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annual review
2008-9



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"creating development with soil & water"

excellent development enables disadvantaged communities in Africa to transform their environment sustainably and improve water supplies, food production, health and incomes.

Patrons: Lord Joel Joffe CBE and Sir Edward Clay

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Incorporated in England and Wales No. 4432166 Registered Charity No. 1094478
Registered Office: 2 Water Court, Water Street, Birmingham, B3 1HP**

message from our chairman

This year has been a great one for Excellent Development, characterised by a series of changes and developments that leave us better placed than ever before to support the communities we work with, whilst working towards our long term vision.

Building our UK capacity has been a key focus during the year, and the increase in resources devoted to diversifying income streams, and in building our programmes and partnerships, is an investment which will start to bring even more benefits in the years to come.

The progress we have made as an organisation has been recognised within the sector as a whole, and the winning of both the Environment, and Overall Charity Awards in June 2008, provided both recognition of how far we have come, and renewed impetus to move forward to deliver our vision and mission.

In Kenya, there continues to be great work done in partnership with the community groups, including the completion of the 200th dam and planting of the 500,000th tree. The management structure in Kenya has developed significantly during the year and is now in a much better position to manage the high level of community engagement and development at the quality threshold required.

Another significant development in the year has been the formalisation of our programme and partnership building strategy, which is the basis for Excellent Development pushing on towards its vision.

This annual review will, I hope, illustrate what a successful year it has been for Excellent Development and the importance of soil and water conservation in combating the effects of climate change in Africa and I'd like to take this opportunity to thank the Excellent Development team, the communities we work with, our donors and our volunteers who have made this all possible.

Regards,
Stephen Owen

Summary

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excellent development

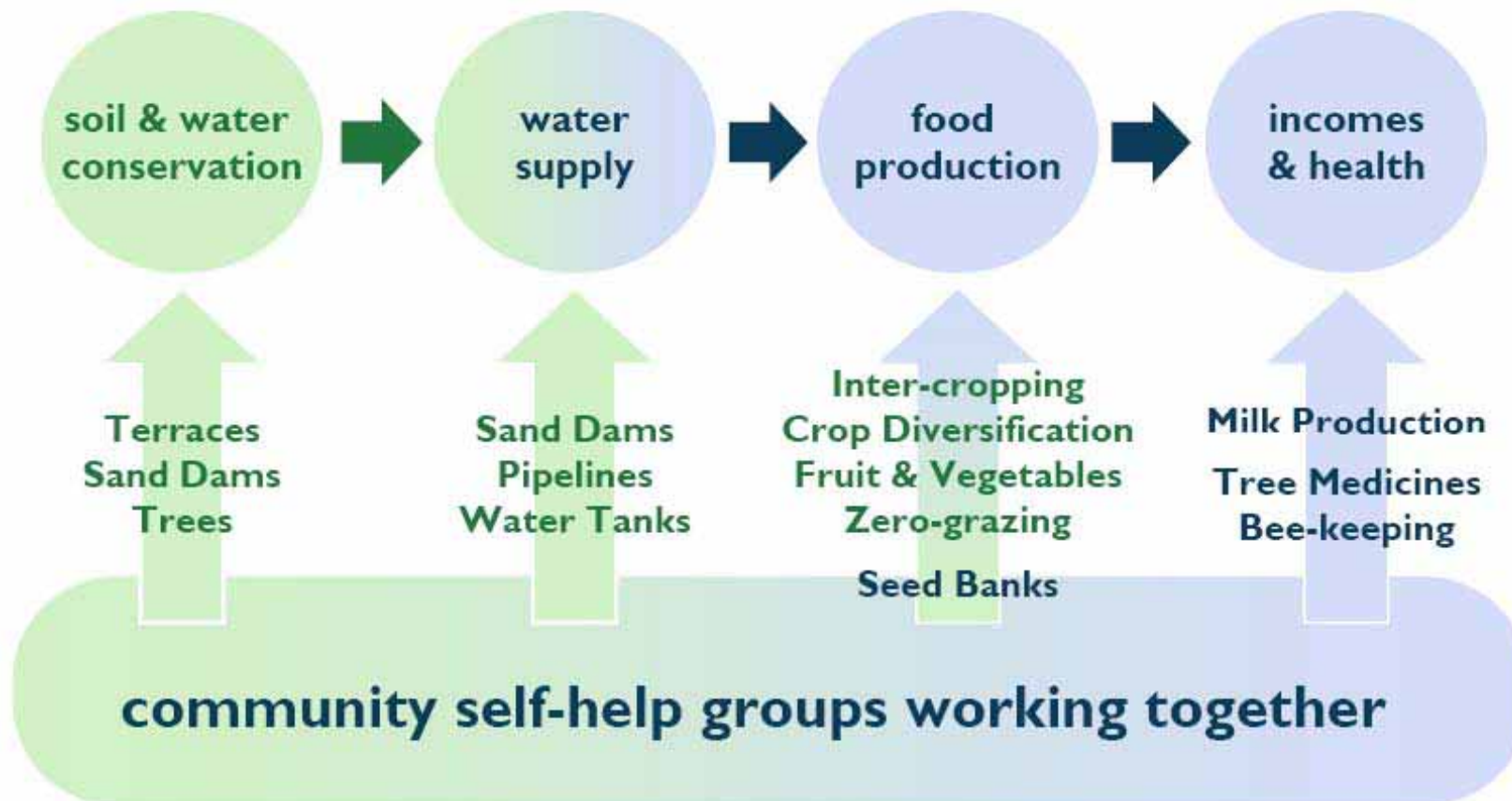


“When we bought this land, many people thought we were out of our minds because it was full of gullies and gravel. My husband works outside this village and it was difficult for people to believe I could manage. In the endeavour to control soil erosion, I started digging terraces but they were too shallow to hold all the water and therefore the runoff continued to ensnare me. We kept repairing but soil continued to be washed down to Ngai Ndethya river. Our harvest was low so we could not sustain ourselves with food.

“When we started working with Excellent Development, it is then that I realised my mistakes. We devoted three months to reclaim 9 acres of the land that I was slowly losing. We re-excavated the old terraces, restored what we had lost and since then the issue of buying food is a thing of the past.”

Mrs Joyce Mbithi, Mutangavuni SHG

conservation leading to development



Summary

climate change

The farmers we work with in Africa face significant challenges due to the semi-arid climate they live in:

- difficulty in accessing sufficient clean water nearby.
- difficulty growing enough food to eat.
- short rainy seasons and high water run-off.
- high levels of soil erosion.

