

Charity Registration No. 1109840

Company Registration No. 05189185 (England and Wales)

**EVIDENCE FOR DEVELOPMENT
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

EVIDENCE FOR DEVELOPMENT

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	L Little M Hansen FCCA Dr D Potts Dr M Haile M Harper W Shields
Secretary	Dr J Seaman OBE
Charity number	1109840
Company number	05189185
Principal address	Room R1L24 Walker Institute, Agriculture Building University of Reading Earley Gate Reading RG6 6AR
Registered office	3 East Point High Street Seal Sevenoaks Kent TN15 0EG
Auditor	Lee, Dicketts & Co 3 East Point High Street, Seal Sevenoaks Kent TN15 0EG
Bankers	Co-Operative Bank Delf House Skelmersdale WN8 6WT
Solicitors	Covington & Burling LLP 265 Strand London WC2R 1BH

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JULY 2021

The trustees present their report and financial statements for the year ended 31 July 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

Our core objectives

Evidence for Development's efforts are focused on strengthening economic resilience and improving living standards among the poor. In response to the multiple challenges of the climate emergency and underlying problems of unequal development, poor infrastructure and weak governance EfD remains committed to making high quality information accessible at every level to support evidence-based decision making.

Our approach is to work with partners in the UK and internationally, to develop the tools needed to collect and analyse high quality information on the livelihoods of communities, primarily in the global South and to develop new ways of integrating this information with other disciplines, to support policy dialogue and guide decision making at local, national and international levels. We promote and continue to develop techniques for household economy measurement and modelling which are used by governments, UN agencies, academic researchers and non-government organisations. We are working closely with colleagues across academic disciplines nationally and internationally to respond to the challenges facing communities in rapidly changing economic and physical environments. There is an increasing urgency for collaboration across discipline and institutional boundaries to adapt policies, strategies and budgetary priorities in response to the economic and environmental hazards that are impacting on food security, health, well-being and security. This in turn requires a new focus on social welfare and protection. EfD is a member of the Walker Institute at the University of Reading, an interdisciplinary research institute which supports the development of climate resilient societies. Through our presence within the Institute, we are able to collaborate with colleagues working across the natural, physical and social sciences in response to these challenges, and to enhance our impact across the three core pillars of our work: research, capacity building and technology development. This is reflected in the programmes of work described in this report.

Gathering evidence

Much of our work is based on two methods used for collecting, modelling and analysing data on household income, which has been developed over several decades: the **Household Economy Approach (HEA)** and the **Individual Household Method (IHM)**.

Household economy data are used to simulate the impact on access to food and basic nonfood needs, of economic shocks or changes (eg droughts, floods, diseases affecting crops, people or livestock). This data also provides quantitative information that contributes to understanding the 'coping capacity', resilience and potential adaptive capability of study populations. Over the past year, we have completed our long term software project, the development of 'OHEA' and 'OIHM', replacing on a cloud based platform EfD's original HEA and IHM software. This will enable a far wider group of researchers and policy makers to generate, access and use household economy data to assess levels of livelihood resilience and to model the impact of different hazards across the population. Further enhancements to the software include a micronutrient analysis function, which has been developed in response to requests from both the research and NGO communities. We are now ready to include new micronutrient assays from crops grown in sites where HEA and IHM data is being collected.

Complementing this work, we are developing an **Integrated Database for Policy Makers (IDAPS)**. The project is jointly led by EfD and the Walker Institute and brings together data sets from across disciplines, showing non-specialist stakeholders, for example, the consequences for household incomes of changes in crop yields due to climate change. This is presented in a meaningful and understandable way that enables non-specialists to interact with the scientific data, creating their own 'change scenarios'.

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TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2021

IDAPS was initially focused on sub-Saharan Africa, but the geographical scope of work is now extending to South Asia. The purpose of the platform is to integrate model data from disciplines including Climate Science, Agronomy, Fisheries and Hydrology and to automate analysis of the livelihood impacts of different change scenarios at household (IHM data) or wealth group level (HEA data). Users can also create their own price and production scenarios, as with the original HEA modelling. The platform will allow detailed study of changes in livelihoods over time, alongside change in climate and other conditions.

