

## **EXCELLENT DEVELOPMENT LIMITED**

**Annual Report and Financial Statements  
For the year ended 31 March 2011**



**Excellent Development Limited is a company limited by guarantee  
Registered in England and Wales:  
Company Number: 4432166 Charity Number: 1094478**

## Contents

<b>Chairman's message</b>	<b>3</b>
<b>Annual report of the Board of Trustees</b>	<b>4</b>
<b>Legal and administrative information</b>	<b>4</b>
Objects, vision, purpose and objectives	5
Public benefit statement	5
Management and staffing	6
<b>2020 strategic direction</b>	<b>7</b>
Charitable activity	7
Income	9
<b>2010-11 activities and performance</b>	<b>11</b>
Relationships with other organisations	11
2010-11 operational review	11
2010-11 financial review	15
Benefits and impacts of our work	19
<b>2011-12 plans</b>	<b>22</b>
<b>Trustees' responsibilities</b>	<b>26</b>
Trustee policy	26
Risk assessment	26
Grant management policy	27
Reserves policy	27
Investment policy	27
Appointment of auditors	27
<b>Independent auditor's report</b>	<b>28</b>
<b>Financial statements</b>	<b>30</b>
Statement of financial activities	30
Balance sheet	31
Notes to the financial statements	32

## Chairman's message

This has been another exciting year of achievement for Excellent Development; we have increased charitable expenditure in 2010/11 by 51% enabling thousands more people to gain access to clean water whilst improving food production and incomes. It has been a pleasure to see the communities we support exceeding their targets for building sand dams and terracing their farm land.

As part of our new vision that "Sand dams will transform millions of lives", we are now working with five partners to pilot and implement sand dam technology in four more countries. We will consolidate this work during the coming year whilst also launching a sand dam manual, which will help bring the technology within reach of NGOs in drylands worldwide.

In the light of continuing economic uncertainty, it has been pleasing that our income generation has held firm, particularly as the previous year had included the £250K received from the Daily Telegraph Christmas Appeal.

The composition of the Board of Trustees changed significantly with us welcoming Dr Daleep Mukarji OBE, the former Chief Executive of Christian Aid as a new Trustee. In addition, we lost the experience of Nigel Melville and Jenine Langrish, who I would like to thank for the contributions they have made to Excellent over their periods of tenure.

We were also delighted to receive pro bono support from the design consultancy WPA Pinfold who facilitated a rebrand of Excellent Development as "Excellent, Pioneers of Sand Dams" reflecting our new strategy of promoting sand dams in drylands worldwide.



The last year has been a time of significant challenge for Excellent within the environment it operates. I've been pleased to see us continue to expand the number of communities we work with, maintain income levels and promote the use of sand dams on a wider basis.

Finally, I would like to thank all our trustees, staff, partners, supporters and donors who enable us to support thousands of farmers to bring a significant increase to their quality of life. Most importantly, I pay tribute to the incredible work of our overseas partners and the farmers they support. A cornerstone of our work is that "nothing comes for free" and the farmers we support contribute 40% of the total costs of the work we support – through their own labour contributions to truly "help themselves".

We hope our annual report reflects the impacts of our work and that we will continue to receive your invaluable support.

**Stephen Owen**  
**CHAIRMAN**

## Legal and administrative information

Excellent Development Limited (Excellent) is governed by its Memorandum and Articles of Association as a company limited by guarantee.

The Trustees and Members during the year were as follows:

**Trustees & Members:** Stephen Owen  
Darren John Worsley  
Jenine Ruth Langrish (Resigned 12<sup>th</sup> July 2011)  
Mark Murphy  
Nigel Edward Melville (Resigned 8<sup>th</sup> September 2011)  
Christopher Ian Pockett

**Trustee:** Dr Daleep Mukarji OBE (Appointed 16<sup>th</sup> December 2010)

**Additional Members:** Simon Richard Maddrell  
Fiona Charlotte Moore  
Richard Pearce-Thomas  
Richard Alan Barnes

**Patrons:** Lord Joel Joffe CBE  
Sir Edward Clay

**Operational address:** Studio 59  
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195 High Street  
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**Registered office address:** 2 Water Court  
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<b>UK bankers:</b>	The Co-operative Bank plc Kings Valley Yew Street Stockport SK4 2JU	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling, Kent ME19 4JQ
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**Company Secretary:** Anthony Powles

**Auditors:** Michael Kay & Company  
2 Water Court  
Water Street  
Birmingham  
B3 1HP



## Objects, vision, purpose and objectives

### Our objects

The objects of the Charity are:

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

### What we do

Excellent supports subsistence farmers and their families to gain access to clean water and grow more food to eat, store and sell. We support communities to build sand dams which provide clean water and the potential to invest time in sustainable agriculture.

### Our vision

Sand dams will transform millions of lives

### Our purpose

- To support farmers in developing countries to gain access to clean water and grow enough food to eat and sell;
- To promote sand dam technology and environmental conservation;
- To support organisations to implement sand dams alongside food and water programmes.

### Strategic objectives

- Support farming communities in drylands worldwide to achieve water and food security through soil and water conservation and improved farming techniques.
- Engage with development organisations at the local, national and international level to influence and support wider adoption of sand dam technology, soil and water conservation and improved farming techniques.
- Promote sand dams and environmental conservation as a means to build resilience to climate change in drylands.
- Promote community self-help as the critical factor in creating sustainable development.
- Enhance development education and awareness worldwide.

### Public benefit statement

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

Excellent Development's charitable purpose is enshrined in its objects:

- To promote the conservation, protection, and improvement of the physical and natural environment for the public benefit;
- To relieve poverty, in particular but not exclusively, by supporting sustainable development projects;
- 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

The Trustees ensure that this purpose is carried out for the public benefit by ensuring our operational activity, both in the UK and overseas, directly supports the charity's objects. This is reviewed both through direct management control, our evaluation and monitoring reporting, and by our financial control regime.

Excellent Development's philosophy is community driven, in that the work we facilitate is based on the needs of the communities we work with, as identified by the members of those communities.

The structure of the Trustees' Annual Report allows us to report on our strategic objectives, activities and achievements as well as future plans. We have included extracts from the evaluations carried out with communities on pages 20-22. Communities have described the benefits and impacts of the work they do supported by Excellent – clearly demonstrating the linkage to our charitable objects.

## Management and staffing

**Simon Maddrell**, a founder Member of Excellent in May 2002, is our Executive Director. He has responsibility for implementing the strategic objectives of the organisation within clear policies set by the Trustees. He ensures that the staff team is recruited and supported to provide the skills and experience needed to run a successful organisation and observe the philosophy and values of Excellent.

**Sophie Bown** worked for Excellent from 2006 until April 2011. Her last role was Communications Manager, managing our website and supporter and donor communications, including e-mail marketing and social media.

**Ian Neal** joined us in July 2007 and is the Programme Manager. Ian is leading the promotion of sand dam technology and our programme to expand the number of countries where sand dams make an impact. Ian also manages our grant management, advocacy and research activities.

**Emily Ambrose** who joined us in August 2007 was Personal Assistant to the Executive Director and Chairman, as well as managing human resources and training and working on the development of Excellent's trading arm. Emily left Excellent after her maternity leave in July 2011.

**Alexandra Oatham** joined us in November 2008 as Fundraising Development Manager. Her role is to develop and manage corporate and philanthropy relationships as well as managing expeditions and our relationship with Rotary.

**Benjamin Araud** was the Trusts and Institutions Fundraising Manager since joining the charity in January 2009. He managed new and existing trust and institutional donors and public organisations such as schools and Rotary groups. Ben also managed the distribution of development education resources to schools and UK Development Education Centres. Ben left Excellent in April 2011.

**Muhammad Ahmad** is the Finance Manager. Muhammad joined the charity in September 2009 and manages the finance, administration and governance activities of the charity.

**Louise Storey** joined Excellent in November 2009 as Programme Officer. She was appointed Head of Operations in July 2011. Her role as Head of Operations is to lead the management and development of Excellent's fundraising and programme activities to efficiently and effectively achieve our purpose and goals.

**Bongani Ncube** worked at Excellent from January to December 2010. Her role was to manage grants and co-ordinate our advocacy activities.

**Lucy Jenkins** joined Excellent in May 2010 as HR and Office Administrator providing maternity cover for Emily. She is responsible for the day-to-day running of the office as well as managing human resources and IT support. She also provides assistance to the Finance Manager.

**Alice Ashby** has been with Excellent since June 2010. Appointed to her role in May 2011 as Trust Fundraising Manager she designs and implements the fundraising strategy for charitable trusts and financial awards, involving maintaining relationships and income from our current trust donors and developing potential opportunities with other charitable trusts and foundations.

**Gemma Fowler** joined in September 2010 as Individual Giving Manager. Gemma's role is to manage and develop Excellent's relationship with supporters who make personal donations or take part in sponsored events.

**Diana Vollmerhausen** joined Excellent in May 2011 as Head of Communications. She has responsibility for Excellent's communications strategy and manages our brand, website, social media and off-line media presence.

**Alexander Day** joined Excellent in June 2011 as Programme Officer – Grants and Institutions. His role is to manage relationships with overseas partners and to generate funding from institutional donors.