Climate change exacerbates these problems by causing:

- shorter rainy seasons and hence shorter growing periods.
- increased frequency of droughts and floods.
- increased soil temperatures and soil erosion.

"Drylands are absolutely the frontline most vulnerable position with regard to global anthropogenic climate change"

Jeffrey Sachs, Director of Earth Institute

Excellent Development's work becomes even more critical in this context. Soil and water conservation is the single biggest opportunity for farmers to both develop and fight climate change , which threatens their livelihoods.



Dry river bed at Kithito Kya Atumia na Aka. With a sand dam the river can retain water all year-round.

Soil & Water Conservation

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importance of soil conservation

The importance of conserving water in Africa is widely accepted, but the importance of soil often gets overlooked. Sometimes referred to as 'brown gold', the challenge is preserving and developing the wealth available from the soil.

"Poor soils result in poor people"

Luc Gnacadja, Executive Secretary,
UN Convention to Combat Desertification.

The most fertile soil, the topsoil, is constantly being eroded by sun, wind and rain. Every year up to 250 tonnes of soil per hectare can be lost this way. So it is essential to prevent erosion and to get organic matter (e.g. manure) into the soil to improve food production.

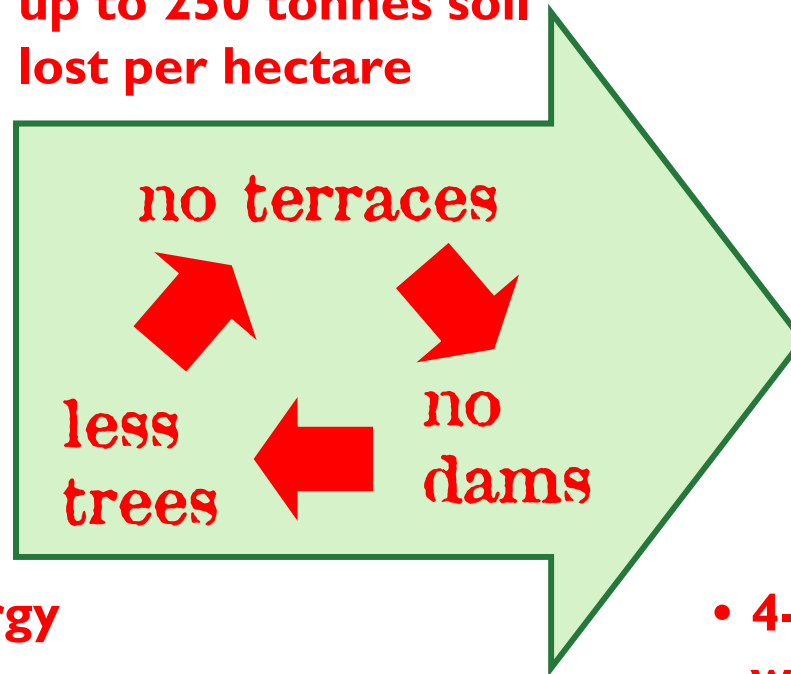
Farmers working with Excellent Development are supported to conserve their soil by terracing the land and increase its fertility by introducing manure, nitrogen-fixing plants and shrubs. Terracing land, building sand dams and planting trees creates the potential for farmers to develop and to build resilience to climate change.



Field Officer Johnstone demonstrates standard terraces.