More information on the methodologies used by EfD can be found at www.efd.org

Partnerships and Activities

Evidence for Development has been a member of the Walker Institute at the University of Reading since 2016, and works with universities and research institutes, NGOs and government institutions in the UK and overseas. The current focus of our Research and Development work is on modelling the potential impact of climate change on rural livelihoods in Africa and S Asia. Progress in this work has been greatly enhanced by our research partnerships and relationship with the Walker Institute. In addition to field-based household economy research, our partnership with the Walker Institute has enabled us to extend the reach of our training, which has been made available to academics, students, members of government agencies, research institutes and NGO staff. The Institute's Walker Academy provides a platform for joint training and capacity building courses.

Evidence for Development's core activities are:

Research: as noted in the previous Annual report, we are working increasingly in inter-disciplinary research teams. This collaboration has allowed us to extend the impact and relevance of our work, for example by connecting livelihoods analysis with climate change, hydrology and agricultural research. This was demonstrated recently in the framing of the Walker Institute's contribution to an OECD paper on Loss and Damages, to be presented at COP26 in Glasgow (Oct-November 2021).

Training and institutional capacity building: we work in partnership with local and international agencies and universities in the UK and Africa to build skills in livelihoods analysis, focusing on household economy measurement and modelling and, through research partnerships, applying this work to a range of problems: for example working with hydrologists to model the livelihood impacts of different flood events and with meteorologists, agronomists and crop modellers to look at the potential livelihood impact of new crop varieties in the context of climate change. The training we provide ranges from inter-disciplinary courses, where concepts of livelihood measurement and modelling are introduced to students from different academic and professional backgrounds, to more specialised field-based courses involving household economy data collection and analysis. Where training is delivered in the field, this is often combined with project related research and is increasingly devolved to EfD Associates based overseas. UK-based training is delivered through the Walker Academy in partnership with the Walker Institute, and now includes distance learning courses with a strong climate-livelihoods impact focus, as well as in-person events.

Developing analytical software tools: it is Evidence for Development policy to make its state of the art livelihood analysis tools freely available to researchers globally, providing easy to use technology that can help decision makers find answers to key development problems. In addition to donor funded enhancements, required to achieve project objectives EfD also works with software developers and others who provide their support pro bono, to advance EfD's charitable objectives.

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TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2021

Achievements and performance

What we achieved in 2019-20:

Impact of Covid-19

Despite lock downs and the suspension of international travel during the 2020-21 reporting period, the development of new research proposals and partnerships has continued. We have been able to complete software enhancements, produce accompanying training materials, deliver remote training courses and maintain regular contact with our Africa based associates. We have also welcomed a King's College London MSc student (Alice Walker) as a 'remote' intern. Alice went on to analyse IHM data from one of our earlier collaborations with Self Help Africa in Malawi, as part of her dissertation, using the new OIHM software in her analysis.

University of Reading, Walker Institute

Our collaboration with meteorological and social science colleagues at the Walker Institute has resulted in further research, training and development opportunities. This has included (i) the development and delivery of new distance learning courses (ii) methodological work, contributing to the novel application of Causal Inference network theory to quantitative climate impact storylines and supporting work with the United Nations Environment Programme in the Middle East (future transboundary climate/hydrology-livelihoods-security scenarios); contribution to the Walker Institute's work within the OECD report on Loss and Damages presented at COP26 in Glasgow; (iii) support to postgraduate teaching and (iv) contributions to jointly developed research proposals.

Project work

Specific activities have included:

Research and methodology

NIMFRU: Flood impact forecasting; GCRF/UoR funded Sweet Potato (SwP) research : improved models of under-researched tropical crops; OED, Causal Inference network storylines; HyCristal and OHEA/OIHM.