## 2020 strategic direction

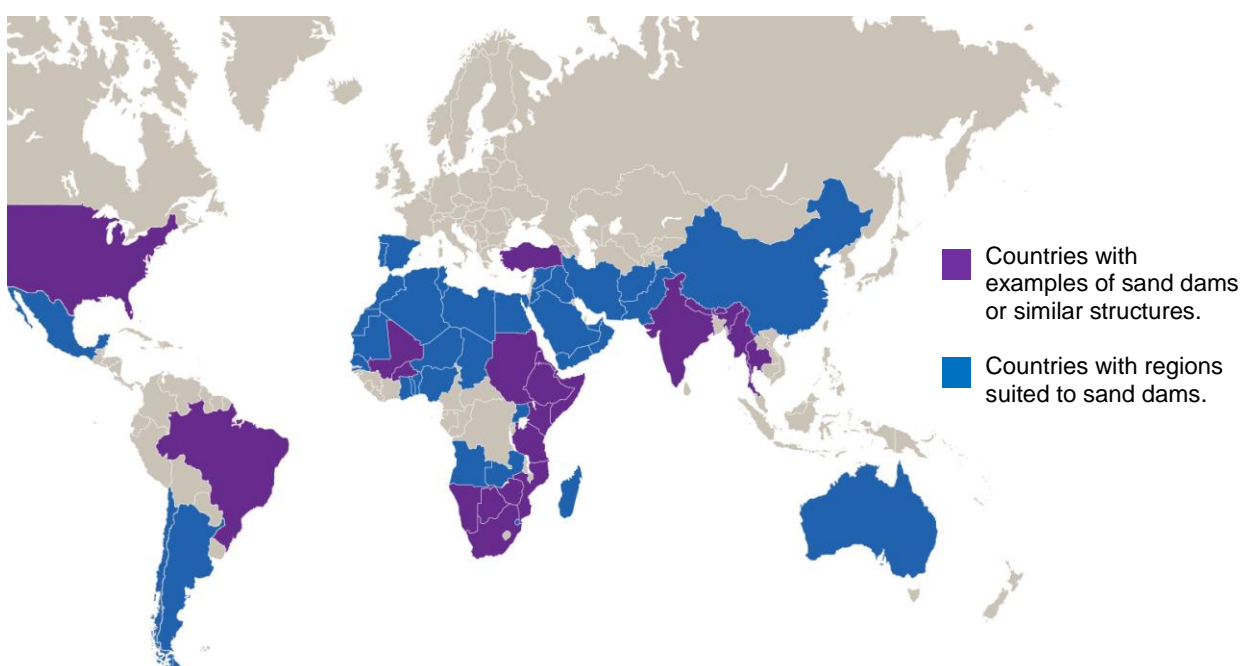
### Charitable activity - overseas strategy

Here at Excellent we are passionate about sand dams. Sand dams are the world's lowest cost method of capturing rainwater in dry rural areas. They vastly improve people's lives and transform dry environments into places where animals, plants and people can thrive. We sometimes refer to 'the miracle of sand dams' because the amount of water they make available seems unbelievable. However it's not literally a miracle, it's just a simple way to capture rainwater run-off and make it available close to farmers' homes. This is one of the reasons we love sand dams so much because they keep water where it's needed, avoiding expensive technologies to bring water back after it's gone. By capturing the rainwater where it falls, you can provide year-round clean water for the equivalent of £10 per person, for life.

The potential for sand dams is therefore enormous and our 2020 strategic direction is focused on the enormous impacts that sand dams could make to disadvantaged people living in drylands around the world. Excellent is committed to promoting sand dam technology and environmental conservation as a means of providing clean water, increasing food production and building resilience to climate change.

The slide below explains the potential for the greater utilisation of sand dams as there are only around 150 built each year in the world today. Sand dams have the potential to be used in vast areas of dryland in the world – home to 80% of the world's poor, where 44% of the world's food is produced. Climate change will seriously impact the ability to maintain this level of food production and sand dams can mitigate these impacts and create the potential for increased food production and reduction in poverty.

### The potential for sand dams



- 40% of the world's land is classified as drylands
  - 2.3 billion people live in drylands
  - 80% of the world's poor rely on dryland resources
  - 44% of the world's food is produced in drylands
- Source: UNDP

Sand dams can be built anywhere where there are seasonal rivers with sandy sediments – conditions that are found across the world's drylands. However, there are currently less than 150 sand dams being built per year worldwide, mainly in Kenya. Excellent's mission is to change this.

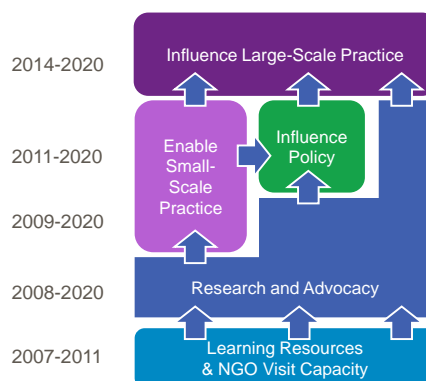
Promoting sand dams – a technology with a 2,000 year history – to the mainstream of development practice is no easy task. We have therefore developed a strategic model that takes a step-by-step approach to first of all influencing small-scale practice whilst all along increasing the amount of evidence (proof of benefits and impacts) to a level that will be able to influence policy and large-scale practice. We call these activities ‘programme development’.

Critically, this process isn’t about inappropriately promoting one technology over another – or even being technology-led. Sand dams are not widespread because they aren’t even considered as ‘one of the technologies in the tool bag’ when working with communities to identify solutions to water issues. There are places where they aren’t appropriate – you need sufficient sand content in the seasonal riverbeds and the river gradient cannot be too steep or too shallow. Equally critical is to understand that this is not about *replication*. Any technology that aims to make a sustainable difference to the lives of the world’s disadvantaged needs to be appropriate to that political, economic, social and technical environment; therefore the process needs to be seen as the *application* of a technology so that it both works efficiently and effectively and addresses community needs. In this way it is vital that a proper and thorough process of ‘piloting’ the technology takes place prior to any attempts to implement a full programme.

This change in strategy means that our work is no longer just managing grants to NGOs overseas to implement integrated food and water programmes involving sand dams, but four additional sets of activities. Along with our strategic partners we need to provide the opportunity for interested parties to see the impacts of sand dams and experience the process to start to understand applicability to their circumstances. One crucial part of this is a sand dam manual. Too often we see organisations and engineers mystifying the technology of sand dams that only serves to separate it from the communities who could benefit and creates a dependence on ‘foreign experts’ to implement. We want to create a sand dam manual that demystifies the technology but also enables people to build dams that work. It’s not an easy task, but when one considers that 750 sand dams have been built in Kenya in the last 30 years without water engineers, one can see it is possible to combine sharing experience backed up with learning resources to remove the barriers to the growth of sand dams. As described, the next step is to ensure effective pilots are carried out so that any decision to invest in larger sand dam programmes is appropriate. Of course all these activities provide the opportunity for research to demonstrate the benefits and impacts that sand dam programmes can deliver. This further strengthens advocacy activities whereby we plan to develop a website to share resources on sand dams and engage with agencies, networks and institutes to promote sand dam technology.

Excellent’s goal is that 2,500 sand dams a year will be built by 2020 – there are less than 150 a year being built now. Excellent won’t do this alone and nor do we want to. We want to work with strategic partners to develop around six ‘Centres of Excellence’ in three continents whereby sand dam technology can be tested, demonstrated and proven in a variety of political, economic, social and technical

### Programme development model



2020 Vision

Excellent

### The development of Excellent



2020 Vision

Excellent



environments. Through this we will be able to promote the technology so that sand dams become a 'mainstream' water solution considered side-by-side with the more well-known technologies. This approach echoes our experience of supporting community groups in Africa whereby visits and exchanges between different communities is a key driver of development and adoption of sand dams in new areas.

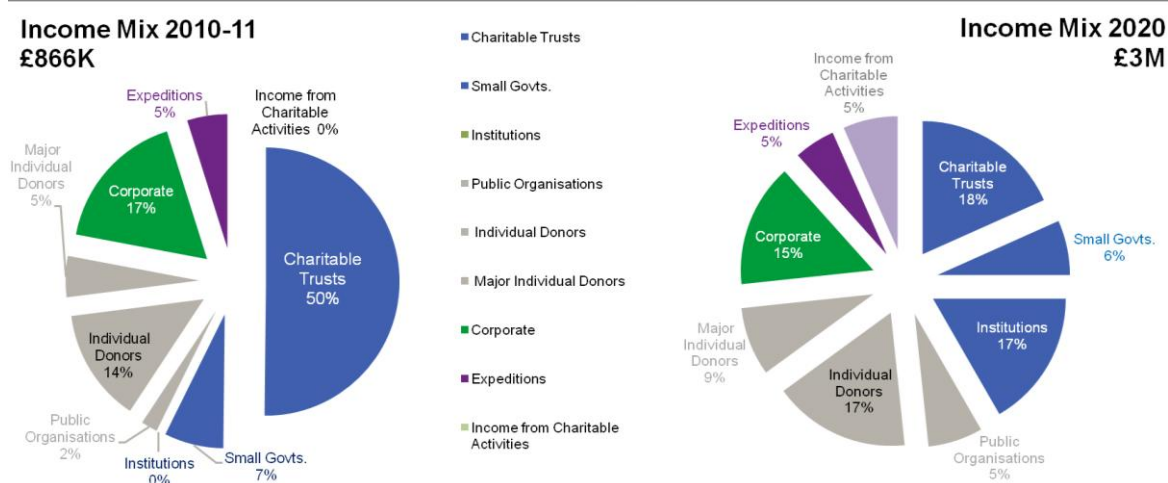
Whilst our focus is promoting sand dams through community-based action, we are not ignoring the potential elsewhere. For example, sand dams could also be implemented as part of a public works programme on seasonal rural roads – combining bridges with sand dams – rather than the traditional culvert. In addition, many game reserves in the world could be made more resilient to drought through sand dams. Elephants can dig water from sand dams and drought resilience would protect many endangered species and increase revenues.

## Charitable activity – development education

Although a small part of our charitable activity, development education is a very important part of our strategy. Influencing understanding of sustainable farming in developing countries and the crucial role of soil and water conservation as a prerequisite to rural development is important at all levels. Seeking to expose school children, young people, teachers and university students to the remarkable impact of sand dams is part of a long-term advocacy strategy. Expeditions of young people and corporate employees to see, experience and feel the process of sustainable development are all part of the same process. Development education can of course also create demand for expeditions and opportunities for fundraising. We will promote our resources for Key Stage 2, 3 and 4 students and redevelop and expand our promotion of sustainable farming, soil and water conservation and sand dams throughout the education system.

## Income strategy – fundraising

In order to be sustainable as an organisation ourselves it is critical that we diversify our income streams and increase levels of unrestricted funds to enable us to have the agility to respond to opportunities and changing needs. The pie charts below show our income mix last year and an indicative picture of the mix by 2020:



In particular we are very keen to develop both individual giving and institutional funding – although the latter needs careful planning so as not to create a 'feast and famine' of income for both us and the development organisations we work with and support financially. We believe that expeditions have great potential for growth and is a priority because of its linkage to other fundraising and advocacy. In addition income from charitable activities will be important to grow in order to make our programme development activity more sustainable. This income stream would involve gaining income from the larger charities intested in sand dams by providing consultancy, support and enabling learning visits. Another area that we believe has potential is our TreeDuty brand which is used for voluntary carbon offsetting by planting endangered and medicinal trees in protected forests. We believe it provides a wider market place of donors than those interested in supporting development in Africa and we will be expanding our fundraising activities in this area with both corporates and the general public.

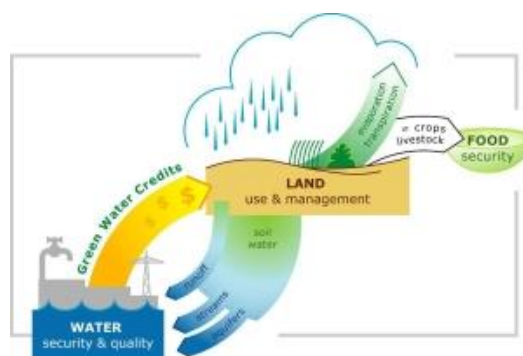
Strategically we also want to encourage or enable fundraising functions from other markets. We have struggled to establish a foothold in the USA but will continue to see how this could work. We have definite plans to establish a charity in the Isle of Man, which would enable us to strengthen our connection to the Manx government as well as provide a focussed constituency for individual fundraising. The Isle of Man also enables us to 'hot house' ideas and initiatives for individual giving prior to making larger investments in the UK. We also have interest from Australia, which would enable access to funds from the whole Asia Pacific region.

