2019 £000	2018 £000
Creditors	14	7
Accruals	7	8
PAYE	8	8
Deferred income	-	17
Total	29	40

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

12. Movement in funds

	As at 1st April 2018 £000	Incoming resources £000	Outgoing resources £000	Transfers £000	Total Movements £000	As at 31st March 2019 £000
Unrestricted	177	292	(240)	-	52	229
Restricted	435	930	(910)	-	20	455
Property and equipment	3	-	-	-	-	3
Total	615	1,222	1,150	-	72	687

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 2018	Transfers £000	Incoming resources £000	Outgoing resources £000	Total movement £000	As at 31st March 2019 £000
Community water and food, southeast	219	(19)	417	(472)	(73)	146
Community wildlife conservancies, Lekurruki, northern Kenya	48	25	19	(85)	(41)	7
Community wildlife conservancies, Northern Rangelands, northern Kenya	37	(1)	17	(53)	(37)	1
Building sand dam capacity, southern Africa	114	4	192	(122)	74	188
Sand dam pilot, Malawi	-	-	73	(12)	61	61
Water for arid lands	1	(1)	-	-	-	-
Programme development	-	-	15	-	15	15
Expedition, southeast Kenya	-	-	55	(55)	-	-
Promoting sand dams	-	-	-	-	-	-
Evidence & research	6	(4)	24	(5)	14	20
Knowledge sharing	8	(2)	31	(23)	6	14
Marketing costs	-	-	20	(19)	1	1
Fundraising costs	2	(2)	67	(64)	1	2
Total Restricted	435	-	930	(910)	20	455

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	255	458	-	713
Current liabilities	(26)	(3)	-	(29)
Total assets less current liabilities	<u>229</u>	<u>455</u>	<u>3</u>	<u>687</u>

14. Employees

	2019 £000	2018 £000
Salaries and wages	290	282
Employer NIC	27	29
Pension	5	2
Recruitment	15	2
Training	4	1
Health Insurance	13	6
Total	<u>354</u>	<u>322</u>
Average number of employees	<u>9</u>	<u>8</u>

The average number of employees reflects the full time equivalent.

The total amount of employee benefits received by key personnel is £110,573 (2018: £100,478). The key management personnel of the charity comprises of the Trustees, Chief Operating Officer and Head of Programmes.

15. Trustee expenses and key management personnel compensation

	2019 £000	2018 £000
Travel	4	3
Other	-	1
Total	<u>5</u>	<u>4</u>

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

There are no key management personnel requiring disclosure.

16. 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 £5k (2018: £2k)

17. Leasing agreements

Minimum lease payments under non-cancellable operating leases fall due within one year as follows: 2019: £8.857 (2018: £8,491).

18. Related parties

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

Our philosophy & values

People & relationships:

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

Environment & sustainability:

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

Service:

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

Nothing comes for free:

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

Excellence:

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

Innovation & passion:

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

Integrity:

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

Business efficiency:

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

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



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Charity registration number (England & Wales)

1094478
Registered company number: 4432166