EfD's strategy is to progress its goals through projects that are connected in their methods and approaches, as demonstrated in the activities outlined in this section. The aim of the **NIMFRU** project (funded by DfID/NERC under the **SHEAR** programme) is to provide better information to help predict the likely extent of crop damage caused by flooding and support appropriate responses. The project includes an extension of the IDAPS platform to model flood impact, and in the current year we supported the development of a flood impact matrix, recording the specific sensitivities of crops grown in the project area to flooding at different times of the year. This work drew on the crop calendars collected as part of the HEA assessments conducted in Katakwi in 2019-20 and will be used in the flood impact models currently being developed with the Walker Institute, to create more accurate crop loss scenarios. NIMFRU project partners also facilitated the collection of samples of local Sweet Potato (SwP) varieties for nutritional analysis by the University of Reading laboratories. This contributed to the GCRF/UoR funded project : **Improved models of under-researched tropical crops**. The results of this analysis, which showed negligible Vit A content in the locally grown white fleshed SwP varieties, will be added to the recently completed **OHEA/OIHM software enhancement** that supports micronutrient analysis. We hope that future cross disciplinary collaboration will allow further location specific micronutrient analysis, providing a unique research resource. These inter-related projects are a good example of EfD's strategic approach to research opportunities. We have also contributed to a Walker Institute paper included in OECD work on Loss and Damages, presented at COP26. Household economy data collected as part of the **HyCRISTAL project** (DfID/NERC funded Future Climate for Africa) was used to explore the livelihood impact of changes in SwP production under specific IPCC climate change scenarios, using a quantitative **Causal Inference storyline** approach.

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TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2021

Capacity building

Covid related changes to the HyCx project (an extension to the HyCRISTAL project), were agreed last year. This allowed us to deliver Foundation I (ALive) training, in partnership with the Walker Academy in February 2021. This intensive 5 day remote training introduced household economy methodology and the OHEA and OIHM software to 16 participants including staff and postgraduate students from Gulu University, Uganda and a group of senior researchers and government officers working with the African Centre for Technology Studies (ACTS), Kenya. The ACTS group were funded through the Green Climate Fund (GCF) Kenya. John Seaman and EfD associates contributed to panel discussions, and a video recording provided an insight into the realities of household economy field work. This showcased Stella Ngoleka's interview skills, which were recognised and appreciated by participants. Further training will be carried out with this group in early 2022.

We also supported a major on-line training initiative (Learning to Co-produce), led by the NERC/SHEAR project which was delivered to over 80 members of Met services and meteorology students from across the continent. Partners included the UK Met office, the Universities of Nairobi and Senegal and other UK and African institutions.

We remain committed to supporting students through volunteering and internships and were delighted to accept Alice Murphy (Kings College London) as an intern as part of her MSc course. Alice worked with EfD from January-April 2021 and completed very useful data related tasks.

Software OHEA OIHM :

The main body of work to place EfD's original HEA and IHM software on a cloud based platform has now been completed. Data from a number of earlier projects has been upload onto the new OHEA and OIHM software by EfD associate, Stella Ngoleka, who was involved in testing the software and checking the accuracy of analytical reports. Alice Murphy also contributed to the data upload work, focusing on the micronutrient function. We are grateful to both for their conscientious attention to detail in these tasks. We are also extremely grateful to software programmer David Brown for his contributions to this project at a discounted professional rate and to Dai Clegg for directing and overseeing the project.

OHEA and OIHM licence a software licensing agreement was kindly drawn up by Covington and Burling LLP, our pro-bono legal advisers, setting out the terms on which EfD's OHEA and OIHM software may be used under a contract between the University of Reading and Syngenta Foundation.

Reducing the costs and extending the coverage of Livelihood Zoning:

One of the main obstacles to the wider use of HEA has been the cost of implementing field assessments, which includes an initial 'livelihood zoning' exercise. Livelihood zones are agro-ecological areas in which the population has access to a common set of economic opportunities. HEA studies focus on discrete livelihood zones (rather than administrative units). In 2018, John Seaman raised the possibility of employing a range of information sources, including earth observation (EO) and other geo-physical data to map out livelihood zones, thereby reducing the cost significantly. Initial work by climate and EO experts in the Walker Institute indicated that this might be possible. At the same time, EfD trustee Will Shields and Dai Clegg opened discussions with Datakind, a machine-learning (ML) initiative that links volunteers with high level AI and ML expertise to non-profit organisations, to solve data related problems. After a rigorous selection process, we are delighted to report that EfD's Livelihood Zoning project was accepted by Datakind and was launched in Sept 2021. We are aware that this process requires an element of ground truthing and verification. This final step will be incorporated in future field study work.

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New Projects

Discussions on a climate-livelihoods-green energy project led by the Walker Institute, are on-going . This includes a range of partners across the University of Reading and internationally. The focus of this work is likely to be in Ghana.