Fundraising is of course not restricted to 'developed nations' and we aim to support our strategic partners to gain funds from other organisations and in-country to reduce dependence. We also aim to support our partners to build their capacity to demonstrate the impacts and benefits required by donors. This will also reduce Excellent's support costs necessary to meet those donors' needs and increase employment and capacity in partner countries.

### Income strategy – rewarding farmers for conservation

Over the next ten years there are likely to be further income opportunities for our partners and the farmers they support. Initiatives whereby farmers themselves can gain income because of their soil and water conservation or carbon emission related activities. Two examples of this currently in the early stages are Green Water Credits and the Agroforestry Policy Initiative, both of which provide exciting potential for the sand dam and tree planting integrated programmes that we support to become financially self-sustaining.

Green Water Credits is an environmental reward system that promotes sustainable land and water management by farmers, so that land and water degradation diminish and both water quantity and quality increase. Green Water Credits will guarantee investments for land users to apply simple, but effective soil and water management practices, which leads to an increase in the amount of green water upstream and blue water downstream. There are projects in their early stages in Morocco, China and Kenya, the latter being the Tana basin where sand dams are being considered as part of the programme design. See <http://greenwatercredits.info>.



To encourage the formation of a global partnership to unlock this untapped potential, the World Agroforestry Centre has launched an Agroforestry Policy Initiative. The Initiative aims to support policy reviews and reforms that will stimulate agroforestry and benefit rural people. "This Initiative will support national and local policy reforms that will reduce barriers and improve incentives for private investment in agroforestry," said Dennis Garrity, Director General of the World Agroforestry Centre. "Agroforestry can deliver a wide range of benefits. It can enhance food security, improve rural livelihoods, make better use of scarce rainwater and absorb atmospheric carbon." See <http://www.worldagroforestry.org>.



In addition, there is a class of carbon offset mechanisms referred to as REDD schemes (Reducing emissions from deforestation and forest degradation), which may be included in a post-Kyoto agreement. REDD credits provide carbon offsets for the protection of forests, and provide a possible mechanism to allow funding from developed nations to assist in the protection of native forests in developing nations. The conflict between conserving environments and improving livelihoods is constricting efforts aimed at reducing emissions from deforestation and forest degradation in sub-Saharan Africa. REDD projects involve providing an incentive for changing the way forest resources are used. They offer a new way of curbing CO<sub>2</sub> emissions, through paying for actions that prevent forest loss or degradation. This can involve carbon trading or paying people to manage forests. One REDD scheme with considerable potential in Africa is agroforestry, which would massively increase the potential, particularly in drylands where 80% of the world's poor live. Developing countries' quest for food security through agricultural expansion often leads to deforestation and forest degradation. Agroforestry integrates growing trees with agricultural and horticultural production. It can help reduce deforestation indirectly by providing tree products and services that would have otherwise been exploited from forests, such as wood, charcoal, and nutrient-rich soils. See <http://www.un-redd.org/>.

## 2010-11 activities and performance

### Relationships with other organisations

These are the organisations that we co-operated with during 2010-11 in pursuit of our charitable objectives, excluding those organisations that act solely as donors.

Overseas operational partners	Abbreviation	Country
Africa Sand Dam Foundation	ASDF	Kenya
Christian Council of Mozambique	CCM	Mozambique
Dabane Trust	Dabane	Zimbabwe
Mennonite Central Committee	MCC	Kenya and Mozambique
SOS Sahel Sudan	-	Sudan
SOS Sahel International UK	-	UK and Sudan
Ukamba Christian Community Services	UCCS	Kenya
Utooni Development Organisation	UDO	Kenya
WaterAid	-	UK and Uganda
Other partners	Activity	Country
Andrews Charitable Trust	Strategic supporter	UK
One World Centre	Development education	Isle of Man
Inspire Worldwide	Expeditions	UK and Kenya
Quest Overseas	Expeditions	UK and Kenya
Venture Partnership Foundation	Strategic supporter	UK

## 2010/11 operational review

### Highlights

- Excellent launches new brand as part of new strategy
- 'Highly Commended' award for Excellent
- Our 2010 goals exceeded for sand dams and terracing
- New grant management and strategic partner in Kenya
- Now working with five partners to implement sand dam technology
- Key Stage 2 development education resources launched

### Rebranding

Having gone through a whole new vision and strategy for Excellent, we were approached by one of our corporate sponsors who offered to provide *pro bono* support to carry out a rebranding exercise. Myles Pinfold, Director of WPA Pinfold, explained, "We came across Excellent Development because of its TreeDuty initiative and have been very impressed by the way it operates. We admire the organisation for its integrity and open and accessible approach. We feel it will benefit considerably from our brand and marketing communications expertise".



With our old brand and current website being over five years old and our vision and strategy having changed so much, we accepted their generous offer of support at no cost. Above and in the page footer you can see the new logo and strap line. Simplifying our brand name to Excellent will make it more memorable and the strap line of 'Pioneers of Sand Dams' helps people to understand what we do, emphasise our unique selling point in the UK charity sector and reflect our new vision. The water drop and leaf motif strengthens this identity, reflecting the holistic nature of our work and how the water supplied from sand dams enables communities to plant trees and improve food production.





## Awards



In June 2010, Excellent was runner up in the small charity category (less than £1M turnover) at the 2010 'charitytimes Awards'. This follows previous success in winning 'The Charity Awards' in 2008 (Environment category and Overall Winner); and the 'Third Sector Excellence Awards' in 2009. We were also runners up for the St Andrews Prize for the Environment in 2009.

## Grant management

Grant Management is the work we do supporting NGO partners overseas to manage established food and water programmes – our core offering to donors who wish to support farmers to improve their lives and that of their families. Our two partners during 2010-11 were Utooni Development Organisation (UDO) and Africa Sand Dam Foundation (ASDF).

When we were founded in 2002, we set joint goals with UDO of what would be achieved by the end of 2010 and we have exceeded this in terms of sand dams and terracing – with tree planting falling short because of the prolonged droughts in 2006 and 2008-10. 320 sand dams have been built versus the target of 300. The 1,000 km target for terracing and trenching has been exceeded by an incredible 344 km. Tree planting has reached 808,735 so far – 191,265 short of the one million target.

Supported by both Excellent and the Mennonite Central Committee (MCC), UDO built 45 sand dams and 13 extensions to sand dams last year. 15 dams and 3 extensions were directly funded by Excellent. Terracing continues to be a vital activity to enable farmers to retain water and top soil in their farms to increase food production potential. 67 UDO communities dug 176 km of terraces or trenches – 40 km more than planned. Because there was a big improvement in the October-December rains in some regions, communities were able to plant 108,442 trees, which was 24,472 over their target. UDO also built one school water tank; this is a reduction from the 5 built last year as UDO no longer supports this initiative.

We have supported the creation of a new NGO, ASDF, in Kenya, which is working in Makueni County, the drier region of where UDO also does some work. The senior team of Kyalo Matheka and Musila Silu have significant sand dam and development experience from their work with Excellent in the past. Following their start up in July 2010, they have supported 13 communities to build 21 sand dams and 5 km of terracing. As their current sole donor, we have invested in their infrastructure with the support of trusts including the Andrews Charitable Trust. As part of our Strategic Partnership, ASDF also ran two expeditions and a learning visit, all of which were highly successful. We are also supporting ASDF to develop their in country fundraising and donor management so that they are able to be both more sustainable and less driven by Excellent and its own funding priorities.

A key challenge of emerging from a long period of drought is not having enough seeds to plant - many farmers are left without a store of seeds, or cash to buy them, after battling with water and food shortages. Excellent supported both UDO and ASDF to provide a range of quality seeds suitable for dry environments, to enable farmers to both increase food production and work towards seed security.

Following a review by the Board, Excellent has decided to temporarily suspend funding of UDO for 2011. We have clearly outlined our expectations and hope that they will be able to meet these during 2011.



Mumbuka Self-Help Group vegetable nursery in Kenya



Sand dam building Ndethye Ngutethye Self-Help-Group, Kenya



## Programme development

As discussed in the 2020 strategy section there are a set of key activities involved in our programme development work to increase the impact of sand dams in dryland areas world-wide:

- Opportunity identification
- Learning visits and resources
- Sand dam (and/or organisational) pilots
- Research
- Advocacy
- Development Education

### Opportunity identification

During 2010-11, we identified further opportunities with WaterAid and the Dabane Trust in Zimbabwe.

In January 2010 a total of ten WaterAid and Rain Foundation visitors (including staff from Ethiopia, Ghana, Uganda, UK and Zambia) visited UDO in Kenya. Following on from this WaterAid Uganda achieved funding from the EU to integrate sand dams into their programme in central and eastern Uganda.

The Dabane Trust has 20 years experience of using technologies to abstract water from the lower catchments of large sand rivers as part of their food and water work with communities. In late 2009 they expressed interest in utilising sand dams as part of their programmes further up river catchments where sand dams are appropriate.



### Learning visits and resources

In January 2011, twelve staff from CCM, Mozambique (along with three staff from Dabane, Zimbabwe) visited ASDF for a two week learning visit. Excellent facilitated a programme of workshops and visits to enable CCM to learn more about areas of ASDF's work that they had identified would be useful. This included the Excellent/ASDF approach to community engagement and development; visits to both UDO and ASDF projects where they spoke to Self-help group (SHG) members; experience of the improved farming techniques employed by ASDF. In the second week, operational teams were given further hands-on training in the siting of sand dams and their design as well as the skills for laying terraces.

As discussed in our 2020 Strategy, a sand dam manual is critical for unleashing the potential for exponential growth in the use of sand dam technology. Whilst we knew this was a big task, we did underestimate how difficult and time consuming it would be. The other 'sand dam manuals' we know only really talk about design in theoretical terms - using equations that require data either impossible or impractical to gather. The major focus is on construction but again only at a superficial level. The manual we are developing aims to provide a guide that can be utilised by our NGO partners to implement sand dams, complemented by technical support in the initial stages, including the key issue of 'technology application' rather than 'replication' of what has been done by our partners in Kenya. So far around 50% of the content of the manual has been captured and 25% documented.

### Sand dam (and/or organisational) pilots

Overleaf is a summary of our progress this year with engagement, learning visits and pilots with other organisations.

