

# Excellent Development

Annual Report 2017/18



# 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](http://www.excellentdevelopment.com)

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**Photo: Front cover**

Alphonse Kilonzo, farmer and vice secretary of Mapatano ma aka Malunda self-help group (southeast Kenya), drinking water from a shallow well, with the group's sand dam in the background.

Printed on 100% recycled paper.



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“Clean water and training in tree planting and agriculture has changed every aspect of our lives. Our farms are greener, we have more variety in food, our children are healthier, we are cleaner. This makes me happy.”

Lifetime achievements.

947,000

People with access to safe water

£13.34

Cost per person with safe water

1,024

Sand dams enabled

£12,341

Cost per sand dam enabled



£1,264,118

Total income

8

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

79%

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.*



2017/18 has seen some huge achievements for Excellent Development, as we have continued in our mission to transform millions of lives in drylands with sand dams and access to safe water.

We passed a very significant milestone in February 2018, having enabled more than 1,000 sand dams, which are now providing clean water for around 947,000 people (since Excellent was founded in 2002).

Over the course of the year, we continued to make great strides in supporting rural communities in southeast Kenya and Southern Africa to build sand dams, harvest rainwater and grow food; whilst simultaneously securing our first multi-year funding for sand dam projects in Mozambique.

In Northern Kenya, we started work on a series of sand dams which we hope will enable a river to flow again, as well as strengthen relationships with other conservancies and people in the region. And, for the time being, we completed our sand dam programme in India; recharging the groundwater and increasing the availability of water for communities in the region.

Aside from the progress with our overseas programmes, I'm also very pleased to share with you further highlights from research and evidence work on the ground that we hope will encourage further, global adoption of sand dam technology.

Our research partner, Cranfield University, completed a fundamental

project looking at the quality of water taken from sand dams constructed with Africa Sand Dam Foundation (ASDF) in Kenya. This work demonstrated that the water taken after natural filtration through the sand achieves World Health Organisation (WHO) standards for drinking water - a hugely important result and another very powerful reason for others to incorporate sand dams in their programmes.

A further achievement this year has been the complete re-drafting of our sand dam manual, now launched and distributed worldwide to our partners and supporters. This comprehensive new document draws on the latest evidence and provides a complete guide to the whole process of sand dam siting, planning, construction and operation. Alongside this we have re-written the training which is delivered by ASDF and designed a draft accreditation process to promote optimum quality sand dam work across the board.

Finally, we launched Our Strategy to 2025 in April 2018, which defines the three key themes for our future, described in more detail on pages 8-11 of this report. The strategy, which has been extremely well received, sets out ambitious but achievable targets to 2025 and will, I am confident, act as a firm platform for our development well into the future.

I pay credit to all those who have made these achievements possible during this time. All of this has taken place in a funding environment which is enormously challenging for small charities and on behalf of the communities we work for

and with, we are profoundly grateful for the support provided by so many individuals and organisations without which our work would, quite simply, be impossible.

So, what can you look forward to in 2018/19?

Our attention now turns to another crucial research area, yield i.e. how much water can sand dams yield and over what period of time? Again in partnership with Cranfield University, we will examine this over the coming few years.

In partnership with the Kenya Wildlife Service and others, we are aiming to start a new sand-dams-for-wildlife programme in Kenya to demonstrate the worldwide potential for sand dams to support biodiversity in arid environments which are suffering the impacts of climate change. And later in 2018, we will also look to assess the feasibility of a new community-based sand dam programme in Tanzania.

Above all, of course, through our current overseas partners and beyond, we will continue to work on increasing and enhancing the profound and lasting impact which these dams have on people and the environment – the next part of Excellent's journey which we hope you will join us on.

**David Jordan OBE**  
Chairman

**We have enabled over 947,000 people to have year-round safe water close to home.**



**Photo:** Ndambuki Mbevi (right) and Mwendwa Mutinda (left), children of Woni Witu self-help group members, southeast Kenya, collecting clean water from a shallow well.



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

### What we do

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

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

### Our charitable objects

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

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

### Our purpose

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

### Strategic objectives and public benefit statement

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

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

## Journey to our vision.

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

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

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

**Globally, 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 2.3 billion people, including 74% of the world's poor people.**

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

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

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

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

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

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

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

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

**Since 2002 we have enabled around 947,000 people to have year-round safe water close to home at an average cost of £13.34 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.

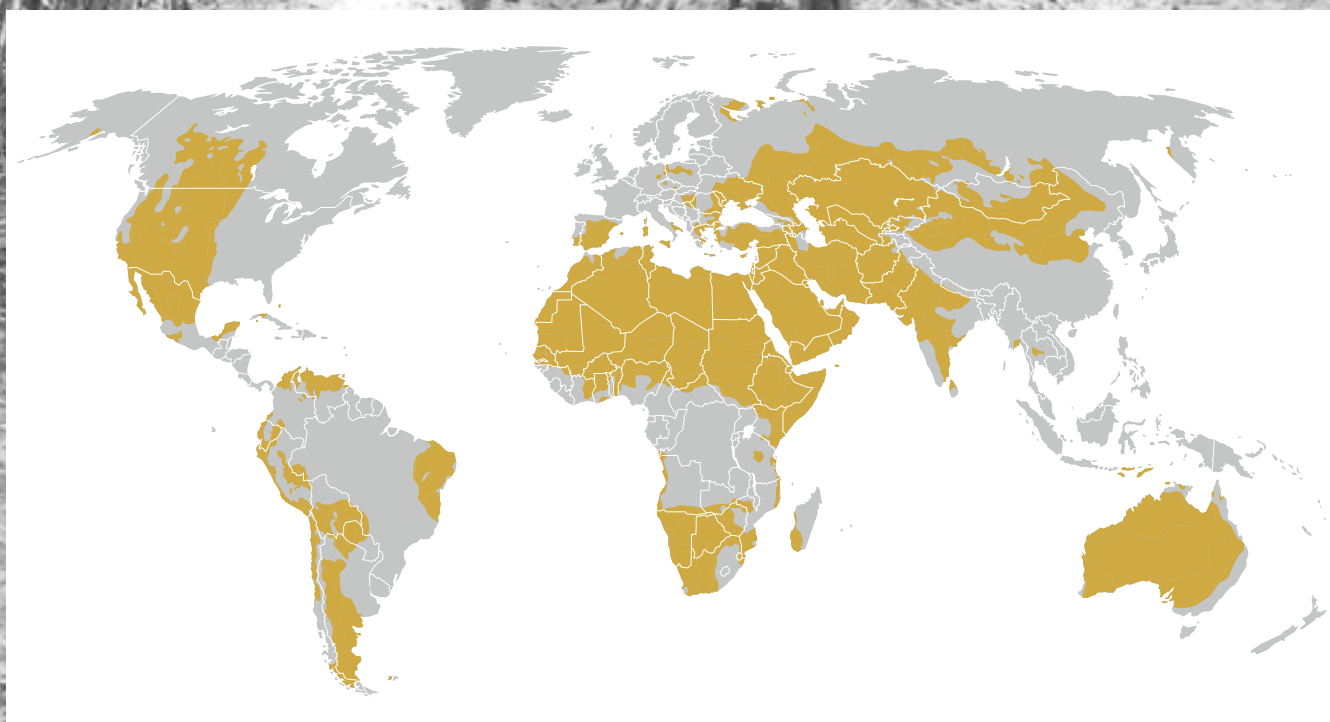


**People living in drylands are:**

2.3 billion of the world's population.

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

90% live in developing countries.



**People living in drylands manage:**

40% of the world's land area.

50% of the world's livestock.

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

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

We will:

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

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

We will:

- Directly support other organisations to build 100 sand dams every year by 2020, increasing to 200 every year by 2025.
- Expand our programmes in countries where we have already made an impact including Kenya, Mozambique 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 when we are succeeding when...