effects of no conservation

- up to 70% of water lost
- up to 250 tonnes soil lost per hectare

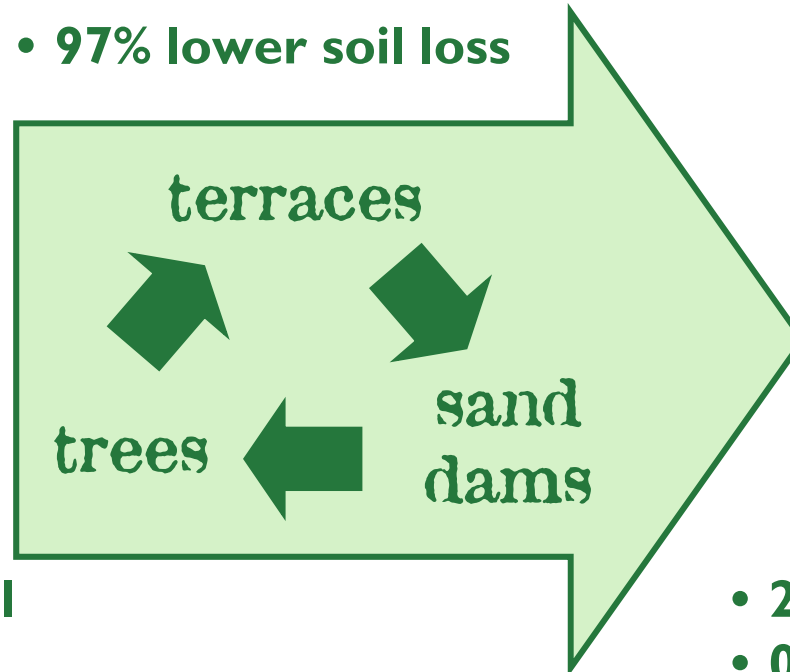


- Trees - 95% of energy use in rural Africa
- 1-2 hours collecting firewood

- 4-8 hours to collect water in dry season
- 8-12 hours during droughts

impacts of soil & water conservation

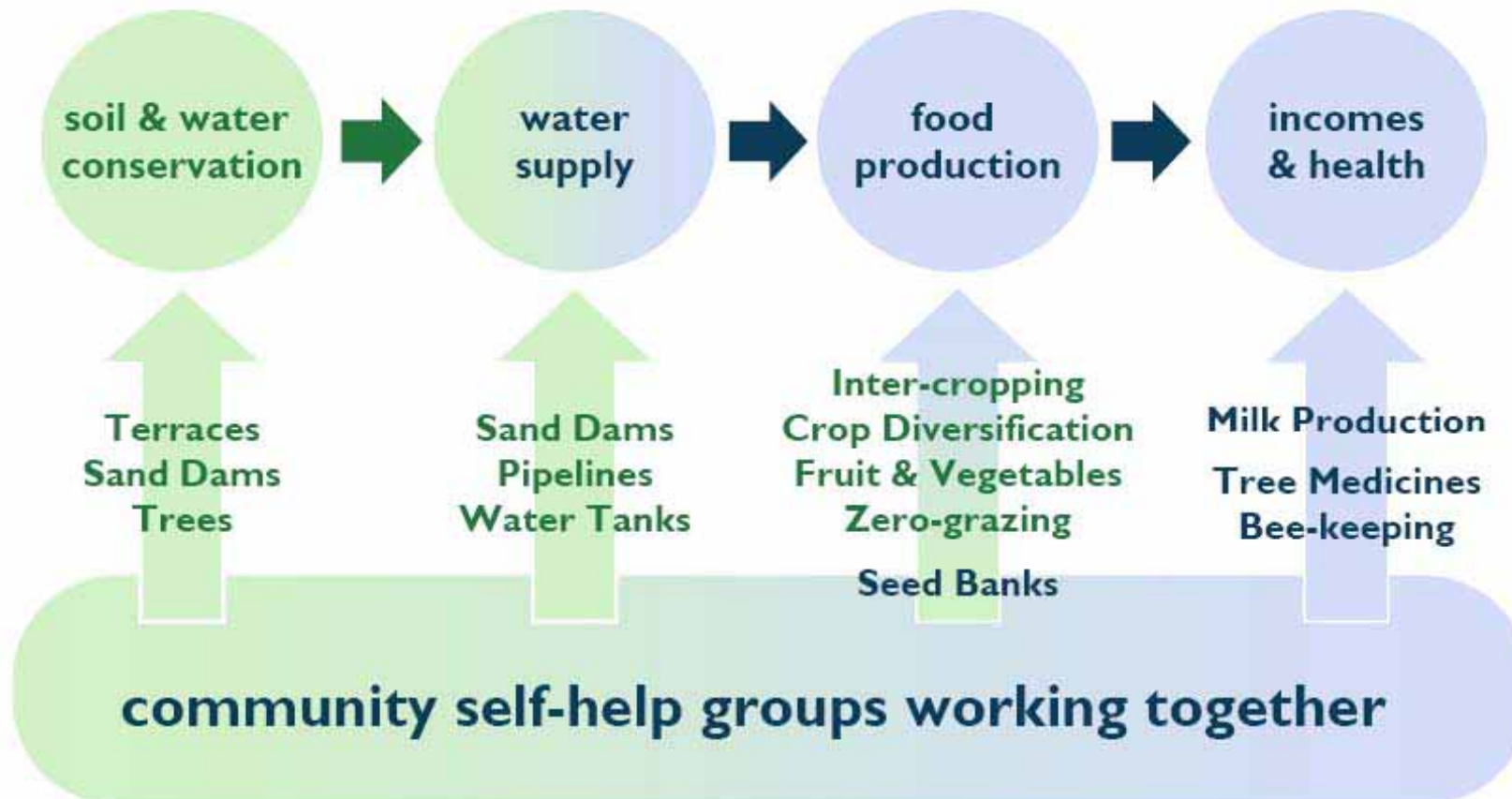
- 95% of water saved
- 97% lower soil loss



- Self-sufficiency in fuel
- Fruit & medicines
- Fodder & compost
- Further increased soil & water conservation

- 2-10 M litres of water
- 0.5-1 hour to collect water in dry season
- 1-2 hours during droughts

conservation leading to development



realising potential

With water available from sand dams, farmers save up to 8 hours each day collecting water in the dry season, which enables them to invest time in growing more food.

Field staff support farmers to create community demonstration farms to try out different techniques and generate seeds.

Using improved farming techniques farmers:

- **reduce the risk of crop failure by planting a wide range of drought-tolerant traditional crops with shorter growing periods.**
- **provide manure for the farm by zero-grazing their livestock.**
- **improve soil fertility and water retention by planting fertilising trees and cover crops.**

Achieving the goal of food security is improved by increased food production, storage and timing of sales. It is further supported by setting up community seed banks of 3-5 seasons worth of crop seeds. This ensures good quality seeds are always available despite crop failures and without the need for surplus cash during the planting season.



Soil & Water Conservation

recognition & progress



In recognition of Excellent Development's achievements since 2002, we were named Environment Charity and Overall Winner of The Charity Awards 2008.

The farmers in Kenya are of course the ones who deserve recognition for what they have achieved through careful planning and hard work. If their contribution of management and labour was valued at local casual rates, then their input would be worth £332k. This is equivalent to 38% of our actual expenditure in 2008-9.

There continues to be great work done in Kenya in partnership with farmers, including the completion of the 200th dam and the 500,000th tree being planted since 2002.

The number of self-help groups supported by Excellent has increased by 10 during the year to 57 groups, drawn from a population of over 210,000 people. Between them they built 54 sand dams, two more than planned, and dug 230km of terracing.

The drought in Kenya affected tree planting this year. Many communities were either not able to grow enough seedlings or did not have enough rain to plant them. However, despite the drought they managed to keep the tree nurseries going and to plant over 100,000 trees.

excellent track record

	2002/3	2003/4	2004/5	2005/6	2006/7	2007/8	2008/9	TOTAL
INPUTS								
INCOME								
Actual £K	£10K	£28K	£80K	£254K	£373K	£679K	£849K	£2,274K
Plan £ K	£9K	£18K	£82K	£239K	£370K	£601K	£798K	£2,118K
Variance £K	£1K	£10K	(£2K)	£15K	£3K	£78K	£51K	£156K
COMMUNITY GROUPS								
Actual	4	7	16	36	38	47	57	57
Plan	4	7	16	36	40	49	57	57
Variance	0	0	0	0	(2)	(2)	0	0
OUTPUTS								
SAND DAMS								
Actual	1	5	6	39	43	54	54	202
Plan	1	4	6	29	40	43	52	175
Variance	0	1	0	10	3	11	2	27
TERRACES (m)								
Actual	0	0	42,661	117,012	274,539	228,955	229,632	892,799
Plan	0	0	0	84,000	128,000	196,000	182,860	590,860
Variance	0	0	42,661	33,012	146,539	32,955	46,772	301,939
TREES								
Actual	13,256	30,175	35,858	85,112	136,076	180,009	100,398	580,884
Plan	10,000	30,000	33,000	75,000	140,000	176,000	172,380	636,380
Variance	3,256	175	2,858	10,112	(3,924)	4,009	(71,982)	(55,496)

2008-9 Performance

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drought & food for work



Up to seven successive harvests have failed

Kenya is currently facing a severe food crisis. Successive droughts have caused the last four to seven harvests to fail. In the Ukambani region in south-east Kenya, where we work, 1.3 million people are facing starvation.

Food shortages mean many people are forced to leave their home in search of casual work, and are unable to spend time working on their water and food security projects.

In order to enable the farmers to continue investing in their long-term future, Excellent Development Kenya (EDK) have launched a Food for Work (FFW) programme whereby members of the community groups can earn food by working on their soil and water conservation projects.