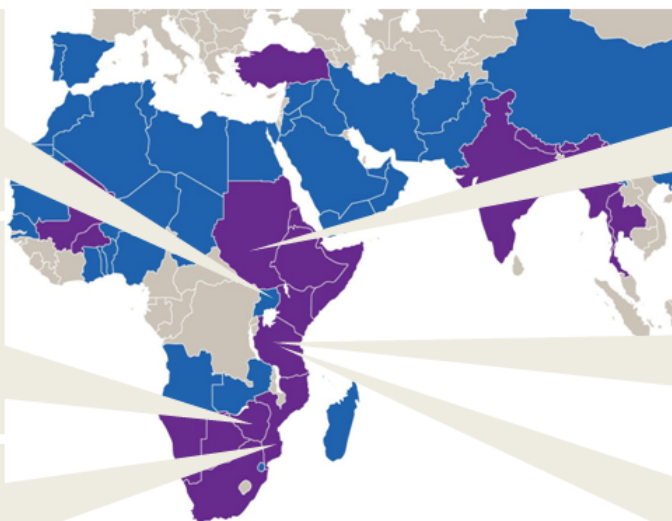
In terms of CCM in Mozambique, it is worth clarifying in more detail the support we gave them in 2010-11. In December 2010, we facilitated a workshop with both their central and provincial teams in Maputo. The workshop was designed to enable CCM to more clearly define their "ASA" programme (water and agriculture programme) to increase the use of sand dam technology from two to eight provinces. The workshop defined the overall strategy, goals and provincial priorities. It also reviewed all the functions and activities required for successful implementation including governance and management structure; community engagement; a defined agriculture programme; technical challenges of sand dams; monitoring and evaluation; fundraising and donor management; finance processes and budgeting; human resource and training needs. The output was an action plan up to April 2011, which Excellent provided funds to finance the central CCM team co-ordinating the programme.

## Progress 2010-11

**Uganda** – WaterAid made a learning visit from four country offices to Kenya in March 2010. WaterAid Uganda has received funding for a sand dam programme and Excellent and ASDF will provide them with technical support.

**Zimbabwe** – Three staff from the Dabane Trust completed a learning visit to Kenya in Jan. 2011 and are planning a further visit of ten team members in April 2011. Excellent and ASDF will support their programme to build 21 dams by 2014.

**Mozambique** – We have supported the creation of CCM's national sand dam and agriculture programme. Excellent facilitated a strategy workshop to help them think through all parts of the programme. CCM also completed a learning visit to Kenya in Jan. 2011.



**Sudan** – We supported SOS Sahel Sudan to pilot sand dams into their conflict reduction programme, as a way of managing the conflict created by water shortages.

**Kenya** – We have signed a strategic partnership with ASDF to promote sand dams, provide technical assistance and learning visits to Kenya. We also funded 21 dams and a food production programme in 2010-11.

**Kenya** – UCCS completed a learning visit to ASDF in October 2010. Supported by ASDF, we have also enabled UCCS to pilot two sand dams in Northern Machakos in November 2010. We have been planning for further support for 2011-12.

### Research

During 2010-11, the focus has been on tactical research initiatives, which are required to demonstrate the benefits of sand dams and the type of data required to better understand the conditions required to apply sand dam technology.

We have started initiatives to measure the impacts on:

- School attendance of both sand dams and school water tanks;
- Measuring the sand content of river beds above and below existing sand dams to measure water yield;
- Water quality testing from different abstraction methods.

### Advocacy

Whilst we have continued to engage with a number of organisations and networks, including promotion of sand dams through our website and social media, we are still to develop a defined and prioritised 5-year strategy for advocacy. We have completed a top-level design for a new advocacy website called SandDams.com which will be implemented in 2011. We have also engaged with the Millennium Villages programme to see how we could support the integration of sand dams into their holistic village model of development.

### Development Education

During 2010-11 we have distributed our Key Stage 3 & 4 geography resources to all UK development education centres as well as responding to requests from teachers. We distributed 161 resource packs in 2010-11, giving a total of 461 overall.

Thanks to the support of the One World Centre in the Isle of Man we have launched Key Stage 2 resources for primary schools focussing on the citizenship aspects of the curriculum. As with our other resources this included a video, lesson plans and teacher resources. We formally launched this at the 2011 Geographical Association conference, where we also continued to promote our other resources and received fantastic feedback on their value to geography teachers.

## 2010-11 financial review

### Highlights

- 51% increase in charitable expenditure
- 3% reduction in income
- Four-fold increase in corporate and expeditions income
- 57% increase in individual giving
- Income and expenditure virtually balanced (£85 deficit)
- Reduction in reserves of £68K

### Summary

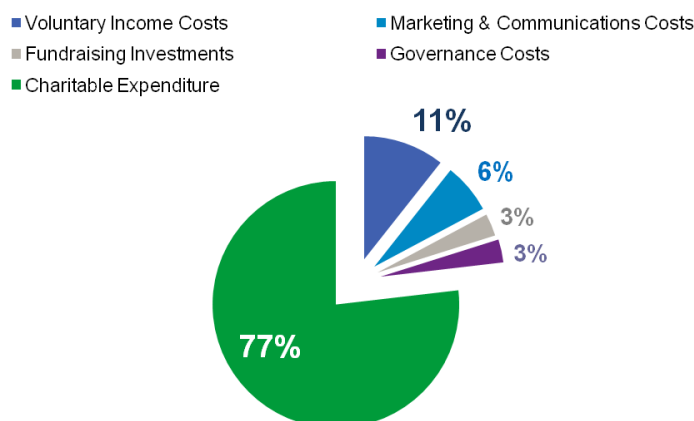
2010-11 has been a challenging year with pressures on fundraising and implementation of our operational strategy. Income fell by £28K to £866K. Expenditure increased by £233K to £866K, which was still £297K short of budget due to income shortages and slower growth in programme development than planned. Whilst the deficit for the year was only £85, we saw a decrease in reserves of £68K. Reserves now stand at £238K, which are 5.4 months of 2011-12 budgeted core costs and 2.5 months of budgeted total expenditure. Reserves are below policy level and a key focus for 2011-12 will be to at least return to minimum policy levels of reserves.

### Expenditure

Expenditure for the year increased by 37% to £232,977 – 95% of the increase was in charitable expenditure. In line with our strategy, grant management expenditure increased by 32% and programme development by 101%. The cost of generating funds increased by 10% due to investments we made in individual fundraising. Governance costs reduced by 20% - due to a review of the make-up of governance costs in line with SORP and a reduction in Trustee expenses due mainly to reduced overseas travel.

	2010-11	2009-10	Change	Change
	£	£	£	%
<b>Expenditure</b>	<b>865,670</b>	<b>632,693</b>	<b>232,977</b>	<b>37%</b>
Cost of generating funds	185,255	168,258	16,997	10%
Charitable expenditure	654,714	432,464	222,250	51%
Governance	25,701	31,971	(6,270)	(20)%

**Costs as % Expenditure**  
(excludes activities to generate funds)



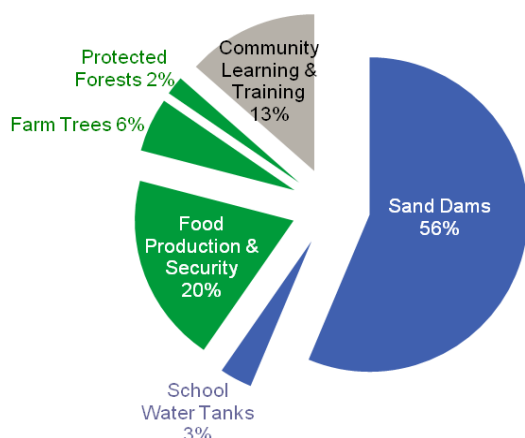
In terms of expenditure mix, our charitable expenditure has increased to 77% of total expenditure (increasing from 70% in 2009-10). Governance costs have reduced by £6,270 to 3% of total expenditure, which shows a decrease from 5% in 2009-10. Fundraising costs total 20% of expenditure: 11% is voluntary income costs; 6% is marketing and communications costs; 3% of the income generation costs

have been funded by fundraising investments by strategic donors. Our strategic partners ACT and VPF continue to enable investment in the diversification of our income streams – in particular taking advantage of the potential created by The Daily Telegraph Christmas Appeal in 2009.

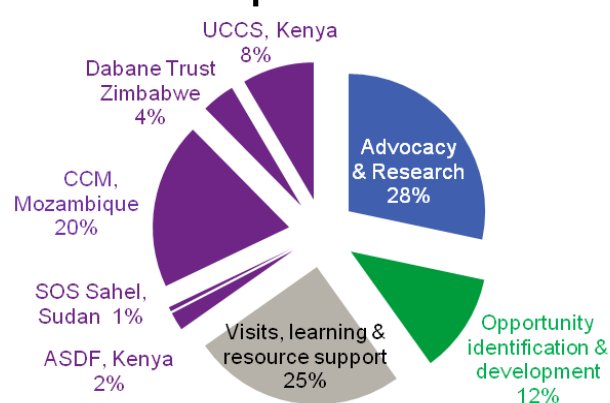
As important, if not more important, is actually how the 77% charitable expenditure is spent. Excellent has rigorous financial control over its grants, reviewing performance on a monthly basis against detailed budgets. Funds are also distributed on a monthly basis to reduce risks to a minimum. With its new strategy, Excellent splits its charitable expenditure into two main parts: Grant Management (where we work with organisations who are supporting farmers to address food and water) and Programme Development (where we are mainly supporting organisations to pilot or develop sand dam technology as part of their food and water programmes).

A very positive note in 2010-11 is that charitable expenditure increased by 51% to £654,714. Expenditure on grant management increased from £297,885 to £393,099 due mainly to the new strategic partnership with ASDF in Kenya. Our commitment to promoting sand dam technology has meant an increase of 101% to £254,994.

### Grant Management Expenditure



### Programme Development Expenditure



Grant management expenditure can be split into three main categories: provision of water; food production and security, including trees; and community learning and training, which is a key part of our approach to enable farmers to learn from each other and developing the skills of partners' staff. The mix of expenditure is almost identical to 2009-10 with the exception of other water solutions, driven by UDO's decision to stop supporting school water tanks. This will increase again in 2011-12 in partnership with ASDF.

Programme development expenditure can be split into four categories: advocacy and research; opportunity identification and development; visits, learning and resource support; and support for those organisations committed to promoting sand dam technology. Expenditure with ASDF represents grants to host the learning visits of other organisations.

### Income

Income for the year dropped by 3% overall to £865,581 with a range of increases and decreases in income streams. Income from our traditional core income stream, trusts and foundations, increased by 14% to £447,575 – 54% of total income. We had a reduction of £212,891 in income from media appeals due to the predicted failure to repeat a national newspaper Christmas appeal. This was compensated by an increase of £65,809 in individual giving, mainly from retained Daily Telegraph donors. Major individual donations reduced by £7,654, almost entirely due to an exceptional donation related to the Daily Telegraph appeal. Income from small governments reduced by £75,721 due to us receiving only one grant from the IOM Government. The IOM Overseas Aid Committee has had an enormous increase in applications and had suspended its multi-year grant scheme.