A proposal on Forest Landscape Restoration was submitted to NERC, together with partners in Makerere University, Uganda and the Ugandan environmental NGO, EcoTrust. A revised version of this project (Treetops) was accepted and will be implemented from October 2021-March 2022.

EfD is a Walker Institute partner in the UNEP project, led by Wood Consulting ' Producing Climate Change scenarios and risk assessment for Asia-Pacific Region'. Our role is to provide a livelihood impact perspective in various Task Orders. To date, this has included contributing to inter-disciplinary methodological discussions and commenting on livelihood impact assessments in earlier studies, including work in Nepal.

Papers

Members of EfD are co-authors in three peer reviewed papers published in 2020-21

Supporting Climate-Resilient Planning at National and District Levels: A Pathway to Multi-stakeholder Decision-Making in Uganda. Cornforth R.J., Petty C., Walker G. (2021) In: Conway D., Vincent K. (eds) *Climate Risk in Africa*. Palgrave Macmillan, Cham. https://doi.org/10.1007/978-3-030-61160-6_8

Storylines for Decision Making: Climate and Food Security in Namibia Young H.R., Shepherd T.G., Acidri, J., Cornforth R.J., Petty C., Seaman J., Todman L.C (2020) . *Climate and Development* DOI: [10.1080/17565529.2020.1808438](https://doi.org/10.1080/17565529.2020.1808438)

Integrating seasonal climate forecasts into adaptive social protection in the Sahel, Climate and Development, Daron J., Allen M., Bailey M., Ciampi L., Cornforth R., Costella C., Fournier N., Graham R., Hall K., Kane C., Lele I., Petty C., Pinder N., Pirret J., Stacey J. & Ticehurst H. (2020) DOI: [10.1080/17565529.2020.1825920](https://doi.org/10.1080/17565529.2020.1825920).

Web site and social media

News updates and reports are published on EfD's website, and other social media are maintained with occasional support from Wallace Research Communications.

Financial review

In common with many organisations the company has had a very sharp fall in income in the year. Over its existence the charity has experienced a variability of funding and has therefore adopted a cost structure with very low fixed costs, thereby providing resilience in recognition of this uncertainty. This approach has allowed us to weather the year with our reserves intact.

As was reported in last year's Annual Report, the company started the year having been prefunded to complete the GCRF/UoR (Improved models of under-researched tropical crops) and HyCx projects. As the costs of project completion arose we were able to pay for these from our heightened cash balance. The required accounting treatment of this situation leads to the Statement of Financial Activities on page 13 reporting a net income of £30,620 for last year and a net expenditure of £22,682 for this. A consideration of the 24 months together, provides a better representation of the underlying financial performance across the piece, that is a modest improvement in the financial position.

As the Trustees' Report describes, despite the very low external income, EfD has continued to progress and deliver on all of its core activities during the year. This has only been possible by the very large pro bono time contributions of our UK staff and associates, Celia Petty, Dai Clegg and John Seaman.

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TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2021

Risk management and GDPR compliance

The Trustees review the major risks facing the organisation on a regular basis. We have also reviewed our GDPR compliance, with guidance from our legal advisers at Covington and Burling.

The Personal Security Policy continues to provide useful guidance for staff and contractors across Africa.

The IHM trademark has been renewed and new trademarks for OHEA and OIHM have been registered with the UK Intellectual Property Office. We are very grateful to our Treasurer, Mike Hansen, for his work on this issue.

The significant uncertainties in the year has lead the Board to review the Reserves Policy. Recent experiences suggests it is prudent to retain a cash buffer equivalent of at least twelve months of non-discretionary expenditure. As we have been successful in reducing our fixed costs we are able to adopt this policy within our existing financial envelope.

Pro bono support

Project grants, development work, and contracts over the past year continue to raise a range of legal and accounting questions. We are extremely grateful to both our legal advisers, Covington and Burling, and to our accountants, Lee, Dicketts and Co., for their unfailing support and considerable pro bono contributions. Tom Nurse continues to give invaluable assistance with web site development, maintenance and graphic design, and David Brown's support for our software development is much appreciated.

EfD's Board

The Board met regularly throughout the period. There have been no changes in Board membership.