The FFW programme, started in August 2008, will continue until at least August 2009 and maybe even February 2010 due to the March/May rains having failed to produce enough rain to bring a harvest.

The Mennonite Central Committee, with the support of the Canadian Foodgrains Bank, have provided the majority of the support with Excellent Development in the UK having raised over £25K towards the programme.

coping with drought



Peter and Monica Masa (centre, with field officers Benson and Boniface)

Food for Work will enable farmers to build their water and food security, and reduce the impacts of future droughts.

Peter Wambua, Chairman of the Masenivero Self-Help Group in Kibwezi told us:

“We got our last rains two years ago. Since then we have had tiny amounts. We have not had food from our harvests since 2007. There is no food available unless we buy it. Most people are looking for casual work to get money, but there is very little work available. The government is providing relief of one kilogram of maize a month per family, which provides one meal.

“We want to make more sand dams, as they keep water in drought situations. We are relying more and more on our sand dams for water. The rains are becoming more and more unreliable, and we have to find ways to save it when it falls and get it to our villages by pipes.

“The Food for Work program will give people time to stay near home and do these long-term projects of ours, more sand dams and pipelines. Right now people are either going to look for work and money, or they are too exhausted and hungry to do anything.”

How to help www.justgiving.com/foodforwork

2008-9 Performance

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expanding horizons

Our commitment to soil and water conservation as a key weapon against climate change has been recognised by the St. Andrew's Prize for the Environment. Our plans to support the appropriate application of sand dam technology to dryland areas was runner-up for the 2009 St. Andrew's Prize.



During the year we have established relationships with SOS Sahel and WaterAid and will be talking to Oxfam in August 2009 about how we can support the wider use of soil and water conservation techniques to fight climate change.

Excellent Development USA

Excellent Development has funded the set-up of Excellent Development USA, which was registered as a 501(c) non-profit in July 2008. This will enable us to increase the funding available for our work by initially raising funds for Excellent Development Kenya (EDK).

statement of financial activities

For the year ended 31 March 2009	
INCOME	
Total incoming resources	£849,416
EXPENDITURE	
Cost of generating funds	£139,286
Charitable Expenditure	£675,118
Overseas Development Spend	£594,957
Development Education	£10,114
Replication & Advocacy	£46,958
Grants to ED USA	£23,089
Governance	£63,320
Total resources expended	£877,724
Exchange rate gain/(losses)	£4,605
Net incoming resources	£(23,703)

2008-9 has been another good year for Excellent Development – this was the seventh year running we have delivered our income target.

Total income grew by 25% between 2008 and 2009, increasing from £678,695 to £849,416.

Charitable Expenditure increased from £400,628 to £675,118, an increase of 69%.

consolidated balance sheet

As at 31 March 2009	
Fixed assets	
Tangible fixed assets	£50,162
Current assets	
Debtors	£11,064
Cash at bank and in hand	£204,802
Total current assets	£215,866
Current liabilities	
Creditors	£(31,924)
Net current assets	£183,942
Total assets less current liabilities	£234,104
Financed by:	
Unrestricted funds #	£95,814
Restricted funds	£88,128
Property and equipment fund *	£50,162
Total funds	£234,104

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies, and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The accounts were approved by the board on 29th July 2009.

The Trustees consider unrestricted funds (reserves) of 3 months of ongoing core costs as the minimum reserves necessary. The goal is to hold 6 months of ongoing core costs as reserves within 2 years. As at 31st March 2009, total reserves (unrestricted funds) were at £95,816, an increase of only £6,579 from 2008, which is 26.2% of budgeted 2009/10 ongoing core costs. Hence current reserves stand at the minimum level of 3 months.

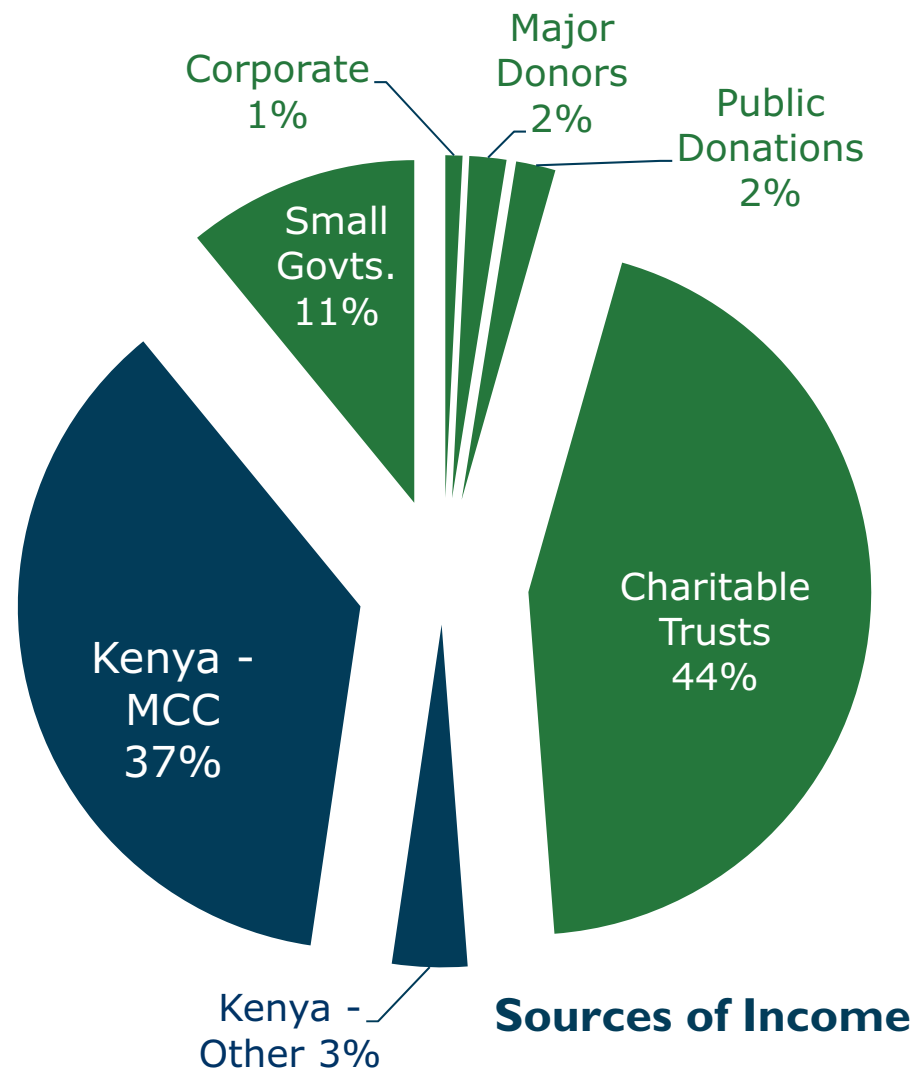
* The property and equipment fund represents funds invested in the net book value of tangible fixed assets, which are therefore not available for other uses. All tangible fixed assets have been purchased using restricted funds.