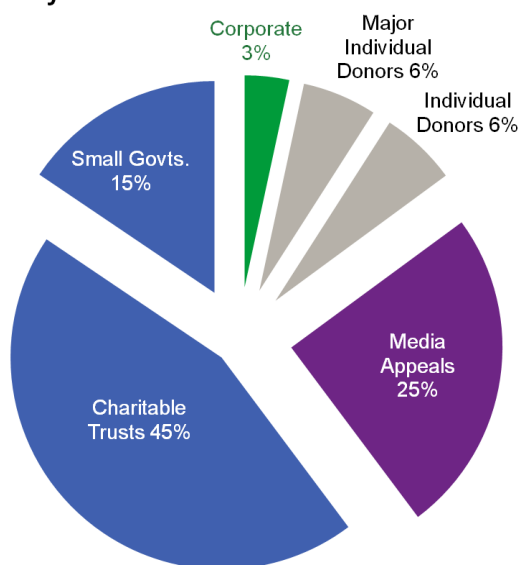
Corporate income increased by 392% due mainly to Excellent being appointed the charity of the year by the international legal firm SJ Berwin. Expedition income grew by 444% to £41,880 due to expeditions from both Quest Overseas and Inspire Worldwide, as well as expeditions organised by Excellent.



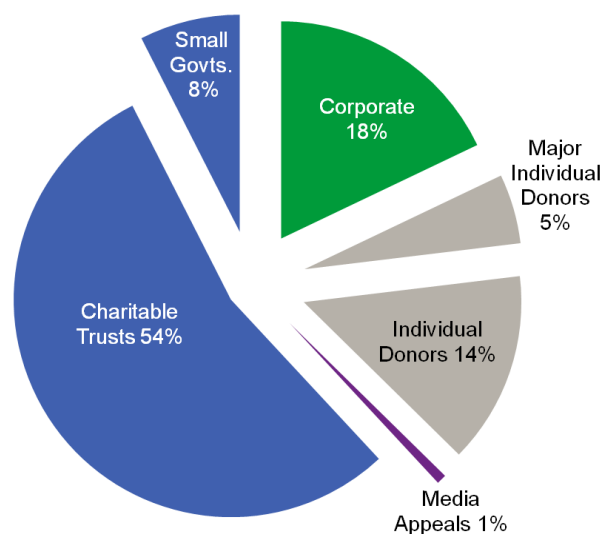
	2010-11	2009-10	Change	Change
	£	£	£	%
<b>Income</b>	<b>865,581</b>	<b>893,526</b>	<b>(27,945)</b>	<b>(3)%</b>
Individual donors	117,356	51,547	65,809	128%
Major individual donors	42,514	50,168	(7,654)	(15)%
Trusts and foundations	447,575	393,776	53,799	14%
Small governments	61,536	137,257	(75,721)	(55)%
Corporate	147,314	29,920	117,394	392%
Media appeals	5,974	218,865	(212,891)	(97)%
Expeditions	41,880	7,695	34,185	444%
Other	1,432	4,298	(2,866)	(67)%

This diversification of our income streams has been a strategic priority for Excellent to reduce our reliance on charitable trust income, and we have gained investment funding to support change in this area. The charts below show the progress we have made in particular with growth in income from expeditions, corporate and individual donors. Whilst the charitable trust income % has increased in the last year this is due to the one-off media appeal in 2009-10. Trust income represented 71% of income in 2008-9 reducing to 54% in 2010-11.

Voluntary Income 2009-10



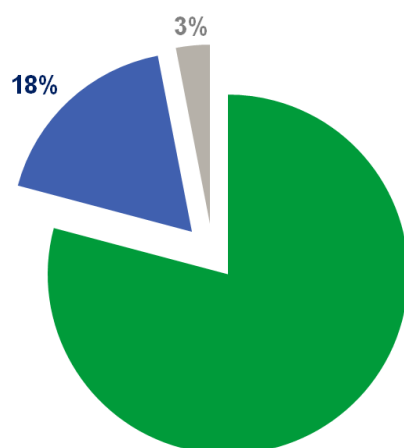
Voluntary Income 2010-11



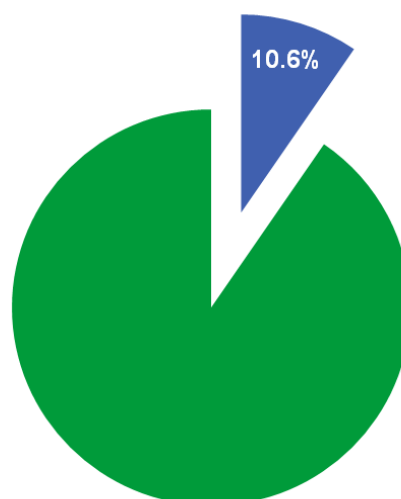
Fundraising costs as a % of income this year increased to 21% due mainly to the investment in the development of individual giving and the loss of the Daily Telegraph income. However, it is important to note that fundraising costs for our mature income streams of trusts, foundations and small governments is much lower at 10.6% albeit an increase from 2009-10 (8.7%) due to the recruitment of an apprentice trust fundraiser to help develop this stream further.

**FR, Marketing & Comms Costs as % Income**

- Operational FR, Marketing & Comms Costs
- Investments in Voluntary Fundraising



**Trusts and Small Governments - Fundraising Costs as a % Income**



## Benefits & impacts of our work

The 82 communities that Excellent has supported in Kenya since 2002 have built more than 320 sand dams. Excellent and its partners have supported 20,783 farmers and their families in Kenya, which has also directly benefitted over 260,000 people.

The impact of our simple, community-led approach is profound and long-lasting. Community groups in Kenya have demonstrated that sand dams can function effectively for over 30 years, with minimal maintenance. With the time saved by the dams, farmers are able to keep more soil and water in their farms by digging terraces. They have dug an astounding 1,344 km of terracing since 2002. This has enabled them to grow more food for their families, taking advantage of the potential created by sand dams. In addition, the water supplied by sand dams in the dry season enables farmers to propagate seedlings to plant trees in their farms and grow vegetables to improve diets and earn extra income. Farmers we support have planted more than 830,000 trees since 2002.



### Access to clean water

Feedback from Kenyan community groups indicates that sand dams have reduced the average time taken to collect water by over five hours, and the average distance travelled has reduced by over eight kilometres (see table below). These changes benefit the community in many ways, including having more time available to focus on producing food.

#### Reduction in time to collect water:

Previously:	Between 2 and 12 hours	(Average 6 hours)
Reduced to:	30-60 minutes	(Average 53 minutes)

#### Reduced distance to collect water:

Previously:	Between 3 and 25 km	(Average 11 km)
Reduced to:	½ to 7 km	(Average 2.6 km)

*"A few years back you would have to wake up at 3am to fetch water. On arrival at the water point there were fire camps by people waiting to get water. Currently you can go to get water in less than thirty minutes."* **Farmer in Kitandi Fruit Tree Growers Self-Help Group in Kenya**

*"A sand dam here will reduce the salinity of the water so that we can use it again and not have to pay at the local pipeline. We will also be able to let our cattle drink here and grow more crops."* **Joyce Kisangilou Malaika, Self-Help Group in Kenya**

*"Before we constructed the sand dams and we needed clean water for drinking, we used to buy 20 litre jerry cans for KSh10 (8 pence). People were in a big problem - especially those who did not know how to ride bicycles - because they were forced to take the saline water, because the water points were far. And also others could not afford the KSh10 for buying water."*

**Esther Mwololo, Muuo wa Kiumon Self-Help Group, Kenya**



Shallow well and pump alongside a sand dam built by UCCS, Kenya

## Improved food production and increased incomes

Having a water source close to home saves time, allowing farmers to implement improved techniques to increase food production. This often includes:

- Terracing to create flat fields on sloped land, conserving both water and soil during the rainy season so that farmers can increase their crop yields.
- Mixed cropping, which through planting two or more crops together effectively doubles the size of farmer's fields. Planting a mix of crops in this way improves pest and blight control as well as crop yields.
- Cover crops are often planted to keep moisture in the soil and reduce soil erosion, both of which help increase production of all the plants in the fields.
- Zero grazing, which involves keeping livestock in pens enabling farmers to produce manure for their fields and protect crops, terraces and roaming animals.



Terrace digging at Kyehi Kya Kandenga Self-Help Group, Kenya

When farmers grow enough food to feed their family and some to spare, they can raise income by selling the surplus.

*"Terraces have done a great thing for me – water used to flow from the road through the farm, washing away all the seeds and crops after germination. Run-off water caused the collapse of my kitchen! Now today the water sinks into the soil and hardly any gets into the homestead."*

**Mrs Mutezi Mwilu, Munathi Self-Help-Group in Kenya**

*"Income has improved because we have better harvests from terracing land, better harvests from diversifying crops, and time saved. We have more time to work on important issues, and we can sell a portion of our crops."*

**Farmer in Kwa Mukonza, Self-Help Group in Kenya**

*"I am very happy. I did not believe that vegetables could do well in this area. I did not imagine one day I would have a vegetable farm in this area but because of the dam I am able to come here and harvest some of the vegetables and take some for my family."*

**Farmer in the Malaika Self-Help Group in Kenya**

## Improved health

Access to clean water and an increased, more diverse, food supply greatly improves a community's health, by enabling them to both avoid water-borne diseases, and avoid diseases associated with poor nutrition.

*"Pregnant women miscarry due to the exertion of travelling long distances searching for water. The new local sand dam has improved the health of women because they do not have to travel far to collect water now."*

**Charles Mutua Kyeviti, Itime Self-Help Group in Kenya**

*"We have been able to vary our meals. We have different diets today from the different crops. We have learnt to use our local foods to cook differently. Malnutrition incidences used to be recorded in the community [but not now]."*

**Farmer in Kwa Mukonza Self-Help Group, Kenya**

*"The other major challenge was faced by the school children. If the parent was not able to go and fetch water from those points they [the children] would go... and sometimes they would find very long queues and they went home without water. So sometimes the children would be forced to go to school even before they took a bath, or they failed to eat due to a lack of water for cooking. That is a major challenge we were facing before we constructed the sand dams."*

**Member of the Muuo wa Kiumoni Self-Help Group, Kenya**



## Community development approach

Critical to our work and that of our partners is the principle that communities need a holistic approach for a period of up to five years to enable them to deal with their priorities – in a “nothing comes for free” way, whereby they actively participate and contribute to their own development.