Objectives for 2020-21

Research, capacity building and technical innovation

Activities will include:

HyCx: Following on from Foundation level I (ALive) Training in February 2021, we will be running Foundation level II (ALive) Training in February 2022 with the Walker Academy. In addition to colleagues from Gulu University, members of the Nairobi based African Centre for Technology and Science will again be invited to the training. We will be developing additional enhancements to our training materials. This will include detailed video guides to add to the set filmed last year by Ross Fairgrieve (Walker Institute) with scripts provided by EfD and an updated HEA/IHM manual.

Datakind/Livelihood Zoning:

The Datakind project commenced in October 2021 to explore the use of machine learning applied to remote sensing data to automate aspects of livelihood zoning. We will be identifying opportunities to 'ground truth' output from the ML process during the coming year.

Will Shields has committed 2 days per week to volunteering with EfD during a one year sabbatical (October 2021-September 2022) and is leading EfD's input into this project.

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TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2021

Treetops

This project, funded by NERC, will explore approaches to forest landscape restoration (FLR) and the impact of environmental initiatives on local populations in Western Uganda (Masindi district). The FLR approach aims to restore ecological systems and enhance human well-being in degraded or deforested landscapes. However, evidence relating to the socio-economic and local livelihood impacts of the FLR approach has been limited. This project will be implemented with Makerere University, College of Agricultural and Environmental Sciences, and EcoTrust, a Ugandan environmental NGO which has been working in Masindi district for over a decade. The project will be coordinated locally by EfD senior associate James Acidri, who will also lead livelihoods assessment work in Masindi. The aim is to look at the achievements and challenges of FLR work carried out to date, with a view to demonstrating replicable methodologies that support the long-term sustainability of environmental and social benefits of FLR both in Uganda and more widely. The project will incorporate perspectives from both national and local government agencies and from local organisations and community members from across wealth groups.

SHEAR/NIMFRU international workshop

An end of project workshop will be held in early 2022. SHEAR is a major NERC/UKRI funded project focusing on humanitarian emergency prevention and response across Africa and South Asia. This is an important opportunity to present our inter-disciplinary work on flood impact forecasting in Katakwi, and its broader applications.

UNHCR

The Walker Institute with EfD is currently working with UNHCR on a multi agency research project which involves major research institutes from across Europe and the US (including the Potsdam Climate Institute (PIK)) to address the lack of usable predictive information from climate and other models, relating to the likely impact of climate related disasters on human populations. This problem that has been the focus of much of our work with the Walker Institute since 2016 and the project provides an important platform for wider discussion and dissemination of the approaches we have been developing jointly.

UNEP

Further work with the Wood consortium on climate-livelihoods and related risks in the Tigris-Euphrates transboundary area is likely to be requested this year. Whilst this is a difficult area in which to work, EfD has access to relevant through our Senior Associate James Acidri, who conducted HEA assessments in the region during 2015.

AUDA

A Memorandum of Understanding is currently being negotiated between UoR and the African Union Development Agency (AUDA). We look forward to supporting inter-disciplinary training, including climate-livelihoods impact assessment through this connection. The focus will be on training of trainers in institutions across the Continent, who will support the next generation of research leaders and innovators in this field.

GDPR compliance GDPR compliance policies are now in place and will be reviewed regularly.

PhD Supervision: Wolf Ellis completed his PhD on UK food poverty, which was co-supervised by CP, DP and Prof David Green of King's College, London. Wolf's research applies aspects of IHM methodology in an urban, UK context and was part funded by EfD under the CASE funding programme. CP is also co-supervising two Reading PhD students: the first is working on livelihoods and flooding in Northern Uganda (funded by DfID/NERC under the SHEAR programme) and the second is working on heatwaves in Africa. Their research will be ongoing through the coming year. These are both interdisciplinary studies, in which students from the natural and physical sciences are incorporating livelihoods impact in their work.

Future activities: We will continue to explore new ways of making quantitative livelihood assessment more accessible globally, working with colleagues across disciplines and institutions in field research, technology and methodological innovation. This will include the development of bids and proposals with academic and NGO partners in line with EfD's charitable objectives.