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

## Transforming lives.



**Photo:** Christina Ngete and Meshack Munyao, farmers and members of Ngao ya Kiome self-help group, southeast Kenya, on their orange farm.





### 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.

"Thanks to the nearby sand dam, the community and I will no longer have to walk for 10 hours each day to fetch water. We will have more time to work on our farms, improve our living standards, and also our children will also be free to go to school. Building a sand dam is challenging work, but it is worth it for the access to water and to see the change that it brings.



**Photo:** Veronica Mwende Mutua, farmer and chairlady of Heka Heka Syomwambya self-help group, southeast Kenya.



## Financial review.

Compared with last year:

**10%**

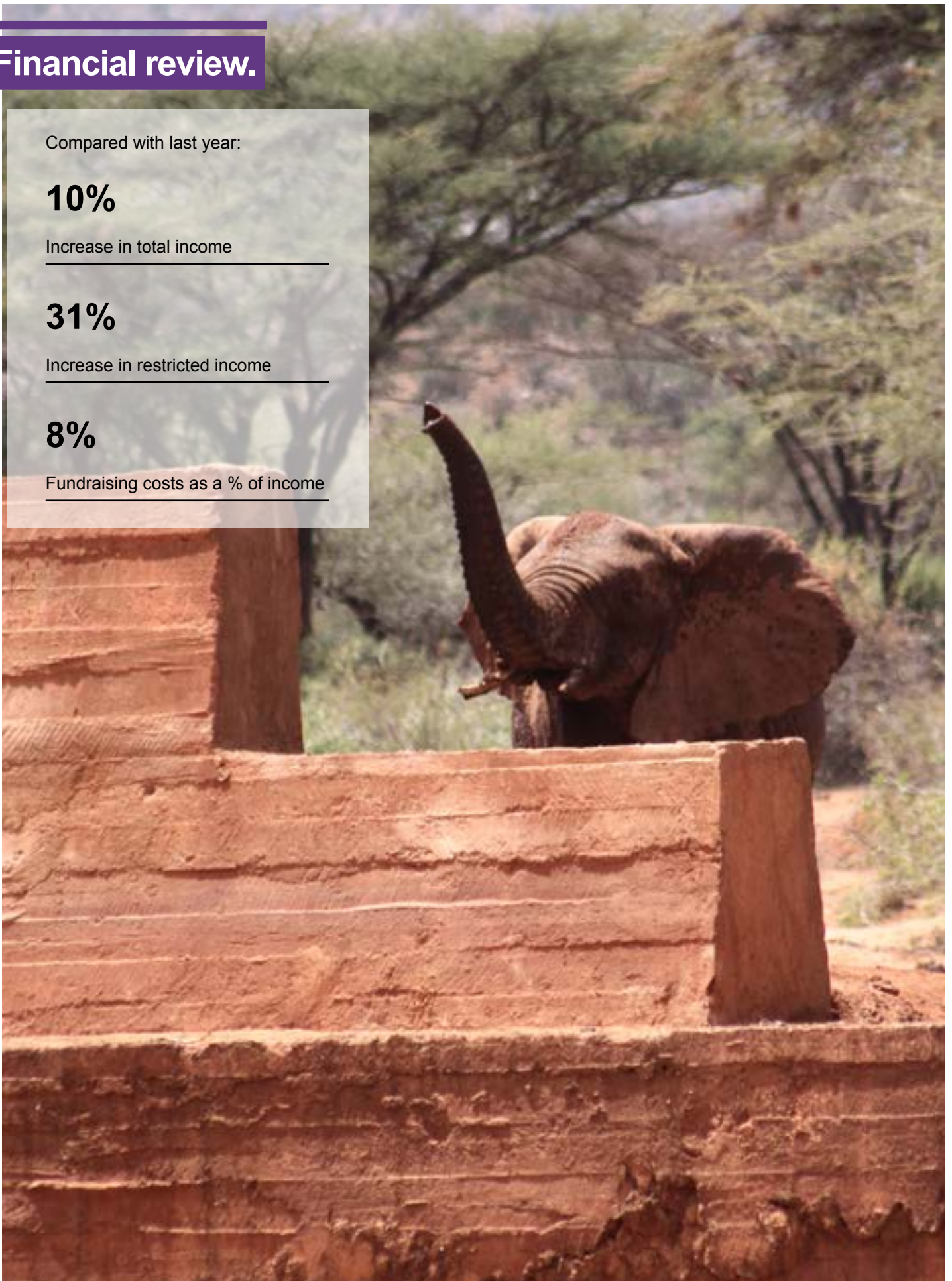
Increase in total income

**31%**

Increase in restricted income

**8%**

Fundraising costs as a % of income



**Photo:** An elephant in Lekurruki Conservancy, Northern Rangelands, Northern Kenya, drinking from a sand dam road crossing. .

## We achieved an increase in restricted income and reduced our core costs in 2017/18.

The results of the year's operations are set out in the attached financial statements. The unrestricted reserves at 31 March 2018 amounted to £177k.

Despite a year of challenges in the fundraising environment we achieved 81% of our fundraising target for the year generating income of £1.3m, an increase of 10% from the previous year. This year we achieved a surplus of £290k, a turn around from a deficit of (£374k) last year.

	2017/18 actual £000	2016/17 actual £000	2016/17 to 2017/18 Movement	%
Total income	1,264	1,144	120	10
Total expenditure	974	1,518	544	36
Surplus/(deficit)	290	(374)	664	

### Expenditure

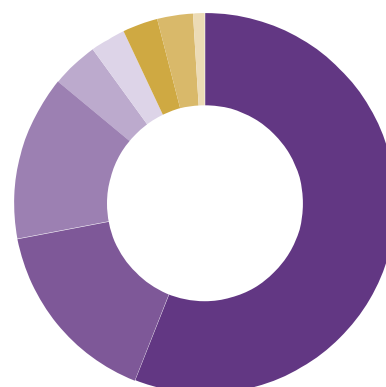
Overall expenditure for the year ended 31 March 2018 was £974K a decrease from £1518k the previous year. We spent 38% less than last year on charitable activities a reduction from £1230k to £765k and reduced the cost of raising funds by 27%. Core cost as a % of total expenditure reduced from 45% to 40% achieved by reducing staff in line with our current level of income.

Our support to overseas programmes decreased by 39% from £1,145k in 2016-17 to £700k in 2017-18. This year we reduced our investment in the southeast Kenya programme in line with our strategy as ASDF were able to secure funding from other donors. We also spent significantly less than planned in the Northern Rangelands, Kenya due to delayed dam construction resulting from prolonged rains during dam building season and tensions in the area around the elections in Kenya. This year we completed a five dam programme in India the majority of which was funded the previous year. We delivered reduced activities in Southern Africa programmes as we did not secure significant funding for the Zimbabwe programme.

### Charitable expenditure as a % of total expenditure

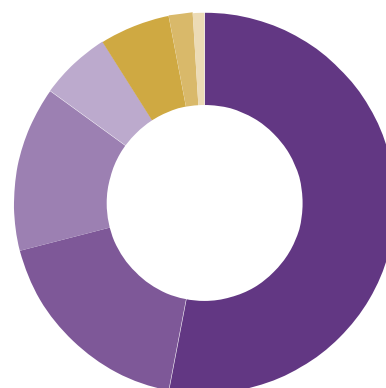
	2017/18 £000	2016/17 £000
Total spend on charitable activities	765	1,230
Total spend	974	1,518
<b>Ratio</b>	<b>79%</b>	<b>81%</b>

### 2017/18 Actual charitable expenditure: £765k



- 56% Community water and food, southeast Kenya
- 16% Community wildlife conservancies, Lekurruki, northern Kenya
- 14% Building sand dam capacity, Southern Africa
- 4% Knowledge sharing
- 3% Water for arid lands, India
- 3% Promoting sand dams
- 3% Community wildlife conservancies, Northern Rangelands, Kenya
- 1% Evidence and research

### 2018/19 Planned charitable expenditure: £958k



- 53% Community water and food, southeast Kenya
- 18% Building sand dam capacity, Southern Africa
- 14% Community Wildlife Conservancies, Lekurruki
- 6% Community wildlife conservancies, North Rangelands, Kenya
- 6% Evidence and research
- 2% Promoting sand dams
- 1% Knowledge Sharing



## Income

Income for the year ended 31 March 2018 amounted to £1,264k compared with £1,144k in the previous year.