*“Some organisations just come here to provide aid in times of crisis and then disappear until the next crisis. ASDF works together with our community to give continued support in many different areas such as the dam, terracing and seeds. In this way they help to prevent the crisis from developing in the first place.”* **Daniel Mwetha, Malaika SHG, Kenya**

*“ASDF shares in the interests of the community and they listen to the community and take direction from us. On the first day we met, Cornelius Kato [ASDF field officer] came to us and explained the work you do and he listened to our problems and hopes. Other organisations do not really listen to the community and some have even begun work here without our request or consent.”*

**Mbatha Mbuli, Wikwatyo wa Kiambani Self-Help Group, Kenya**

*“We are very grateful for having ASDF because we are aware that we are going to work with ASDF for five years and we have planned water activities we are going to undertake. We have been working with other organisations but ASDF has started to solve our problems.”*

**Member of the Wikwatyo wa Kiambani Self-Help Group, Kenya**

## Learning visits

Key to Excellent’s philosophy is the concept that farmers, organisations and development workers learn most through participative involvement in experiencing the work of others and support to apply it to their own circumstances. ASDF and UDO use this concept between SHGs both nearby and in other regions and Excellent has extended this concept in the way that we enable other NGOs to learn about how to apply sand dam technology and develop their food and water programmes with communities.

**Jorge Samuel, Head of Programmes at CCM**, when speaking about the support Excellent is providing to his team in Mozambique says: *“I’m more certain now that we can achieve this vision, even though I know how big the challenge is. Earlier we didn’t know what to do with the idea, but now it’s clear... Your interest in our movement has provided us with another way of thinking, input that is worth far more than just money.”*

*“Dabane has made its name by getting water out of sand rivers. Our next step is to ensure we don’t over abstract – the answer to that, especially upstream, is sand dams, without a doubt. We thought we had a sand dam solution – yours is one hell of a lot better – and we’d like to cash in on that please!”*

**Stephen Hussey, Dabane Trust, on a learning visit to Kenya in January 2011**



Jorge Samuel from MCC on a learning visit to ASDF, Kenya

## 2011-12 plans

### Highlights

Plans for 2011/12 are for an income of £1,189,000 and expenditure of £1,162,000.

#### Charitable activity:

- Increase grant management support to ASDF in Kenya
- Supporting learning visits from Dabane Trust and SOS Sahel
- Progress pilots with UCCS, Kenya, CCM, Mozambique and Dabane Trust, Zimbabwe
- Launch the sand dam manual and the new website SandDams.com
- Develop learning resource, research and advocacy strategies
- Distribute and promote Key Stage 2 development education resources

#### Fundraising and communications:

- Gain institutional funding from DfID or the Big Lottery
- Develop individual giving including acquisition of new donors
- Deliver a charity appeal on BBC Radio 4 and develop resulting relationships
- Develop existing strategic funding partners and engage with a new one
- Support the launch of an IOM-based charity strategically aligned to Excellent
- Implement a new website and customer relationship management system

#### Organisational strategy:

- Implement new organisation structure and appoint a Head of Operations

### Charitable activity

#### Grant management

We will continue to focus on supporting rural communities to carry out soil and water conservation to enable them to focus on their priorities of access to clean water and growing enough food to both eat, store and sell. We will support ASDF to work with 25 communities (up from 14); build 30 sand dams (up from 21); and build up to nine school water tanks (up from zero). In addition to the usual food production initiatives, ASDF will pilot a goat and cattle improvement programmes; and a fish farming project after learning from UCCS. The continued drought into 2010-11 will provide significant challenges, particularly in tree planting and food production.

#### Programme development

##### Opportunity identification and development

During the year we plan to develop a broader relationship with WaterAid to see how sand dams can be promoted more widely than the pilot planned with WaterAid Uganda. Burkina Faso has already expressed an interest but we have arranged to engage at a strategic level with WaterAid UK as the Chief Executive, Barbara Frost has expressed a commitment to working with us on sand dams.

After initial engagements we will investigate possibilities with both Oxfam and the Millennium Village initiative. We will also identify possible partners in India.

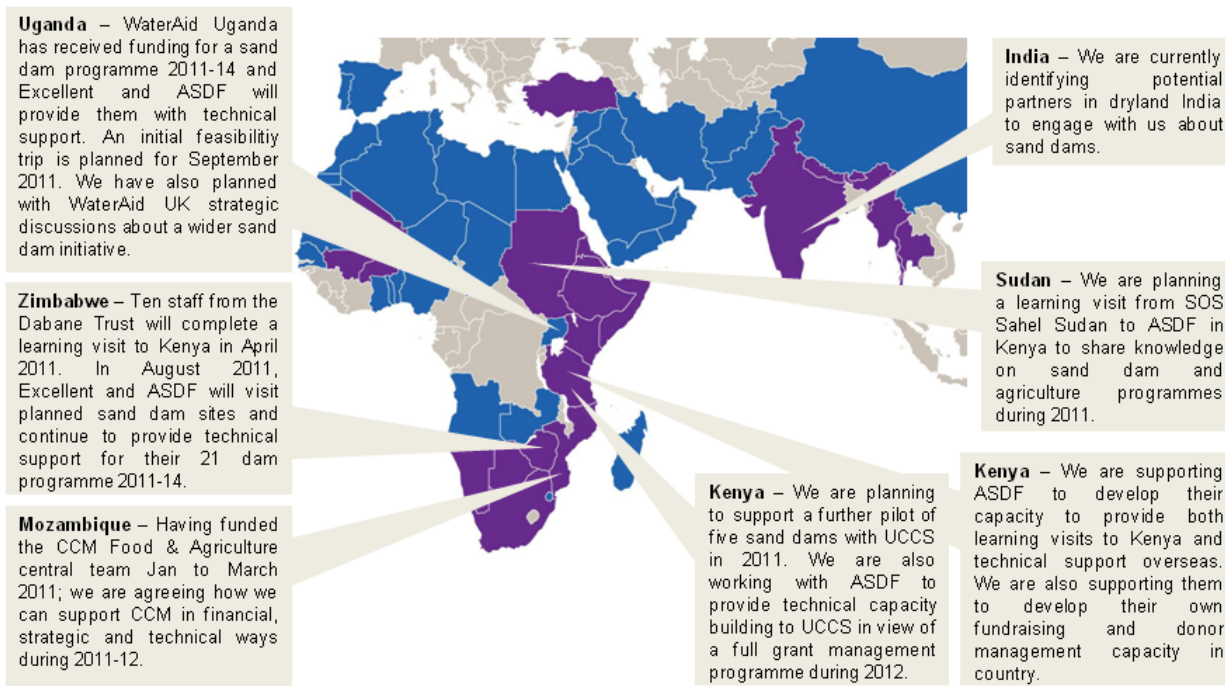
##### Learning visits

The Dabane Trust, Zimbabwe have planned a further learning visit to ASDF in Kenya from a broader team of ten people in preparation for piloting sand dams in 2011-12. We are also in the planning stage of facilitating a learning visit to ASDF from SOS Sahel Sudan to enhance their planned sand dam programme for both peace and livelihoods. We have also had interest from SOS Sahel Ethiopia.

##### Sand dam (and/or organisational) pilots

The slide opposite outlines the progress and plans we have as regards sand dam/organisational pilots. In particular, we are at a second stage pilot with UCCS in Kenya who we hope will progress to a grant management relationship by the middle of 2012.

## Plans 2011-12 onwards



### Learning resources

We plan to launch version one of the sand dam manual by October 2011 and issue a second version by the end of March 2012. This will include professional drawings, alternate construction methods, more examples of sand dam failures and incorporating feedback from our programme development partners. We will also develop a broader learning strategy to enhance the promotion of sand dam technology and our community development model.

### Research

We will complete initiatives to research:

- The impact in Kenya of both sand dams and school water tanks on school attendance;
- Measuring the sand content of river beds above and below existing sand dams to measure water yield;
- Water quality testing from different abstraction methods.

We will also complete a comprehensive 5 year research strategy by the end of October 2011.

### Advocacy

We will design and launch a new advocacy website called SandDams.com by the end of November 2011.

Excellent has also been invited to the Caux Forum on Human Security in Geneva in July 2011. In particular, we will be attending a special event on 'Restoring earth's degraded land' which is being lead by Luc Gnacadja, Executive Secretary of the UN Convention to Combat Desertification and Clare Short, former UK Secretary of State for International Development. This will be vital to help us promote sand dam technology and develop contacts at influential levels.

We will also complete a comprehensive 5 year advocacy strategy by the end of October 2011.

### **Development Education**

During 2011-12 we will distribute our Key Stage 2 resources to all UK development education centres; IOM primary schools; as well as responding to requests from teachers for all our resources. All resources will also be available online alongside the launch of our new Excellent website.

## **Fundraising and communications**

### **Institutional funding**

Institutional funding is a new area for Excellent. We have applied for the new DfID Global Poverty Action Fund and will apply to the Big Lottery now they have reopened their international grants scheme.

### **Individual giving**

In 2011-12 we will build on the direct marketing successes of last year in developing our existing donors and the Daily Telegraph donors acquired in early 2010. This will be enhanced by investment in an acquisition programme through direct marketing and social media.

We launched an appeal on BBC Radio 4, presented by broadcaster John Humphrys, in May 2011. This will also provide an opportunity to develop ongoing relationships with those donors who provide contact details.

### **Philanthropy trusts**

We will continue to develop our relationship with ACT and VPF and also engage with other trusts that provide strategic investments in growing charities.

### **Charitable trusts**

The focus in this area is to maintain income from small and medium trusts and develop opportunities with larger trusts. We now have a number of opportunities with large trusts who do not accept unsolicited applications for funds. We also have the opportunity to continue our 4-year relationship with one of the Sainsbury Family Trusts.

### **IOM charity**

We will be facilitating the creation of an independent IOM registered charity with the purpose of raising funds for Excellent. We will have an organisational member on the Board and establish brand and fundraising agreements with them.

The IOM charity is being created to strengthen our relationship with the IOM Government which has a clear policy to favour Manx charities. This will also help us take advantage of our Executive Director's Manx heritage and access the financial sector on the island. We will also be able to promote individual giving with the most generous charitable givers in the British Isles.

### **Communications**

The key priority is to develop our communications in line with our new brand and strategy. As part of this process we are planning to launch a new website as the current one is six years old and doesn't have the functionality to take advantage of advances in technology and integration with social media.

As part of this digital strategy we will be implementing an organisation-wide customer relationship management database and a digital assets database to increase efficiency and effectiveness of our processes.