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TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2021

Structure, governance and management

The charity is a company limited by guarantee (Registration Number 05189185) and as a charity (Registration Number 1109840), formed on 26 July 2004.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

L Little
M Hansen FCCA
Dr D Potts
Dr M Haile
M Harper
W Shields

In accordance with the charity's Articles of Association, potential new trustees are identified by the existing trustees, and where appropriate proposed to the charity by formal notice not less than fourteen days and not more than thirty-five clear days before the date of any general meeting, following which their appointment is undertaken by way of ordinary resolution of the charity's members.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Auditor

In accordance with the company's articles, a resolution proposing that Lee, Dicketts & Co be reappointed as auditor of the company will be put at a General Meeting.

The trustees' report was approved by the Board of Trustees.

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M Hansen FCCA
Trustee
Dated:

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STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 JULY 2021

The trustees, who are also the directors of Evidence for Development for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

EVIDENCE FOR DEVELOPMENT

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF EVIDENCE FOR DEVELOPMENT

Opinion

We have audited the financial statements of Evidence for Development (the 'charity') for the year ended 31 July 2021 which comprise the statement of financial activities, the statement of financial position and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF EVIDENCE FOR DEVELOPMENT

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

TEXT REQUIRED

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF EVIDENCE FOR DEVELOPMENT

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Bushell (Senior Statutory Auditor)
for and on behalf of Lee, Dicketts & Co

.....

Chartered Certified Accountants
Statutory Auditor

3 East Point
High Street, Seal
Sevenoaks
Kent
TN15 0EG

Lee, Dicketts & Co is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

EVIDENCE FOR DEVELOPMENT

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 JULY 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes						
Income from:							
Donations and legacies	2	14,205	-	14,205	11,079	-	11,079
Charitable activities	3	17,254	-	17,254	117,895	6,000	123,895
Total income		31,459	-	31,459	128,974	6,000	134,974
Expenditure on:							
Raising funds	4	305	-	305	305	-	305
Charitable activities	5	53,836	-	53,836	98,576	5,473	104,049
Total resources expended		54,141	-	54,141	98,881	5,473	104,354
Net (expenditure)/income for the year/ Net movement in funds		(22,682)	-	(22,682)	30,093	527	30,620
Fund balances at 1 August 2020		80,085	527	80,612	49,992	-	49,992
Fund balances at 31 July 2021		57,403	527	57,930	80,085	527	80,612

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

EVIDENCE FOR DEVELOPMENT

STATEMENT OF FINANCIAL POSITION

AS AT 31 JULY 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Investments	9		1		1
Current assets					
Debtors	10	36,226		47,875	
Cash at bank and in hand		23,812		43,918	
		<u>60,038</u>		<u>91,793</u>	
Creditors: amounts falling due within one year	11	<u>(2,109)</u>		<u>(11,182)</u>	
Net current assets			57,929		80,611
Total assets less current liabilities			<u>57,930</u>		<u>80,612</u>
Income funds					
Restricted funds	12		527		527
Unrestricted funds			57,403		80,085
			<u>57,930</u>		<u>80,612</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 July 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on

.....
M Hansen FCCA
Trustee

.....
Dr D Potts
Trustee

Company Registration No. 05189185

EVIDENCE FOR DEVELOPMENT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

Charity information

Evidence for Development is a private company limited by guarantee incorporated in England and Wales. The registered office is 3 East Point, High Street, Seal, Sevenoaks, Kent, TN15 0EG.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Donated facilities and services that are consumed immediately are recognised as income, with an equivalent amount recognised as an expense under the appropriate heading in the statement of financial activities (SoFA).

Donated facilities and services are measured and included in accounts on the basis of the value of the gift to the charity, that being what the charity would pay in the open market for an alternative item that would provide a benefit to the charity equivalent to the donated item.

EVIDENCE FOR DEVELOPMENT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

(Continued)

1.5 Resources expended

The accruals basis is applied to all expenditure.

Expenditure has been allocated according to the Statement of Recommended Practice "Accounting and Reporting by Charities" and is shown under the appropriate sub-heading. Items of expenditure which involve more than one charitable activity are allocated appropriately between the charitable activities involved on the basis of estimates made by the charity's management.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	33% straight line
--------------------------------	-------------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Basic financial instruments

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any loss arising from impairment is recognised in the Statement of Financial Activities.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

EVIDENCE FOR DEVELOPMENT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

2 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	280	344
Donated goods and services	13,925	10,735
	<u>14,205</u>	<u>11,079</u>

Donated goods and services

Donated legal services from Covington & Burling LLP have been included on a commercial valuation basis at £13,025 (2020 - £8,935), and donated audit accountancy services from Lee, Dicketts & Co have been included on the same basis at £900 (2020 - £1,800) as incoming resources for the year. The same amounts have been included within resources expended, as required by the Statement of Recommended Practice, applicable to charities preparing their accounts in accordance with FRS 102.