This year we achieved 34% growth in income from individuals which was boosted by a £90k legacy and £85k raised by the Big Give Challenge.

Jersey Overseas Aid awarded us a three year grant for £393k to support water security in Southern Africa of which we received £135k this year. We also secured a two year grant from the Isle of Man Government for £86k for building resilient food and water secure communities in Ukambani, Kenya £56k of which we received this year.

Trusts and Foundations income was increased by 23% due mainly to a three year grant of £350k from Medicor Foundation for building resilient food and water secure communities in Kenya. The first instalment of £150k was received this year.

### Income stream mix

	2017/18 actual £000	2016/17 Total £000	% Variance
Small governments & institutions	236	301	-22
Trusts & foundations	506	413	23
Rotary	84	101	-17
Individual donors	407	303	34
Other income	31	26	19
<b>Total income</b>	<b>1,264</b>	<b>1,144</b>	-

### Where every £ went in 2017/18

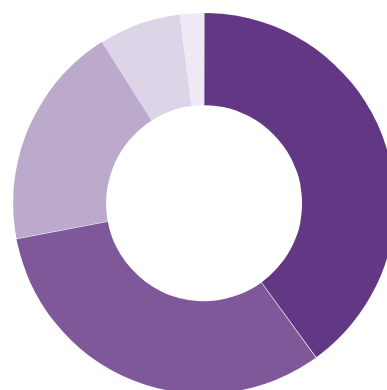
For every pound Excellent Development raised in 2017/18, 79p went directly to our charitable activities:

- 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.

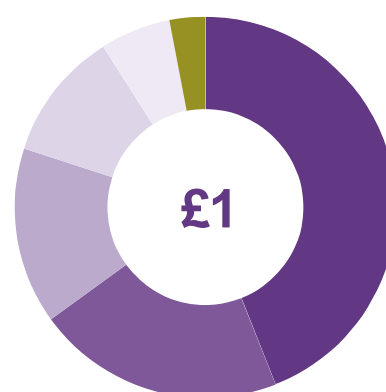
It was also used for communicating the impact of our work via our website and social media to spread the word about sand dams, to encourage others to build them, and attract new donors.

### Income stream mix 2017/18



- 40% Trusts & foundations
- 32% Individual donors
- 19% Small Governments & Institutions
- 7% Rotary
- 2% Other income

### Where every £1 went in 2017/18



- 44p Community water & food, southeast Kenya
- 21p Costs of raising funds
- 15p Community Wildlife Conservancies, Kenya
- 11p Building sand dams, Southern Africa
- 6p Pioneering sand dams
- 3p Water for arid lands, India

## 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.

	2017/18 Total £000	2016/17 Total £000
Small governments & institutions	41	68
Trusts & foundations	43	64
Rotary	22	35
Individual donors	93	109
Corporate	4	3
Community fundraising	2	3
Awards	-	0
<b>Total</b>	<b>205</b>	<b>282</b>

## Fundraising targets

The Charity achieved 80% of its fundraising target of £1.569k for the year. The increased funds raised from individual donors were offset by the shortfall from other income streams.

	2017/18 actual £000	2017/18 target £000	% achieved
Small governments & institutions	236	429	55%
Trusts & foundations	506	654	77%
Rotary	84	155	54%
Individual donors	407	303	134%
Other	27	28	96%
<b>Total</b>	<b>1,260</b>	<b>1,569</b>	<b>80%</b>

## Fundraising cost as a percentage of 2017/18 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 2017-18 total donations and legacies income stands at 16.3%. This is 8% lower than in the previous financial year.

	2017/18 £000	2016/17 £000
Cost of raising donation and legacies income	205	282
Donation and legacies income	1,260	1,140
Ratio of spend to income	16.3	24.7



## 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 £215k from £220k to £435k.

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 £77k from £100k to £177k. .

## 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.

	2016/17 actuals months	2017/18 actuals months	Better/Worse than minimum target months	2018/19 Budget months	Better/Worse than minimum target months
Reserves vs annual core costs (Policy 6 months)	1.74	4.9	1.1	3.23	2.77

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

To this end, we invested heavily over the financial year in activities to develop a more sustainable funding portfolio. This included promoting legacy giving, reactivation of lapsed donors, seeking new major donors, and a range of efforts to attract new supporters, in order to increase long-term income from individual giving. We will continue to focus on developing new institutional funding opportunities to cover our long-term programme funding needs over the coming years.

We also reduced our core costs, including staff reductions, to a level more in keeping with our current level of income and we will endeavour to maximise cost efficiency across the board.

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:

	2016/17 actuals months	2017/18 actuals months	Better/Worse than minimum target months	2018/19 Budget months	Better/Worse than minimum target months
Available funds vs annual expenditure (Policy 4-8 months)	2.52	7.56	3.56	5.52	1.52

The Consolidated Balance Sheet shows current assets of £615k. 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 in line with this risk, the organisation is looking to increase its activities to more countries.
- 40% of our income comes from the Trusts and Foundations and 19% from Jersey, Guernsey and the Isle of Man governments, while the remainder comes from individuals 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.



**Photo:** Josephine Mueni Kingangi, farmer and member of the Kyamuisu self-help group, southeast Kenya, collecting water from her nearest water source; which is a river 5km from her home. A nearby sand dam built in July 2018 will reduce that journey to less than 1km.



## Community water & food – Southeast Kenya.

### A long walk for water

In Kenya, 74% 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 the Ukambani region (including Makueni, Machakos and Kitui counties) to harvest rainwater and grow food. To date we have enabled the construction of 934 sand dams, 12 rainwater harvesting rock catchments, and 120 school water tanks, bringing safe water close to home for 886,458 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

States of Guernsey Overseas Aid and Development Commission, and Isle of Man Government.



**Photo:** Eric and Charles, farmers and members of Kyala Development self-help group, southeast Kenya, on their vegetable and fruit tree farm.





## 2017/18 Plans

**£430k**

Investment

**50**

Sand dams  
built

**61,180**

People with  
safe water

## 2017/18 Achievements

**£434k**

Investment

**61**

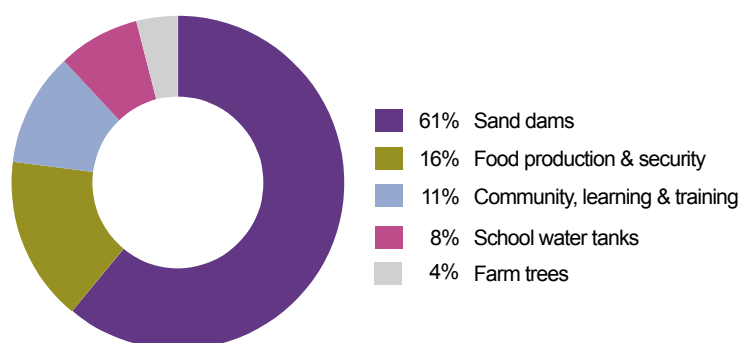
Sand dams  
built

**5**

School water  
tanks

**50,926**

People with  
safe water



This year ASDF exceeded their annual target of 50 sand dams, instead managing to construct 61 in 2017/18. The number of beneficiaries is slightly lower than expected because a number of the sand dams constructed this year were built near to previous sand dam sites, reducing the number of new beneficiaries. Dams are built close to each other to generate more widespread environmental benefits, and to provide enough water to allow multiple communities to have productive farms.