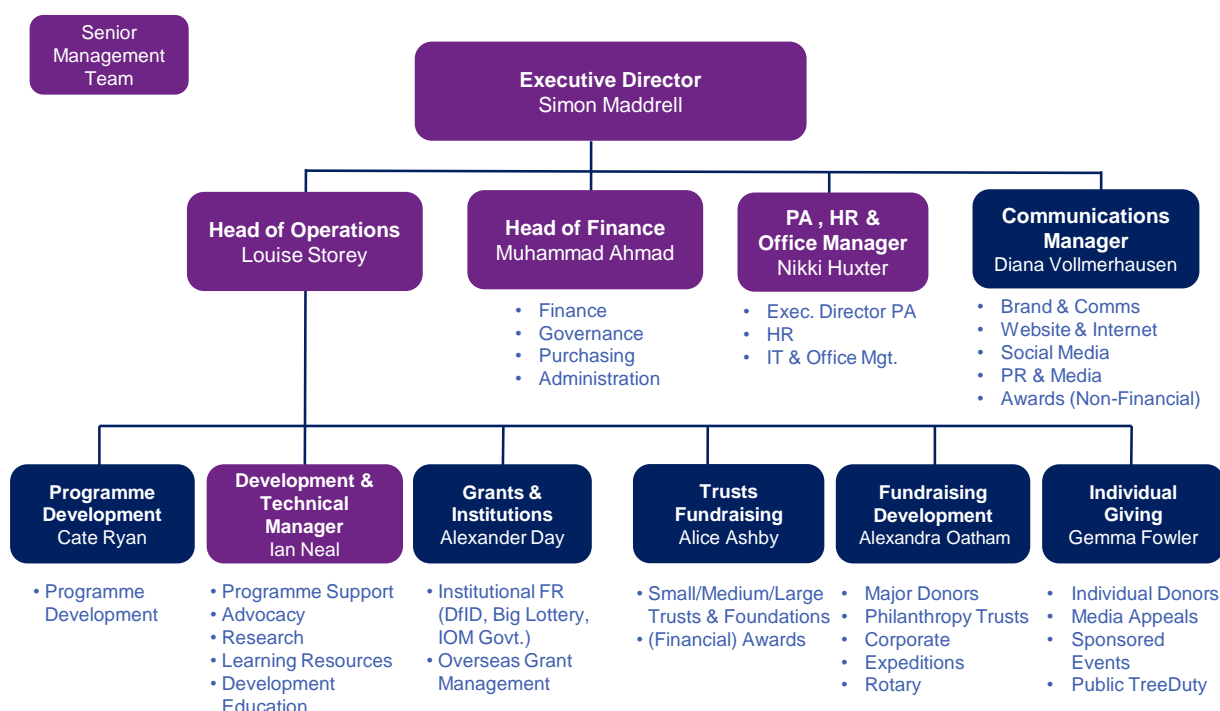


## Organisational strategy

With the growth of Excellent there is a need to implement organisational changes to enable us to best achieve our vision of transforming millions of lives through sand dam technology applied to food and water programmes in the earth's drylands.

Since year end we also appointed Head of Operations to halve the number of the Executive Director's direct reports and enable him to utilise his skills more effectively and efficiently. As part of the reorganisation we will be integrating institutional fundraising with grant management; integrating management of philanthropy trusts with individual philanthropists as well as the high potential Rotary income stream.

Excellent Organisation Chart – 2011-12



## **Trustees' responsibilities**

The Trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for the charity for 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 there under. 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.

## **Trustee policy**

As defined by the Memorandum and Articles of Association, Trustees retire annually and are elected by Board resolution at each Annual General Meeting. 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 Committee which identifies gaps in skills and/or experience in the Board and then proposes recruitment and election.

Trustee induction is carried out through a checklist of documents and specific conversations required to understand the charity. Responsibilities of Trustees are covered by using Charity Commission documentation and other organisations' induction courses.

Trustee training is offered through third sector conferences and courses provided by a number of organisations.

## **Risk assessment**

The Trustees have a structured approach to fulfil their responsibilities as regards to Risk Management. This involves a quarterly review of these risks at Board Meetings, which:

- Seek to identify the major risks facing the charity
- Assess the likelihood and severity of the risks identified
- 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 systems in place to mitigate the major risks facing the charity which they have identified.

## Grant management policy

The majority of Excellent's charitable work is carried out by making grants to other organisations. Grants may be financial or in kind. Grants are only usually made to legally recognised and constituted charitable organisations, unless approved by the Board. A thorough assessment process will be 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 the Engagement Process.
- The proposed project fits with Excellent's charitable objects.
- The proposed project fits with the current strategic direction and priorities set out in Excellent's strategy.
- The organisation has the necessary skills, knowledge, experience and capacity to carry out the proposed activities (technical, operational, managerial, financial and logistical) 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.
- Excellent believes that the organisation and the project will efficiently and effectively support the mission and vision of Excellent.
- The organisation is both willing and able to provide sufficient information and evidence to enable fundraising applications and fund raising reporting to meet the needs of donors.
- The organisation is both willing and able to provide regular reporting in accordance with Excellent's monitoring and evaluation (M&E) process.

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

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

## Reserves policy

According to SORP, reserves are the sum of unrestricted and designated funds. The Trustees consider reserves of 6 months of ongoing core costs as the minimum reserves necessary, with 12 months the upper limit. Furthermore, the Trustees wish to hold a minimum of 3 months of total planned expenditure as the minimum level of reserves, with 6 months desired in order to protect our relationships and commitments to NGOs that we work with overseas.

Reserves to policy	£	%	Months
Reserves at 31st March 2011	237,722		
Ongoing Core Costs 2011/12	528,490	45%	5.4
Total Expenditure 2011/12	1,134,172	21%	2.5

The current level of reserves is below policy levels due to significant increases in expenditure and a tough fundraising environment. The Trustees will focus on increasing reserves to above the minimum policy level during the next year.

## Investment policy

The Trustees consider that at this stage of the charity's development all funds should be held in short-term bank deposits. Currently they are on deposit with CAF Bank and Co-operative Bank in the UK.

## Appointment of auditors

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

By order of the board on 8<sup>th</sup> September 2011



Stephen Owen, CHAIRMAN

## Independent auditors report

We have audited the financial statements of Excellent Developments Limited for the year ended 31 March 2011 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charity's trustees, as a body, in accordance with Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of trustees and auditor

As explained more fully in the statement of trustees responsibilities set out on page 26, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2011, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to smaller entities); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

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

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



For and on behalf of:

  
**Michael Kay**  
**SENIOR STATUTORY AUDITOR**

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

**Date: 8th September 2011**

**STATEMENT OF FINANCIAL ACTIVITIES  
INCLUDING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2011**

	<b>Note</b>	<b>2011 Unrestricted £</b>	<b>2011 Restricted £</b>	<b>2011 Total £</b>	<b>2010 Total £</b>
<b>INCOMING RESOURCES</b>					
Voluntary income	<b>2</b>	207,383	614,886	<b>822,269</b>	881,531
Income from generating funds	<b>3</b>	10,646	31,285	<b>41,931</b>	8,408
Income from charitable activities	<b>4</b>	-	-	-	3,166
Investment management and interest	<b>5</b>	568	813	<b>1,381</b>	421
<b>Total incoming resources</b>		<b>218,597</b>	<b>646,984</b>	<b>865,581</b>	<b>893,526</b>
<b>RESOURCES EXPENDED</b>					
<b>Cost of generating funds</b>					
Marketing and communications costs	<b>6</b>	43,279	12,692	<b>55,971</b>	32,739
Voluntary income costs	<b>7</b>	35,269	80,189	<b>115,458</b>	124,178
Activities for generating funds costs	<b>8</b>	12,628	1,198	<b>13,826</b>	11,071
Costs of income from charitable activities	<b>9</b>	-	-	-	270
<b>Total cost of generating funds</b>		<b>91,176</b>	<b>94,079</b>	<b>185,255</b>	<b>168,258</b>
<b>Charitable activities</b>					
Grant management	<b>10</b>	88,517	304,582	<b>393,099</b>	297,885
Programme development	<b>11</b>	106,071	148,923	<b>254,994</b>	126,888
Development education		5,421	1,200	<b>6,621</b>	7,691
<b>Total charitable expenditure</b>	<b>12</b>	<b>200,009</b>	<b>454,705</b>	<b>654,714</b>	<b>432,464</b>
<b>Governance costs</b>	<b>13</b>	-	25,701	<b>25,701</b>	31,971
<b>TOTAL RESOURCES EXPENDED</b>		<b>291,185</b>	<b>574,485</b>	<b>865,670</b>	<b>632,693</b>
Exchange rate gain/(losses)		4	-	4	-
<b>NET INCOMING /(OUTGOING) RESOURCES</b>		<b>(72,584)</b>	<b>72,499</b>	<b>(85)</b>	<b>260,833</b>

The movements in funds are detailed in Note 19 on page 38.

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.

	Note	2011 £	2010 £
<b>Fixed assets</b>			
Tangible fixed assets	14	4,594	8,807
Investment in subsidiaries	15	1	1
<b>Total fixed assets</b>		<b>4,595</b>	<b>8,808</b>
<b>Current assets</b>			
Debtors	16	27,078	42,501
Cash at bank and in hand	17	424,161	402,025
<b>Total current assets</b>		<b>451,239</b>	<b>444,526</b>
<b>Current liabilities</b>			
Creditors falling due within one year	18	(48,950)	(46,365)
<b>Net current assets</b>		<b>402,289</b>	<b>398,161</b>
<b>Net assets less current liabilities</b>		<b>406,884</b>	<b>406,969</b>
<b>Financed by:</b>	19		
Unrestricted funds		237,722	305,316
Restricted funds		164,568	92,846
Property and equipment fund		4,594	8,807
<b>Total funds</b>		<b>406,884</b>	<b>406,969</b>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The accounts were approved by the board on 8<sup>th</sup> September 2011.



**Stephen Owen**  
**CHAIRMAN**

## **1 Accounting policies**

### **1.1 Basis of preparation**

The financial statements have been prepared under the historical cost convention. Excellent Development Limited ("the Charity") has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small charity.

The accounts have been prepared in accordance with applicable accounting standards and the Charities Act 1983, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Companies Act 2006.

### **1.2 Group Entities**

The Charity has a wholly-owned subsidiary company, Excellent Development Trading Limited (EDTL), registered company no. 5105411. EDTL became dormant on 31 March 2010 and all trading activities of the company were transferred to the Charity from that date. The results of EDTL have not been consolidated within the financial statements as they are considered to be immaterial.

### **1.3 Incoming resources**

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.

Grants from governments and other agencies have been included as income from activities in furtherance of the Charity's objects where these amount to a contract for services, but as donations where the money is given in response to an appeal or with greater freedom of use.

Income is recognised in the period in which the Charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the Charity has to fulfill conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

### **1.4 Expenditure**

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 Statement of Financial Activities (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.