2008-9 income

Our income continues to be derived primarily from charitable trusts and institutions – with 92% of our voluntary income coming from these sources.

We are keen to diversify our funding, so we have invested in the development of corporate and individual fundraising and would expect the funding mix to change during 2009-10 as our investment produces results.

In response to this we have appointed a dedicated fundraiser for corporate and major donor fundraising, with our other full time fundraiser focussing on trusts, foundations, small governments and institutions. We have also increased resources on public fundraising by expanding the Communications Manager role to include this in addition to marketing and communications.



2008-9 Performance

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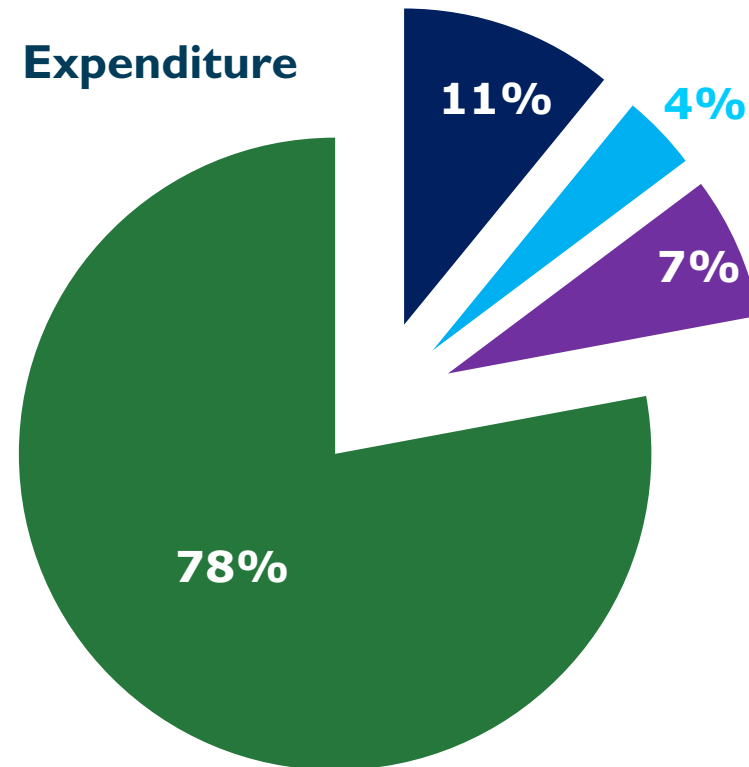
2008-9 expenditure

Charitable expenditure stands at 78% of total expenditure. This is lower than our minimum target of 80% due to a 4% investment in fundraising diversification – funded by our philanthropic investors.

Operational fundraising, marketing and communications costs are 11% of expenditure.

Governance costs have increased to 7% due to investment in finance and administration to support the growing organisational needs.

Overall we believe that we are delivering efficiency in charitable expenditure whilst the investments in fundraising will increase income and sustainability.



- Operational Fundraising, Marketing & Comms Costs
- Investments in Fundraising
- Governance Costs
- Charitable Expenditure

2009-10 plans

During 2009-10 Excellent Development is planning to raise £797,000 in the UK. We will also be supporting Excellent Development Kenya (EDK) to develop its own fundraising capacity. EDK is aiming to raise £400,000 in-country this year, including £325,000 from the Mennonite Central Committee (MCC).

EDK will be working with 67 community self-help groups this year, from ten districts of Eastern Province including Machakos, Makueni, Kibwezi, Mbooni and Mwala. These group have set themselves targets for their soil and water conservation and food production activities, as follows:

activity	target
terraces dug	182,360 metres
sand dams built	56
sand dam extensions built	14
trees planted	112,315
community seed banks	55
demonstration farms	53

2009-10 plans

We are continuing our relationship with Andrews Charitable Trust, which is investing in improving capacity in financial management, fundraising, and building and supporting programmes.

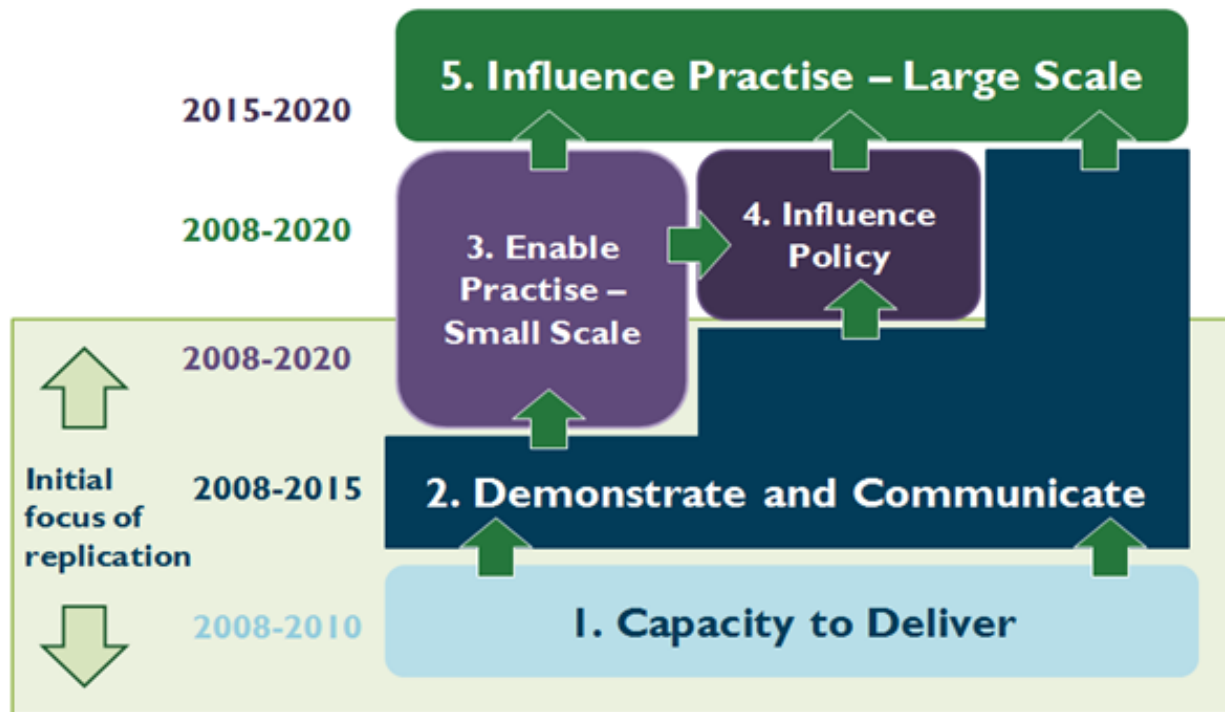
From July 2009, Excellent Development is also being supported by the Venture Partnership Foundation (VPF). VPF is a grant-making foundation dedicated to supporting social entrepreneurs and the dynamic charities that they run. VPF also provides pro bono expertise through the experience and skill of its members, volunteers and network of contacts.