In September 2017, ASDF invested resources in hosting a learning visit on the theory and practical application of sand dams in dryland contexts. This was attended by representatives of the governments of Ethiopia and Chad, as well as members of UNICEF and other NGOs. The curriculum covered the siting and design of sand dams, global issues addressed by them, and field visits to mature sand dams to enable the visitors to see their impact first hand. It forms part of Excellent's strategy to pioneer sand dams, and to influence other organisations that can bring about the wider application of sand dams.

ASDF also completed a pilot Quality of Life study among 132 self-help group members from 12 communities. The results were very promising, demonstrating levels of hope, confidence, empowerment and pride among the community members increased during their time working with ASDF. The Quality of Life surveys will now be used by ASDF as part of their usual project monitoring procedures, which will support more detailed and accurate data to be collected over a longer period of time.

## 2018/19 Plans

**£513k**

Investment

**51**

Sand dams built

**70,792**

People with safe water



## Community wildlife conservancies – 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 eight sand dams and one school water tank in the region. Since 2017 we have enabled the first two sand dams of a planned network of five sand dams along the Tassia River, with the ambition of enabling this river to flow permanently again. These two sand dams are already having a remarkable impact on the area, and are holding substantial volumes 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.

One of the scoop holes being used is in a place where water had not been present since the river stopped flowing some years ago. There are now other areas of greenery and the area is damp behind the dam, 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 Government, The Dulverton Trust, Jersey Overseas Aid and Rotary Clubs within Rotary International in Great Britain and Ireland.



**Photo:** Pastoralists and their livestock in Lekurruki Conservancy, northern rangelands, northern Kenya.





## 2017/18 Plans

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

## 2017/18 Achievements

<b>£144k</b>	<b>2</b>	<b>7,200</b>
Investment	Sand dams built	People with safe water

This year, this programme has really progressed with the strengthening of the Lekurruki Conservancy Management Team, as well as the scaling up of sand dams into other conservancies.

However, this year saw a number of factors which affected dam construction. Kenya held their Presidential election, which led to delays in programme delivery due to tensions in the area around the election. Another challenge that affected programme delivery was very significant and prolonged rainfall, which prevented dam construction and access around the area during the main dam building season.

This year also saw a change in the management of LCT, therefore significant time and resources was invested in further capacity building for the new team, also delaying sand dam construction. However, the new staff have developed into a very competent team successfully managing dam construction in Lekurruki, and supporting other conservancies as they start to develop new sand dam programmes.

During the past year we have also made great progress in scaling up our work in the Northern Rangelands, and are developing programmes in two further conservancies with the support of LCT. This has included working with the conservancies to introduce the sand dam technology and process, agree timeframes, support with community mobilisation, and design four sand dams; all of which we plan to construct during 2018/19.

The sand dams in Lekurruki are having a very positive impact on the whole conservancy. Community members have spotted herds of elephants, as well as giraffe and zebra near the sand dams in Lekurruki, at times when they are usually forced into the mountains in search of water. Community members have also noted that clashes between humans and wildlife have reduced. Now there is more water available for all, people and wildlife are living more peacefully alongside each other.

## 2018/19 Plans

<b>£189k</b>	<b>6</b>	<b>4,395</b>
Investment	Sand dams built	People with safe water



## Water for arid lands – Rajasthan, India.

### The land of death

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

### Turning salty water sweet

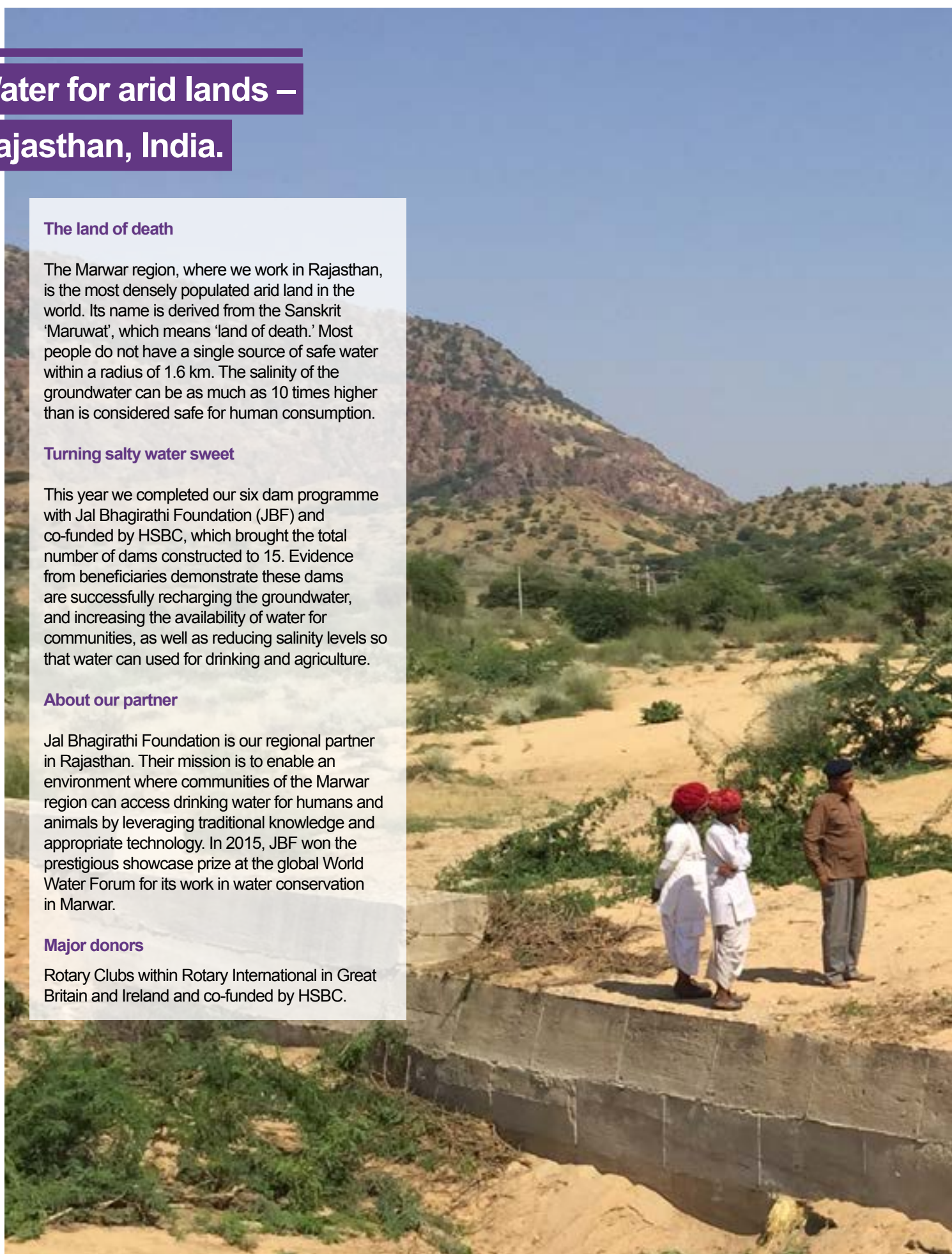
This year we completed our six dam programme with Jal Bhagirathi Foundation (JBF) and co-funded by HSBC, which brought the total number of dams constructed to 15. Evidence from beneficiaries demonstrate these dams are successfully recharging the groundwater, and increasing the availability of water for communities, as well as reducing salinity levels so that water can be used for drinking and agriculture.

### About our partner

Jal Bhagirathi Foundation is our regional partner in Rajasthan. Their mission is to enable an environment where communities of the Marwar region can access drinking water for humans and animals by leveraging traditional knowledge and appropriate technology. In 2015, JBF won the prestigious showcase prize at the global World Water Forum for its work in water conservation in Marwar.