## Core Costs

	£
<b>Core costs total</b>	<b>460,816</b>

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

Core cost allocation:	%	%	£	£
<b>Cost of generating funds</b>		<b>33</b>		<b>152,803</b>
Marketing and communications costs	9		43,370	
Voluntary income costs	21		96,642	
Activities to generate funds costs	3		12,791	
<b>Charitable expenditure</b>		<b>33</b>		<b>151,332</b>
Grant management	3		12,837	
Programme development	30		138,495	
Development education	0		0	
<b>Governance</b>		<b>4</b>		<b>16,959</b>
<b>Support costs</b>		<b>30</b>		<b>139,722</b>
Grant management	16		77,299	
Programme development	12		55,470	
Development education	2		6,953	

## Governance

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 activities.

## Support costs

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 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 £155,990 (£139,721: core cost allocation; £16,269: travel and accommodation.) have been allocated to charitable activities on the basis of staff time attributable to each activity, as follows:

<b>Support cost allocation:</b>	<b>%</b>
Grant management	47
Programme development	49
Development education	4

## 1.5 Tangible fixed assets and depreciation

Fixed assets costing more than £500 are capitalised.

<b>Depreciation:</b>	<b>%</b>	<b>Basis</b>
Fixtures, fittings and equipment	20.0	Straight line
IT equipment	33.3	Straight line

## 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.

## 1.9 Irrecoverable VAT

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

## 2. Voluntary income

	2011 Unrestricted £	2011 Restricted £	2011 Total £	2010 Total £
Individual donors	74,183	43,173	<b>117,356</b>	51,546
Major individual donors	41,232	1,282	<b>42,514</b>	50,168
Trusts and foundations	80,680	366,895	<b>447,575</b>	377,898
Small governments	-	61,536	<b>61,536</b>	137,257
Corporate	5,314	142,000	<b>147,314</b>	29,920
Awards	-	-	-	15,877
Media appeals	5,974	-	<b>5,974</b>	218,865
Total	<u>207,383</u>	<u>614,886</u>	<u><b>822,269</b></u>	<u>881,531</u>

## 3. Activities for generating funds

	2011 Unrestricted £	2011 Restricted £	2011 Total £	2010 Total £
Expeditions	10,595	31,285	<b>41,880</b>	7,695
Trading	51	-	<b>51</b>	713
Total	<u>10,646</u>	<u>31,285</u>	<u><b>41,931</b></u>	<u>8,408</u>

## 4. Income from charitable activities

	2011 Unrestricted £	2011 Restricted £	2011 Total £	2010 Total £
Consultancy income	-	-	-	3,166
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,166</u>

**5. Investment management and interest**

	2011 Unrestricted £	2011 Restricted £	2011 Total £	2010 Total £
Bank interest	568	813	1,381	421
Total	568	813	1,381	421

**6. Marketing and communications costs**

	2011 Total £	2010 Total £
Design & print costs	10,590	2,370
Marketing services costs	1,106	2,989
Other marketing & communications costs	905	1,147
Core cost allocation (see note 1.4)	43,370	26,233
Total	55,971	32,739

**7. Voluntary income costs**

	2011 Unrestricted £	2011 Restricted £	2011 Total £	2010 Total £
Individual donors costs	22,032	11,136	33,168	21,345
Major individual donors costs	1,757	1,260	3,017	20,739
Trusts and foundations costs	5,065	45,570	50,635	40,359
Small governments costs	23	3,236	3,259	5,844
Corporate costs	5,898	18,987	24,885	27,525
Awards costs	471	-	471	835
Media appeals costs	23	-	23	7,531
Total	35,269	80,189	115,458	124,178

\* Core costs of £96,642 in 2011 have been allocated across the income stream activities (see Note 1.4).

**8. Activities to generate funds costs**

	2011 Unrestricted £	2011 Restricted £	2011 Total £	2010 Total £
Expeditions costs	12,438	1,198	13,636	10,818
Trading costs	190	-	190	253
Total	12,628	1,198	13,826	11,071

\* Core costs of £12,791 in 2011 have been allocated across the activities to generate funds (see Note 1.4).

**9. Income from charitable activities costs**

	2011 Unrestricted £	2011 Restricted £	2011 Total £	2010 Total £
Consultancy costs	-	-	-	270
Total	-	-	-	270

**10. Grant management**

	2011 Unrestricted £	2011 Restricted £	2011 Total £	2010 Total £
UDO, Kenya	12,840	94,220	<b>107,060</b>	279,535
ASDF, Kenya	75,677	210,362	<b>286,039</b>	-
Excellent Development USA	-	-	-	18,350
<b>Total</b>	<b>88,517</b>	<b>304,582</b>	<b>393,099</b>	<b>297,885</b>

\* Core costs of £12,837 in 2011 have been allocated to the income stream activity (see Note 1.4).

**11. Programme development**

	2011 Unrestricted £	2011 Restricted £	2011 Total £	2010 Total £
Opportunity identification & development	10,026	19,974	<b>30,000</b>	52,488
Advocacy & Research	54,590	17,590	<b>72,180</b>	-
Visits, learning & resource support	19,509	44,807	<b>64,316</b>	34,809
Support and/or grants for programmes:				
ASDF, Kenya	-	5,477	<b>5,477</b>	14,797
SOS Sahel, Sudan	367	971	<b>1,338</b>	12,318
CCM, Mozambique	10,271	39,668	<b>49,939</b>	8,939
NGOs, Swaziland	-	-	-	1,621
Dabane Trust, Zimbabwe	2,749	7,279	<b>10,028</b>	1,081
UCCS, Kenya	8,559	13,157	<b>21,716</b>	835
<b>Total</b>	<b>106,071</b>	<b>148,923</b>	<b>254,994</b>	<b>126,888</b>

\* Core costs of £138,495 in 2011 have been allocated to the income stream activity (see Note 1.4).

**12. Charitable expenditure**

	2011 Support costs * £	2011 In kind grants £	2011 Direct grants £	2011 Total £	2010 Total £
Grant management	73,708	18,337	301,054	<b>393,099</b>	297,885
Programme development	76,492	138,495	40,007	<b>254,994</b>	126,888
Development education	5,790	-	831	<b>6,621</b>	7,691
<b>Total</b>	<b>155,990</b>	<b>156,832</b>	<b>341,892</b>	<b>654,714</b>	<b>432,464</b>

\* Support costs have been allocated across the different charitable activities (see Note 1.4).

**13. Governance**

	2011 Total £	2010 Total £
Audit fees	<b>4,029</b>	3,231
Trustee expenses	<b>2,809</b>	8,202
Other governance expenses	<b>1,904</b>	650
Allocation of core costs (see Note 1.4)	<b>16,959</b>	19,888
<b>Total</b>	<b>25,701</b>	<b>31,971</b>



None of the seven trustees who held office during the year (or any persons connected with them) received any remuneration during the year.

The seven trustees incurred expenses as follows:

	2011	2010
	£	£
Memberships	330	-
Trustee indemnity insurance	605	474
Travel	1,204	6,614
Communications	670	1,114
Total	<b>2,809</b>	<b>8,202</b>

#### 14. Tangible fixed assets

	2011 IT equipment £	2010 IT equipment £
<u>Cost or valuation:</u>		
Opening balance	28,451	22,211
Additions	1,066	6,240
Disposal	(506)	-
Balance as at year end	<b>29,011</b>	<b>28,451</b>
<u>Depreciation:</u>		
Opening balance	19,644	12,190
Charge for year	4,990	7,454
Disposal	(217)	-
Balance as at year end	<b>24,417</b>	<b>19,644</b>
Net Book Value as at year end	<b>4,594</b>	<b>8,807</b>

#### 15. Investment in subsidiaries

	2011 £	2010 £
Investment in Excellent Development Trading Limited	1	1
Total	<b>1</b>	<b>1</b>

#### 16. Debtors

	2011 £	2010 £
Debtors	14,278	1,049
Prepayments	7,573	5,888
Accrued income	3,317	34,625
Other debtors	1,910	939
Total	<b>27,078</b>	<b>42,501</b>

#### 17. Cash at bank and in hand

	2011 £	2010 £
Bank account	424,009	402,798
Petty cash	152	-
Total	<b>424,161</b>	<b>402,798</b>

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

	2011	2010
	£	£
Creditors	11,686	5,488
Accruals	26,502	31,861
PAYE	10,305	9,015
Business charge card account	456	773
Amount owed to Excellent Development Trading Limited	1	1
Total	<b>48,950</b>	<b>47,138</b>

**19. Movement in funds**

	As at 1 <sup>st</sup> April 2010	Incoming resources	Outgoing resources	Transfers	Total Movements	As at 31 <sup>st</sup> March 2011
Fund types	£	£	£	£	£	£
Unrestricted	305,316	218,597	(291,181)	4,990	(67,594)	237,722
Restricted	92,846	646,984	(574,485)	(777)	71,722	164,568
Property & equipment	8,807	-	-	(4,213)	(4,213)	4,594
Total funds	<b>406,969</b>	<b>865,581</b>	<b>(865,666)</b>	<b>-</b>	<b>(85)</b>	<b>406,884</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.

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

	Unrestricted funds	Restricted funds	Property & equipment fund	Total funds
	£	£	£	£
Fixed assets	-	-	4,594	4,594
Current assets	278,092	173,147	-	451,239
Current liabilities	(40,370)	(8,579)	-	(48,949)
Total assets less current liabilities	<b>237,722</b>	<b>164,568</b>	<b>4,594</b>	<b>406,884</b>

**21. Financial commitments**

As at 31<sup>st</sup> March 2011 the Charity is committed to a lease for its office until 21<sup>st</sup> June 2012 (£16,564).

**22. Subsidiary undertakings**

The Charity has a wholly-owned subsidiary company, Excellent Development Trading Limited (EDTL), registered company no. 5105411. EDTL became dormant on 31<sup>st</sup> March 2010 and all balances and trading activities of the company were transferred to the Charity from that date (see note 1.4).

**24. Employees**

	2011	2010
	£	£
Salaries and wages	356,564	277,612
Employer NIC	31,973	30,254
Total	<b>388,537</b>	<b>307,866</b>
Average number of employees (includes maternity leave cover)	<b>10.9</b>	<b>7.7</b>

One employee earned between £60,000 and £70,000 during the year.

## **25. Related parties**

A total of £2,076 was paid to Oyster Luxury Travel and Diving Limited (Oyster LTD), a company in which Mr Mark Murphy, a Trustee and Director of Excellent Development Limited, is a Director. All purchase orders for flights and travel are raised on a three quote basis and any orders with Oyster LTD must be approved by the Executive Director and another Trustee.

Mr Simon Maddrell, Executive Director and Member of the Charity, is a Director of Excellent Development USA (Excellent USA), which is an independent, registered 501(c) not for profit organisation. He received no remuneration or expenses from Excellent USA during the year.