We will continue to promote our development education resources. We are currently working with the One World Centre in the Isle of Man to develop resources for Key Stage 2 students, to build on those we already provide for Key Stage 3 and 4.



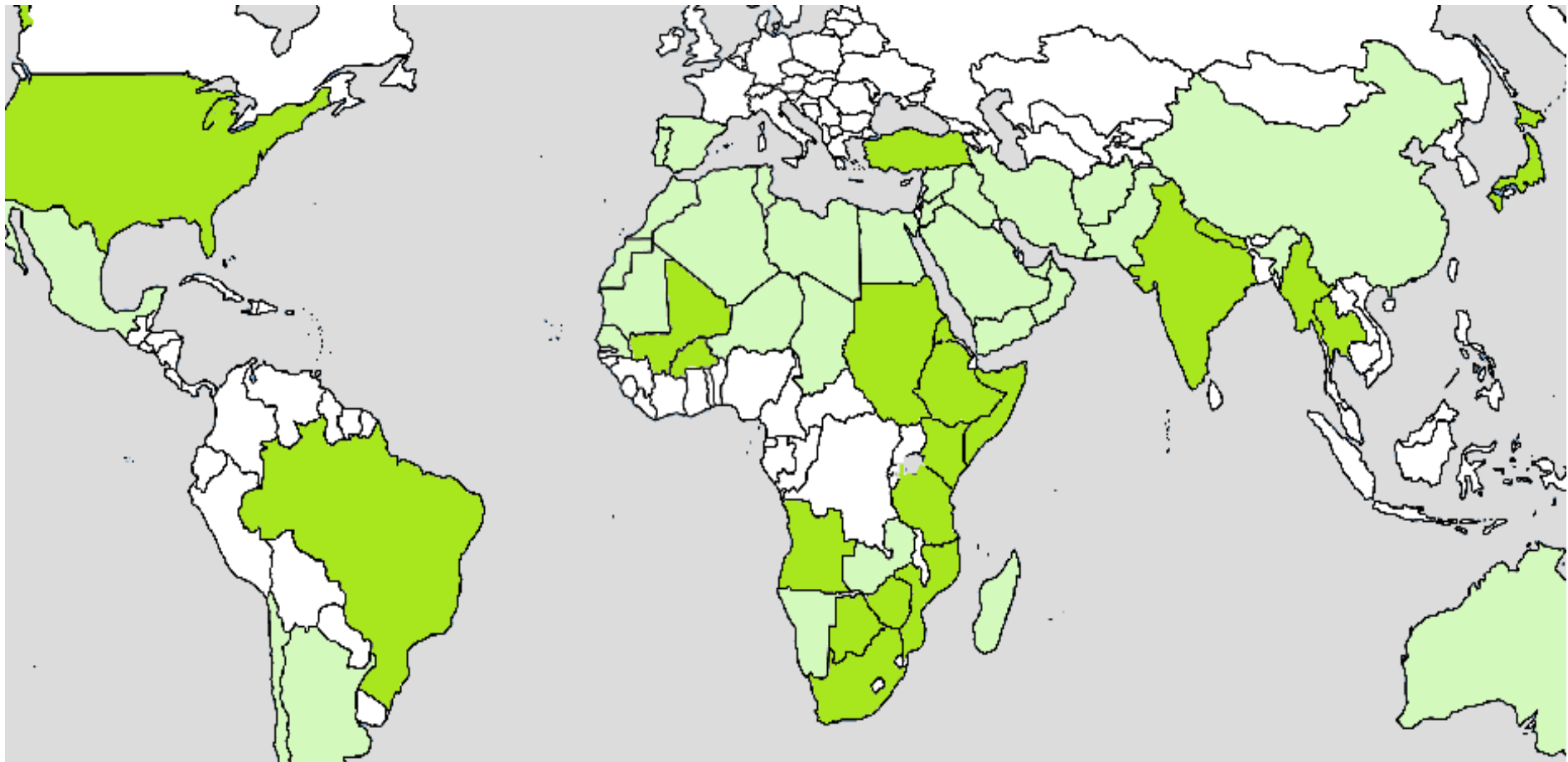
building programmes and partnerships

So far Excellent Development has worked in the drylands areas of Kenya. We believe there is huge potential to translate this experience and our model of development to other dryland regions of the world. Our vision is that by 2020, 2,500 sand dams per year will be built in dryland regions using a community-based development approach to soil and water conservation either through our programmes or as a result of our advocacy and support.



2009-10 Plans

where are sand dams suitable?



Countries with examples of sand dams or similar structures.

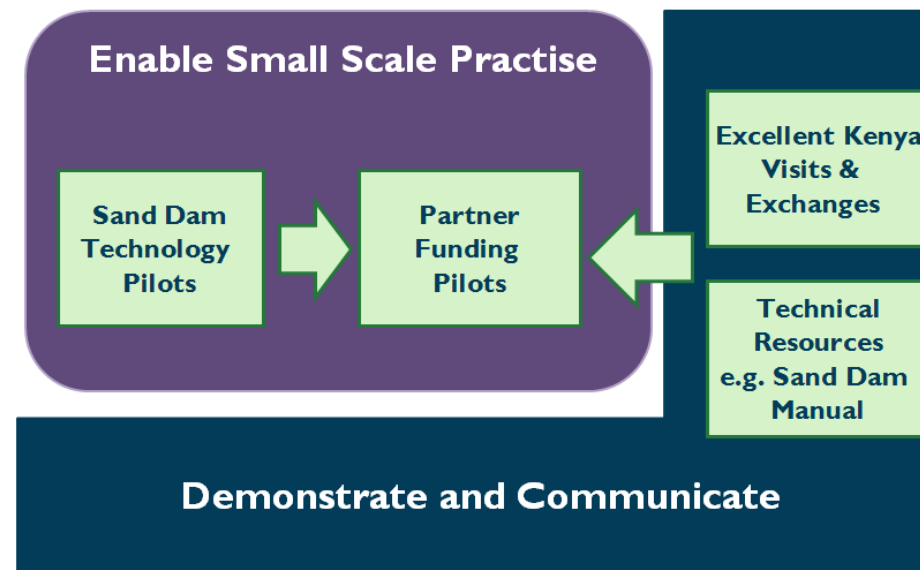


Countries with regions suited to sand dams.