### Major donors

Rotary Clubs within Rotary International in Great Britain and Ireland and co-funded by HSBC.



**Photo:** Members of the Thumba ka Goliya community in Marwar, Rajasthan, India, standing on top of their sand dam.



## 2017/18 Plans

**£80k**

Investment

**5**

Sand dams  
built

**12,600**

People with  
safe water

## 2017/18 Achievements

**£25k**

Investment

**5**

Sand dams  
built

**12,600**

People with  
safe water

Following the completion of this programme we conducted an external evaluation of the programme.

The review found that the dams are “providing down-stream and surrounding water-table recharge”, but it also questioned the extent of suitable sites for sand dam construction in this region.

As a result, following the external evaluation, this programme is currently under review.



## 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 lives below the international poverty line of US \$1.90 per day and 45% of under-five mortality is attributed to under-nutrition.

### 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

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.



**Photos:** Community members carrying stones to aid in the construction of the Chacalanga sand dam, Mozambique.





## 2017/18 Plans

**£97k**

Investment

**3**

Sand  
dams  
built

**7,750**

People  
with safe  
water

## 2017/18 Achievements

**£103k**

Investment

**4**

Sand  
dams  
built

**7,650**

People  
with safe  
water

CCM, our partners in Mozambique exceeded the plans this year to enable three sand dams in Tete province, instead completing four, bringing safe water to 7,650 people across the communities of Doka, Chacalanga, Catipo and Nkwiro. The final number of beneficiaries was lower than expected as the communities we worked with were slightly smaller than first anticipated.

In 2017/18, our two Southern Africa partners, Dabane and CCM, successfully collaborated to pilot the use of Rowa Handpumps in Mozambique. A handpump was first installed on the Wiriamo sand dam 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.

## 2018/19 Plans

**£175k**

Investment

**5**

Sand  
dams  
built

**11,431**

People  
with safe  
water



## 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

Over the past year we have strengthened our relationship with the Cranfield Water and Science Institute. They have carried out research on the quality of water being held in sand dams, and have also studied three sand dams in detail over a period of three months, to build up the understanding of how they work, and the different factors influencing their effectiveness.

### Water quality

Cranfield University have now published a paper in the Journal Water. The article is based on two sets of research; one from the London School of Tropical Medicine and Hygiene, and one from Cranfield University, assessing the quality of water from sand dams and the published paper confirms that water filtered through sand dams is clean.

### Water yield

In 2016/17 we undertook a pilot study which for the first time recorded how much water people collected from sand dams during the driest months. We found that the average amount being collected was 5.44 litres per day per person, which exceeds WHO minimum levels of 2 litres per day per person.

In 2017/18 we planned to fit smart meters to the handpumps that will accurately record the amount of water abstracted every hour to build up a large database, and demonstrate water yield and year-round availability. Due to lack of funding we were unable to do this, but have now secured the necessary funding to make progress over the next two years.

### Promoting sand dams

A key area of focus is to scale up our programmes both with respect to new countries, and also partners. Last year we secured funding to scale up our programme in Mozambique, carry out a feasibility study to investigate a potential programme in Tanzania and to develop a sand dams for wildlife programme.

This year, we will focus on visiting other suitable regions for sand dams within Mozambique, as well as developing links with potential new partners in Mozambique. We also plan to scale up our work by delivering a feasibility study in southeast Kenya with Kenya Wildlife Service to assess the suitability of sand dams in Tsavo National Park; and also to carry out a feasibility study in northern Tanzania where we will meet with potential partners to better understand the environment and logistics of constructing sand dams in the region. During these studies we will also visit specific sites and design a number of potential sand dams that could be constructed.

### Knowledge sharing

Another area of focus for working towards our strategy is improving the technical skills of people designing and constructing sand dams. One way we plan to do this is by developing an accreditation scheme to provide a standard for sand dam construction, with the long term aim being, that all sand dams are constructed by accredited engineers. Over the past year we worked with a consultant to develop an accreditation scheme to be piloted with our strategic partners, ASDF. The next steps are for members of ASDF's sand dam team to complete this accreditation process to trial it, before then rolling out to other organisations.

The other strand is developing and strengthening technical resources to support organisations and practitioners with sand dam construction. This year we have completed version 3 of the sand dam manual, a comprehensive guide to siting, designing, and constructing sand dams.

Over the next year, we plan to translate the sand dam manual into other languages, the first priority being Portuguese to support our work in Mozambique.







## 2017/18 Plans

**£86k**

Investment

## 2017/18 Achievements

**£65k**

Investment

## 2018/19 Plans

**£81k**

Investment

Our top priority in terms of strengthening our evidence base for 2018/19 is water yield. We have secured funding and are working closely with both Cranfield University and Oxford University to install meters onto hand pumps to accurately measure the amount of water being abstracted.

We also plan to conduct two feasibility studies to pilot sand dams in new areas; one in Tanzania, and the second focusing on sand dams for wildlife in Tsavo National Park in Kenya.

## What we have done so far

**£1,256k**

Investment

**242**

People trained

**38**

Organisations supported

**644**

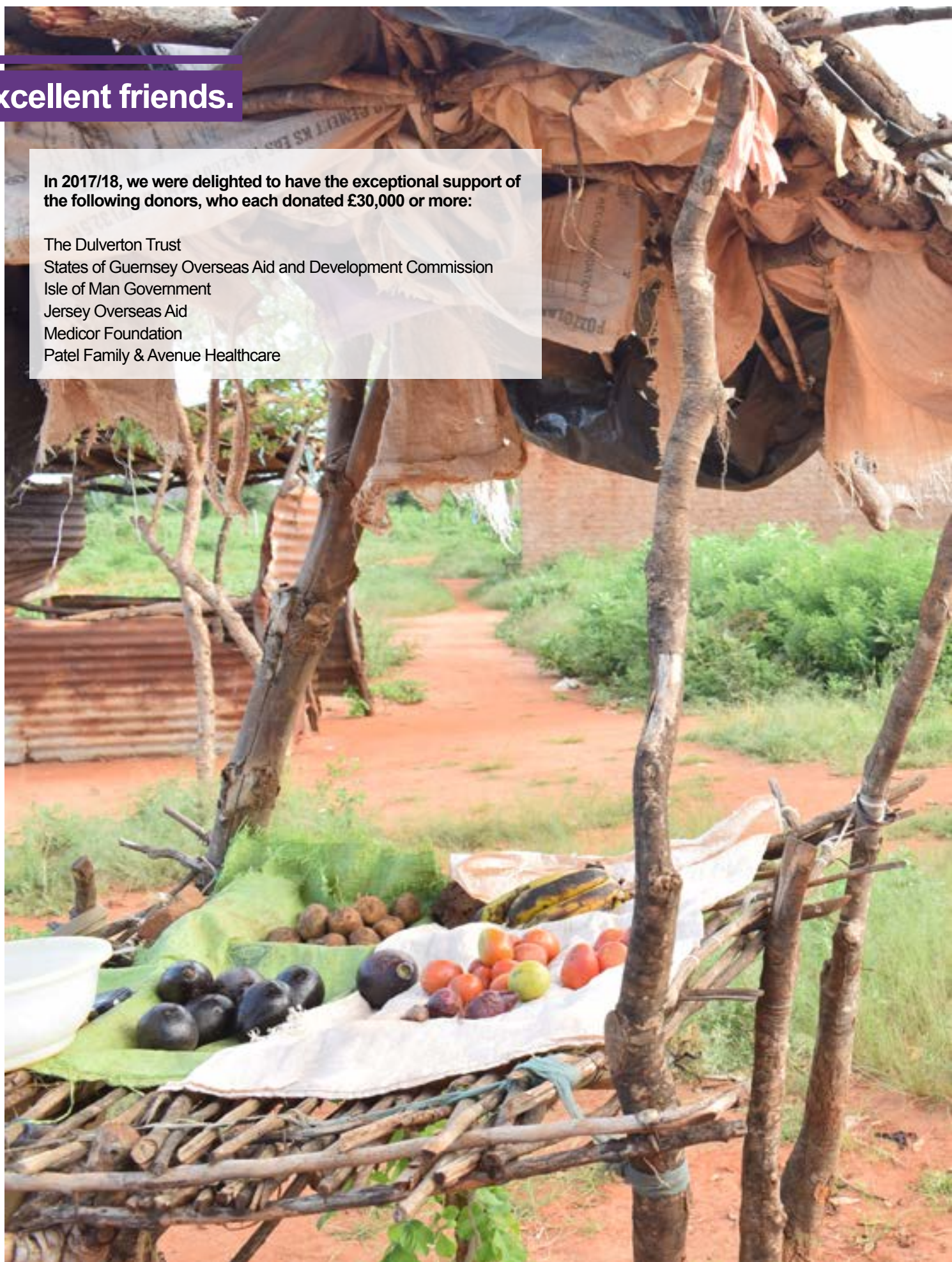
Sand dam manuals distributed



## Excellent friends.

**In 2017/18, we were delighted to have the exceptional support of the following donors, who each donated £30,000 or more:**

The Dulverton Trust  
States of Guernsey Overseas Aid and Development Commission  
Isle of Man Government  
Jersey Overseas Aid  
Medicor Foundation  
Patel Family & Avenue Healthcare



**Photo:** Christine Mutisya, farmer and secretary of Malaika self-help group, southeast Kenya, selling her fruit and vegetables on a local market stall.





**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.  
 Blandford Lake Trust.  
 Four Acre Trust.  
 François Abellard.  
 Joffe Charitable Trust.  
 Just a Drop.  
 Margaret Hayman Charitable Trust Fund.  
 Melinda Lowis.  
 Mennonite Central Committee.  
 Mitsubishi Corporation Fund for Europe & Africa.  
 Newfield IT.  
 Noel Buxton Trust.  
 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 Expat Foundation.  
 The ED Charitable Trust.  
 The JJ Charitable Trust.  
 The Venture Partnership Foundation.  
 The Waterloo Foundation.  
 TR Aid.  
 URS Millennium Project.



Charity number:	1094478
Company number:	4432166
Registered office:	2 Water Court, Water Street, Birmingham, B3 1HP
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:	Michael Kay & Company Ltd 2 Water Court, Water Street, Birmingham, B3 1HP
Bankers:	The Co-Operative Bank plc PO Box 250, Delf House, Southway, Skelmersdale, WN8 6WT
Patrons:	Sir Edward Clay
Directors and Trustees:	The directors of the charitable company (the Charity) are its Trustees for the purpose of charity law. The Trustees and officers who have served during the year or appointed since the year end were as follows:
Trustees and Members:	Alison Bell (resigned on 20th September 2018) David Jordan Mark Murphy Nigel Reader
Trustees:	Alex Day Bandish Gudka Barbara Busby Pam Gilder
Additional Members:	Angela Seal Bruce Irvine Christopher Ian Pockett Darren John Worsley David Brocklebank Dr John Seagar Fiona Charlotte Moore James Onions Jenine Ruth Langrish June Stapley Kirsty Cunningham Miten Patel Richard Alan Barnes Richard Pearce-Thomas Ron Daniels Sian Edwards Sir Edward Clay Tim James Wood Vaughan Pomeroy
Senior management team:	David Jordan (Chairman) Judith Eaton (Chief Operating Officer) Christine Whinney (Head of Programmes)

## Governing document

Excellent Development Ltd is a company limited by guarantee governed by its Memorandum and Articles of Association dated 26 October 2002. It is registered with the Charity Commission. Anyone over the age of 18 can become a Member of the Company and there are currently 23 members, each of whom agrees to contribute up to £10 in the event of the charity winding up.

## Appointment of Trustees

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

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

## Trustee induction and training

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

## Organisation

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

## Related parties and co-operation with other organisations

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

## Pay policy for senior staff

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

## Trustees' responsibilities

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

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

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

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

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

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

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

## Appointment of auditors

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

This report was approved and authorised for issue by the Trustees on 17th September 2018 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 2018 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 2018 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: Michael Kay & Company Limited

Chartered Accountants  
Statutory Auditor  
2 Water Court  
Water Street  
Birmingham  
B3 1HP

Date: 24 December 2018



**Excellent Development Limited (Company Reg. No. 4432166)**  
**Statement of financial activities for the period ended 31 March 2018**  
**Including consolidated Income and expenditure account**

	Note	2018 Unrestricted £000	2018 Restricted £000	2018 Total £000	2017 Total £000
<b>INCOME FROM:</b>					
Donations and legacies funding	2	299	961	1,260	1,140
Charitable activities	3	-	4	4	3
Investment management and interest	4	0	0	0	1
<b>Total income</b>		<u>299</u>	<u>965</u>	<u>1,264</u>	<u>1,144</u>
<b>EXPENDITURE ON:</b>					
<b>Raising funds</b>					
- Donation and legacies funding	5	111	93	204	282
- Charitable activities	6	1	4	5	6
<b>Cost of raising funds</b>		<u>112</u>	<u>97</u>	<u>209</u>	<u>288</u>
<b>Charitable activities</b>					
Overseas programmes	7	96	604	700	1,145
Pioneering sand dams	8	14	51	65	85
<b>Cost of charitable activities</b>		<u>110</u>	<u>655</u>	<u>765</u>	<u>1,230</u>
<b>TOTAL EXPENDITURE</b>		<u>222</u>	<u>751</u>	<u>974</u>	<u>1,518</u>
<b>NET INCOME/(EXPENDITURE)</b>		<u>77</u>	<u>213</u>	<u>290</u>	<u>(374)</u>

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

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

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

The Consolidated Statement includes income from Excellent Development IOM Ltd. of £92k; (£57k; 2017), and expenditure of £92k; (£57k; 2017), net loss of £NIL (£NIL 2017).

2017 total income of £1,144k consists of £738k restricted and £406k unrestricted income.

**Excellent Development Limited (Company Reg. No. 4432166)**  
**Balance sheet as at 31 March 2018**

	Note	Group 2018 £000	Group 2017 £000	Charity 2018 £000	Charity 2017 £000
<b>Fixed assets</b>					
Tangible fixed assets	9	3	5	3	5
<b>Total fixed assets</b>		<b>3</b>	<b>5</b>	<b>3</b>	<b>5</b>
<b>Current assets</b>					
Debtors	10	43	61	41	58
Cash at bank and in hand	11	609	303	609	303
<b>Total current assets</b>		<b>652</b>	<b>364</b>	<b>650</b>	<b>361</b>
<b>Liabilities</b>					
Creditors falling due within one year	12	(40)	(44)	(38)	(41)
<b>Net assets</b>		<b>615</b>	<b>325</b>	<b>615</b>	<b>325</b>
<b>Funds of the charity</b>					
Unrestricted funds	13	177	100	177	100
Restricted funds	13a	435	220	435	220
Property and equipment fund		3	5	3	5
<b>Total funds</b>		<b>615</b>	<b>325</b>	<b>615</b>	<b>325</b>

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 (2017: £3k) and assets of £2k (2017: £3k) from Excellent Development IOM Ltd.

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

The accounts were approved and authorised for issue by the Board on 4 September 2018.