our initial focus

In order to achieve our 2020 vision we will forge partnerships with carefully selected organisations that work directly with rural communities in semi-arid regions suited to sand dam technology. Our initial focus will be:

- Studying existing sand dam projects around the world
- Facilitating learning exchanges and seminars with interested organisations
- Conducting feasibility studies and funding and supporting pilot projects
- Developing national centres of learning and networks of practitioners



sand dams transform the environment

July 1984



Iiyuni valley, Kola Division, Machakos amidst the drought of 1984 when erosion threatened the stability of the local environment.

August 2002



The same valley – one month later into the drought period – following 3 dams and 6 small barrages being built in 1985.

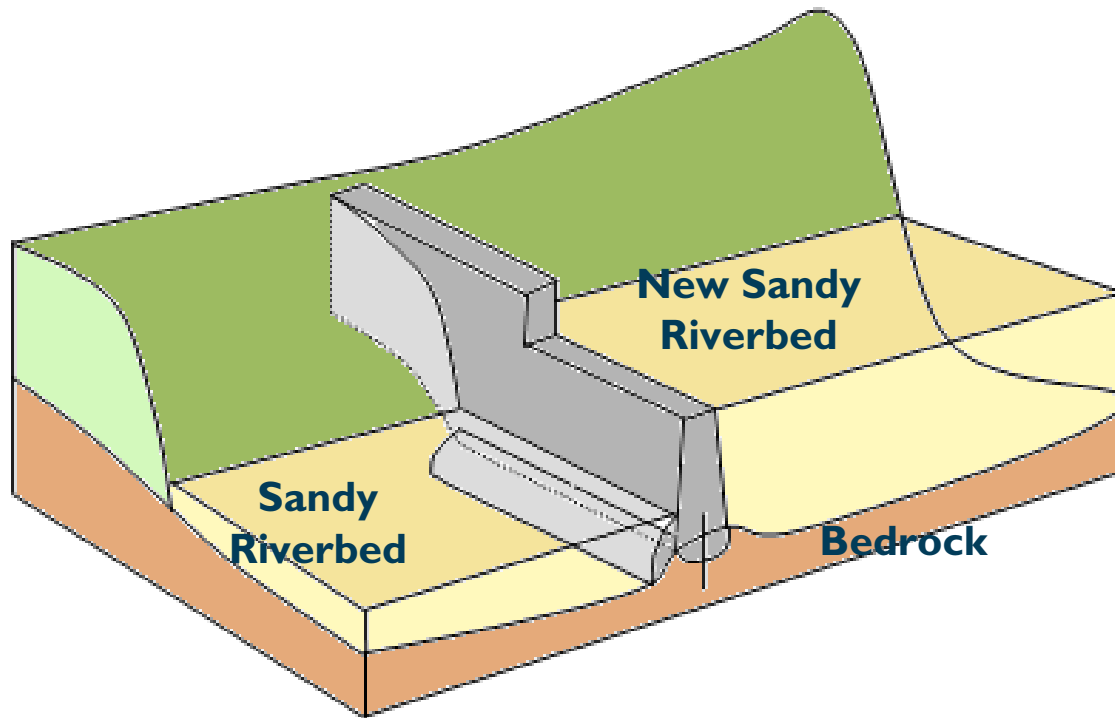
sand dams also transform lives



"Through the hard work of the group we have water from the sand dams and pipeline. I no longer wake up early to go fetch water as I used to. The water has enabled me to plant trees - medicinal trees and fruit trees. When the fruits are ripe I can sell a ripe piece for ten Kenyan Shillings."

**Watson Kivungi Kasyumi,
Matiku Tia Ngui Musyi SHG**

what is a sand dam?