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



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



	Group 2018 £000	Group 2017 £000	Charity 2018 £000	Charity 2017 £000
<b>A. Consolidated cashflow statement for the period ended 31 March 2018</b>				
<b>Cash generated from operating activities</b>				
Net cash used in operating activities	309	(386)	309	(386)
Interest received	-	1	-	1
<b>Cash flow from investing activities</b>				
Purchase of fixed assets	(3)	(6)	(3)	(6)
<b>Net increase/decrease in cash</b>	<b>306</b>	<b>(391)</b>	<b>306</b>	<b>(391)</b>

	Group 2018 £000	Group 2017 £000	Charity 2018 £000	Charity 2017 £000
<b>B. Reconciliation of net income/(expenditure) to net cash flow from operating activities</b>				
Net expenditure (as per the Statement of Financial Activity)	290	(373)	290	(373)
<b>Adjustments for:</b>				
Interest received	-	(1)	-	(1)
Depreciation	2	4	2	4
Movements between funds	2		2	
Movement in debtors	16	6	19	4
Movement in creditors	(1)	(22)	(4)	(20)
<b>Net cash used in operating activities</b>	<b>309</b>	<b>(386)</b>	<b>309</b>	<b>(386)</b>

	Group 2018 £000	Group 2017 £000	Charity 2018 £000	Charity 2017 £000
<b>C. Analysis of cash and cash equivalents</b>				
Increase in cash and cash equivalents	306	(391)	306	(391)
Cash at bank and in hand at the beginning of the year	303	694	303	694
Cash at bank and in hand at the end of the year	609	303	609	303

## 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 2018 was £0k (2016: £0k).

#### Excellent Development (IOM) Ltd

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

subsidiary because the company is the sole member.

The Capital and Reserves at 31 March 2018 was £0k (2016: £0k).

### 1.3 Income

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

Income includes the following types of income:

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

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

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

### 1.4 Expenditure

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

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

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

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

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

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



## 1.4 Core, support and governance costs

### Core costs summary

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

#### 1.4a Breakdown of total core costs

	2018 %	2018 £000	2017 %	2017 £000
Employment costs (see note 15)	83.6	322	89.5	609
Accommodation costs	11.8	46	6.5	45
Administration costs	4.6	18	4.0	27
<b>Total</b>	<b>100.0</b>	<b>386</b>	<b>100.0</b>	<b>681</b>

#### 1.4b Core costs allocation

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

	2018 %	2018 £000	2017 %	2017 £000
<b>Expenditure on raising funds</b>				
Donations and legacies funding	45.8	177	35.7	243
Charitable activities	0.0	0	0.2	1
	<b>45.8</b>	<b>177</b>	<b>35.9</b>	<b>244</b>
<b>Expenditure on charitable activities</b>				
Overseas programmes	12.2	47	18.6	127
Pioneering sand dams	4.3	17	4.8	33
	<b>16.5</b>	<b>64</b>	<b>23.4</b>	<b>160</b>
<b>Governance</b>	<b>4.5</b>	<b>17</b>	<b>7.8</b>	<b>53</b>
<b>Support costs</b>				
Overseas programmes	31.3	121	31.3	213
Pioneering sand dams	1.9	7	1.6	11
Sub-total	<b>33.2</b>	<b>128</b>	<b>32.9</b>	<b>224</b>
<b>Total core costs allocation</b>	<b>100</b>	<b>386</b>	<b>100.0</b>	<b>681</b>

### Support costs summary:

Support costs represent the costs incurred that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. This includes both staff time and direct costs such as flights and accommodation, providing support for charitable activities including management, monitoring, evaluation, policy work and technical support for programmes. This also includes the costs incurred by finance, human resources and information technology attributable to the management of the Charity assets and organisational administration. Total support costs of £150k (2017: £277k) includes core costs and travel and accommodation.

**1.4c Breakdown of total support costs**

	2018 £000	2017 £000
Core costs	128	224
Travel and accommodation	22	53
<b>Total support costs</b>	<b>150</b>	<b>277</b>

**1.4d Support costs allocation:**

	2018 %	2018 £000	2017 %	2017 £000
Overseas programmes	94.3	139	95.2	263
Pioneering sand dams	5.7	11	4.8	14
<b>Total support costs allocation</b>	<b>100.0</b>	<b>150</b>	<b>100.0</b>	<b>277</b>

**Governance costs summary:**

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

**1.4e Breakdown of total governance costs**

	2018 £000	2017 £000
Insurance	5	5
Audit fees	9	10
Trustee expenses	4	5
Professional fees and registration	6	2
Core cost allocation (See note 1.4b)	17	53
<b>Total governance costs</b>	<b>41</b>	<b>75</b>

Audit fees include the remuneration of the independent examiner for professional services incurred in relation to Excellent Development IOM Ltd for 2017/18.

	2018 £000	2017 £000
Excellent Development UK Ltd 2016/17	-	4
Excellent Development IOM Ltd 2016/17	-	4
Excellent Development UK Ltd 2017/18	4	-
Excellent Development IOM Ltd 2017/18	2	-
<b>Total</b>	<b>6</b>	<b>8</b>

**1.4f Governance costs allocation**

	2018 %	2018 £000	2017 %	2017 £000
Overseas programmes	94.3	39	95.2	71
Pioneering sand dams	5.7	2	4.8	4
<b>Total governance costs allocation</b>	<b>100.0</b>	<b>41</b>	<b>100.0</b>	<b>75</b>



**1.5 Tangible fixed assets and depreciation**

Fixed assets costing more than £500 are capitalised.

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

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

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

**1.6 Investment in subsidiaries**

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

**1.7 Foreign currency translation**

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

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

**1.8 Accumulated funds**

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

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

**1.9 Irrecoverable VAT**

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

**1.10 Taxation**

The activities of Excellent Development Ltd and Excellent Development Isle of Man Ltd. are for charitable purposes. Under part 11 of CTA 2010 no liability for corporation tax has arisen for the year to 31 March 2018 (nil to 31 March 2017).

**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**

	2018 Unrestricted £000	2018 Restricted £000	2018 Total £000	2017 Total £000
Trusts & foundations	89	417	506	413
Individual donors	187	220	407	303
Small governments & institutions	-	236	236	301
Rotary	2	82	84	101
Corporate	9	6	15	20
Community fundraising	12	0	12	2
Total	299	961	1,260	1,140

2017 income of £1,140k consists of £735k restricted and £405k unrestricted income.

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

	Purpose for which grant was received (see note below)	2018 Total £000	2017 Total £000
UK Government	a	0	149
Isle of Man Government	b	26	44
Isle of Man Government	c	0	5
Isle of Man Government	e	56	-
States of Guernsey Overseas Aid and Development Commission	d	19	-
States of Guernsey Overseas Aid and Development Commission	d	0	20
Jersey Overseas Aid	c	135	-
Jersey Overseas Aid	c	0	52
Total government grants		236	270

Included in the small governments and institutions income above are government grants of £236k (2017: £270k). This includes £135k which is part of a 36 month grant from the Jersey Government.

**Programmes for which grants have been received**

- Improved Food Production and Security for Six Communities in Rural Makueni County, Kenya
- Creating Sustainable Lives for People and Wildlife, Northern Rangelands, Kenya
- To Improve Water security in Southern Africa
- Water Tanks, Makueni County, Kenya
- Building resilient food and water secure communities in Ukambani, south east Kenya

**3. Charitable activities income**

	2018 Unrestricted £000	2018 Restricted £000	2018 Total £000	2017 Total £000
Expeditions	-	-	-	3
Learning Visits	-	4	4	-
Total	-	4	4	3

2017 income of £3k was restricted.



#### 4. Investment management and interest

	2018 Unrestricted £000	2018 Restricted £000	2018 Total £000	2017 Total £000
Bank interest	0	-	0	1
Total	-	-	0	1

2017 income of £1k was restricted.

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

	2018 Unrestricted £000	2018 Restricted £000	2018 Total £000	2017 Total £000
Trusts & foundations	0	43	43	64
Individual donors	58	35	93	109
Small governments & institutions	36	5	41	68
Rotary	13	9	22	35
Corporate	3	1	4	3
Community fundraising	2	-	2	3
Total	112	93	205	282

2017 expenditure of £282k consists of £59k restricted and £223k unrestricted expenditure.

Core costs of £177k have been allocated across the income stream activities (see Note 1.4b).

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

	2018 Unrestricted £000	2018 Restricted £000	2018 Total £000	2017 Total £000
Expeditions costs	0	0	0	6
Learning visits costs	1	4	5	0
Total	1	4	5	6

2017 expenditure of £3k was restricted and £3k unrestricted.

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

	2018 Unrestricted £000	2018 Restricted £000	2018 Total £000	2017 Total £000
Community water and food, southeast Kenya	40	386	426	561
Community wildlife conservancies, Lekurruki, northern Kenya	21	105	126	255
Building sand dam capacity, Southern Africa	26	79	105	138
Water for arid lands, India	5	20	25	109
Community wildlife conservancies, Northern Rangelands, northern Kenya	4	14	18	82
Total	96	604	700	1,145

2017 expenditure of £1,145k consists of £941k restricted and £204k unrestricted expenditure.

Core costs of £47k, support costs of £138k and governance costs of £39k have been allocated to the charitable activities (see Note 1.4).

**7a. Analysis of overseas programmes**

	2018 Support & governance costs £000	2018 In kind grants £000	2018 Direct grants £000	2018 Total £000	2017 Total £000
Community water and food, southeast Kenya	83	19	324	426	562
Community wildlife conservancies, Lekurruki, northern Kenya	49	17	60	126	254
Water for arid lands, India	8	17	0	25	108
Building sand dam capacity, southern Africa	26	14	66	105	139
Community wildlife conservancies, Northern Rangelands, northern Kenya	11	6	0	18	82
<b>Total</b>	<b>177</b>	<b>73</b>	<b>450</b>	<b>700</b>	<b>1,145</b>

2017 overseas programmes expenditure consists of £941k restricted and £204k unrestricted expenditure.

**7b. Direct grants**

The Charity paid out £457k in direct grants to its partners (2017: £616k). These are identified as follows:

	2018 £000	2017 £ 000
Africa Sand Dam Foundation, southeast Kenya	324	399
Lekurruki Conservation Trust, northern Kenya	61	67
Christian Council of Mozambique	57	24
Northern Rangelands Trust, northern Kenya	0	40
Jai Bhagirathi Foundation, India		37
Dabane Trust, Zimbabwe	8	49
Community Centre for Peace and Development, northern Kenya	-	-
<b>Total</b>	<b>450</b>	<b>616</b>

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

	2018 Unrestricted £000	2018 Restricted £000	2018 Total £000	2017 Total £000
Promoting sand dams	14	8	22	37
Knowledge sharing	0	32	32	30
Evidence & research	0	11	11	18
<b>Total</b>	<b>14</b>	<b>51</b>	<b>65</b>	<b>85</b>

2017 expenditure of £85k consists of £35k restricted and £50k unrestricted expenditure.

Core costs of £17k, support costs of £11k and governance costs of £2k have been allocated to the charitable activities (see Note 1.4).



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

	2018 Support and governance costs £000	2018 In Kind grants £000	2018 Total £000	2017 Total £000
Promoting sand dams	14	7	16	37
Knowledge sharing		33	38	30
Evidence and research	-	11	11	18
Total	14	51	65	85

2017 pioneering sand dams expenditure consists of £35k restricted and £50k unrestricted expenditure.

### 9. Tangible fixed assets

	2018 £000	2017 £000
<b>Cost or valuation</b>		
Opening balance	30	31
Additions		6
Disposals		(7)
Balance as at year end	30	30
<b>Depreciation</b>		
Opening balance	25	28
Charge for year	2	4
Disposals		(7)
Balance as at year end	27	25
Net book value as at year end	3	5

### 10. Debtors

	2018 £000	2017 £000
Prepayments	11	4
Accrued income	15	41
Deposits	2	4
Other debtors	15	12
Total	43	61

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

### 11. Cash at bank and in hand

	2018 £000	2017 £000
Bank balances	605	301
Cash	4	2
Total	609	303

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

	<b>2018 £000</b>	<b>2017 £000</b>
Creditors	7	24
Accruals	8	9
PAYE	8	10
Deferred income	17	1
<b>Total</b>	<b>40</b>	<b>44</b>

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

**13. Movement in funds**

	<b>As at 1st April 2017 £000</b>	<b>Incoming resources £000</b>	<b>Outgoing resources £000</b>	<b>Transfers £000</b>	<b>Total Movements £000</b>	<b>As at 31st March 2018 £000</b>
Unrestricted	100	299	(223)	2	78	177
Restricted	220	965	(751)	-	214	435
Property and equipment	5	-	-	(2)	(2)	3
<b>Total</b>	<b>325</b>	<b>1,264</b>	<b>(974)</b>	<b>-</b>	<b>290</b>	<b>615</b>

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

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

	<b>As at 1st April 2017</b>	<b>Incoming resources £000</b>	<b>Outgoing resources £000</b>	<b>Total movement £000</b>	<b>As at 31st March 2018 £000</b>
Community water and food, southern Kenya	59	553	(393)	160	219
Community wildlife conservancies, Lekurruki, northern Kenya	60	87	(99)	(12)	48
Water for arid lands, India	15	5	(19)	(14)	1
Building sand dam capacity, southern Africa	46	148	(80)	68	114
Community wildlife conservancies, Northern Rangelands, northern Kenya	28	22	(13)	9	37
Promoting sand dams		6	(6)		-
Knowledge sharing	10	31	(33)	(2)	8
Evidence and research	-	17	(11)	6	6
Learning visits		4	(4)		
Marketing	-	21	(21)	-	-
Fundraising	2	71	(71)	-	2
<b>Total Restricted</b>	<b>220</b>	<b>965</b>	<b>(750)</b>	<b>215</b>	<b>435</b>



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

	Unrestricted funds £000	Restricted funds £000	Property & equipment fund £000	Total funds £000
Fixed assets	0	0	3	3
Current assets	196	454	-	650
Current liabilities	(19)	(19)	-	(38)
Total assets less current liabilities	<u>177</u>	<u>435</u>	<u>3</u>	<u>615</u>

**15. Employees**

	2018 £000	2017 £000
Salaries and wages	282	525
Employer NIC	29	49
Pension	2	2
Recruitment	2	20
Training	1	4
Health Insurance	6	9
Total	<u>322</u>	<u>609</u>
Average number of employees	<u>8</u>	<u>13.3</u>

The average number of employees reflects the full time equivalent.

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

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

	2018 £000	2017 £000
Travel	3	4
Other	1	1
Total	<u>4</u>	<u>5</u>

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

There are no key management personnel requiring disclosure.

**17. Pensions and post retirement benefits**

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £2k (2017: £2k)

**18. Financial commitments**

As at 31 March 2018 the Charity is committed to £12,797.50 lease cost for its office until 31 August 2018 (2017: £17,618). From 1 September 2018, the Charity is committed to £135,653.71 lease cost for its office until January 2023.

**19. Related parties**

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

# Our philosophy & values

## **People & relationships:**

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

## **Environment & sustainability:**

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

## **Service:**

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

## **Nothing comes for free:**

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

## **Excellence:**

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

## **Innovation & passion:**

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

## **Integrity:**

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

## **Business efficiency:**

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

## **Safeguarding statement:**

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

# Excellent

# Development



## Address

Unit G13  
The Foundry  
17 Oval Way  
London  
SE11 5RR

## Contacts

+44 (0)20 3752 5780  
[team@excellent.org.uk](mailto:team@excellent.org.uk)

[www.excellentdevelopment.com](http://www.excellentdevelopment.com)

## Social

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

## Charity registration number (England & Wales)

1094478  
Registered company number: 4432166