A sand dam is a reinforced concrete wall in a seasonal river bed

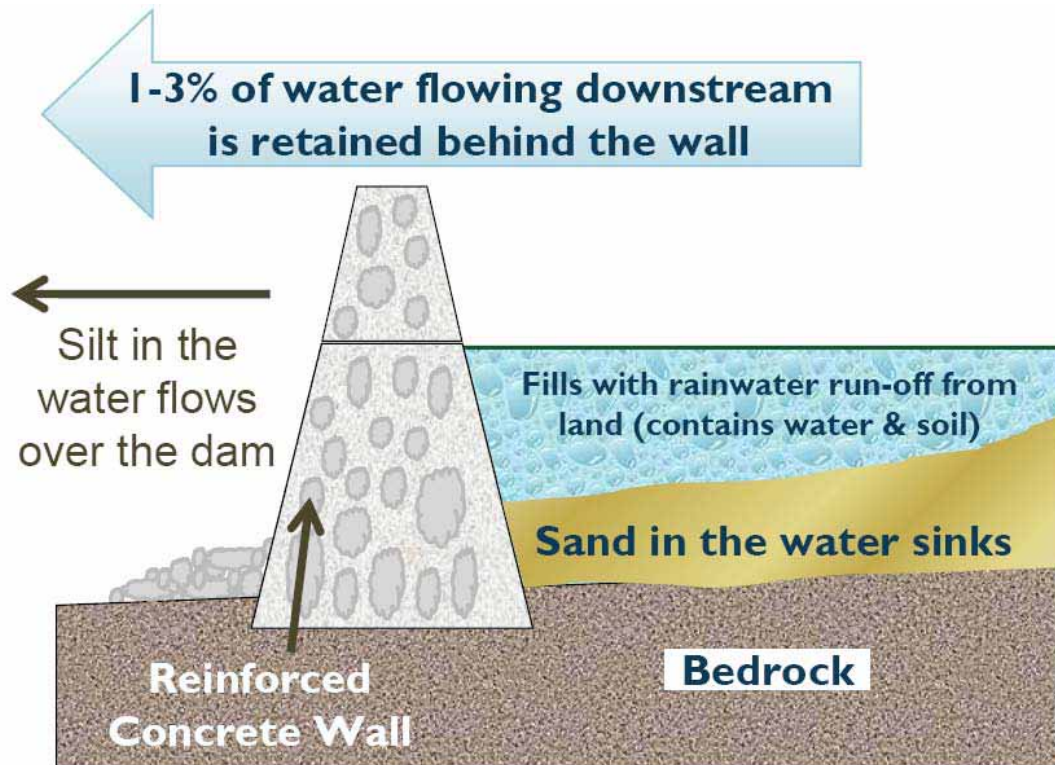


find a rock base in dry riverbed



build a reinforced concrete wall

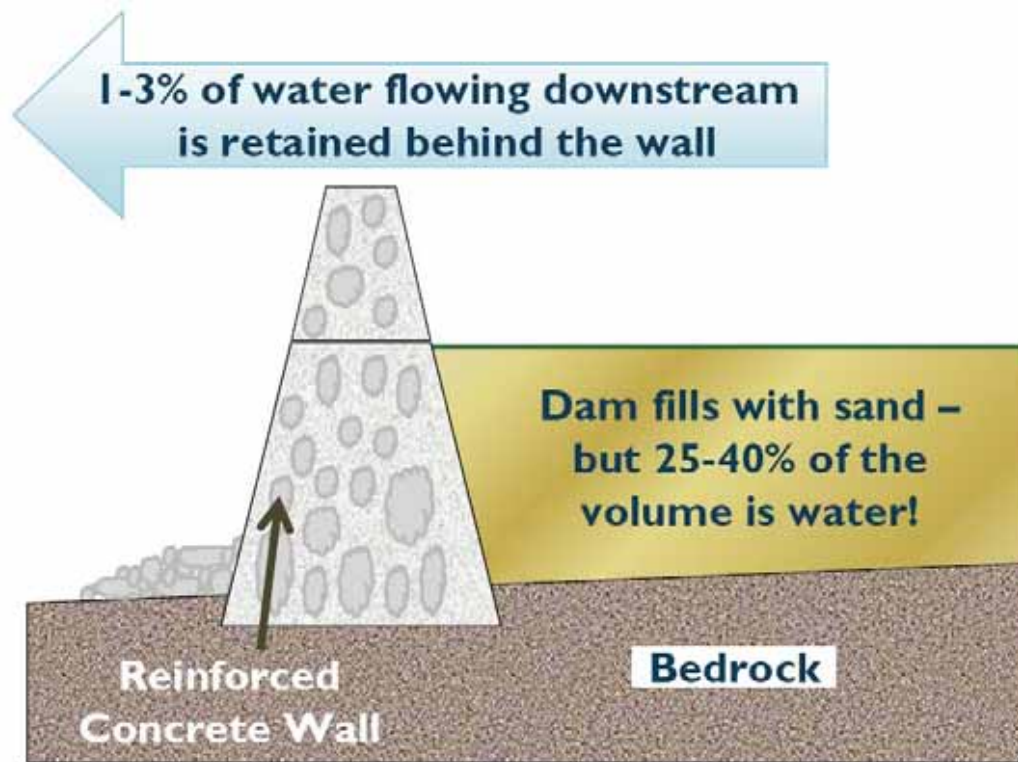
how does a sand dam work?



Rains fill the dam with water and soil. The soil is made up of silt and sand. Over time, the sand sinks, while the silt is washed downstream.

Sand Dams

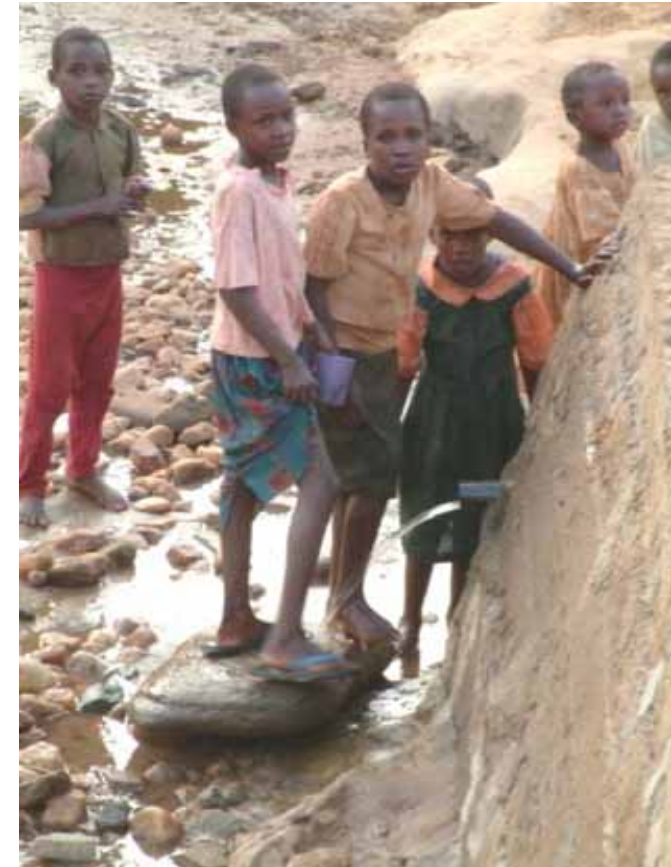
how does a sand dam work?



The sand sinks until the dam is completely full of sand. Water is stored within the sand - 25-45% of the total volume. That works out at between 2-10 million litres of water, depending on the sand particle size and how much sand is stored behind the dam.

Sand Dams

water collection



Sand filters the water clean and protects it from evaporation and parasites. Water can be collected from scoop holes behind the dam or from a pipe in the dam wall.

Sand Dams

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creating development through soil & water



“Mr Joshua, the Excellent Development co-ordinator, he was also telling us there is a wealth here but he was not coming up telling you this, that you should do this or that, he was telling us there is a wealth here. So it is upon you to find which wealth that man is talking about – then I came to know the plan.

“I had no plan of planting anything like tomatoes, because thinking of planting tomatoes without a sand dam, it was a daydream. But when Excellent Development came and showed the sites and we constructed that sand dam is when my mind started waking up. First time I planted 140 plants, that one we ate around here. The community were coming to buy some more of them.

“Next time I planted 350, but last one that’s when I got something, 2,800 Kenyan Shillings, whereby I used to take the tomatoes to school, where my child is schooling, and there it is counted as money because that tomato is cooked at school.”

Muendo Mdambuki – Mukika Kangemi Self-Help Group

special thanks



**Isle of Man
Government**

Reiltys Ellan Vannin

THE J J CHARITABLE TRUST



the venture partnership foundation
growing social innovation



**Menonite
Central
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AN EXCELLENT FILM



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giftaid it

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