3 Charitable activities

	Grant income	Grant income
	2021	2020
	£	£
Research, development, training and mentoring fees	<u>17,254</u>	<u>123,895</u>
Analysis by fund		
Unrestricted funds	17,254	117,895
Restricted funds	<u>-</u>	<u>6,000</u>

4 Raising funds

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
<u>Fundraising and publicity</u>		
Other fundraising costs	305	305
	<u>305</u>	<u>305</u>

EVIDENCE FOR DEVELOPMENT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

5 Charitable activities

	Research	Training and capacity building	Developing tools	Total 2021	Research	Training and capacity building	Developing tools	Total 2020
	2021	2021	2021		2020	2020	2020	
	£	£	£	£	£	£	£	£
Staff costs	670	7,218	4,004	11,892	10,324	13,031	16,633	39,988
Depreciation and impairment	-	-	-	-	79	66	135	280
Rent	100	1,093	606	1,799	510	423	867	1,800
Computer costs	21	216	120	357	204	169	347	720
Consultancy fees	4,452	5,124	13,594	23,170	10,921	11,441	26,209	48,571
Insurance	69	740	410	1,219	86	71	146	303
Sundry expenses	1	16	9	26	4	3	6	13
Bank charges	14	154	86	254	126	105	214	445
	<u>5,327</u>	<u>14,561</u>	<u>18,829</u>	<u>38,717</u>	<u>22,254</u>	<u>25,309</u>	<u>44,557</u>	<u>92,120</u>
Share of governance costs (see note 6)	851	9,177	5,091	15,119	3,379	2,801	5,749	11,929
	<u>6,178</u>	<u>23,738</u>	<u>23,920</u>	<u>53,836</u>	<u>25,633</u>	<u>28,110</u>	<u>50,306</u>	<u>104,049</u>
Analysis by fund								
Unrestricted funds	6,178	23,738	23,920	53,836	25,086	23,184	50,306	98,576
Restricted funds	-	-	-	-	547	4,926	-	5,473
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>547</u>	<u>4,926</u>	<u>-</u>	<u>5,473</u>

EVIDENCE FOR DEVELOPMENT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

6 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Audit fees	-	1,194	1,194	-	1,794	1,794
Accountancy	-	900	900	-	1,200	1,200
Legal and professional	-	13,025	13,025	-	8,935	8,935
	-	15,119	15,119	-	11,929	11,929
Analysed between Charitable activities	-	15,119	15,119	-	11,929	11,929

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

8 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	2	2
Employment costs	2021 £	2020 £
Wages and salaries	11,819	39,510
Social security costs	(133)	(258)
Other pension costs	206	736
	11,892	39,988

EVIDENCE FOR DEVELOPMENT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

9 Fixed asset investments

		Other investments
Cost or valuation		
At 1 August 2020 & 31 July 2021		1
		<u> </u>
Carrying amount		
At 31 July 2021		1
		<u> </u>
At 31 July 2020		1
		<u> </u>

	Notes	2021 £	2020 £
Other investments comprise:			
Investments in subsidiaries	15	1	1
		<u> </u>	<u> </u>

10 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	-	11,700
Gross amounts owed by contract customers	1,124	1,438
Amounts owed by subsidiary undertakings	34,104	34,104
Other debtors	633	633
Prepayments and accrued income	365	-
	<u>36,226</u>	<u>47,875</u>

11 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	-	2,429
Other creditors	-	255
Accruals and deferred income	2,109	8,498
	<u>2,109</u>	<u>11,182</u>

EVIDENCE FOR DEVELOPMENT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

12 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Total funds			2020/21 movement in funds	
	Incoming resources £	Resources expended £	Balance at 1 August 2020 £	Incoming resources £	Balance at 31 July 2021 £
African Union Development Agency	6,000	(5,473)	527	-	527

In March 2020 funds were received to facilitate a planning workshop for the AUDA Climate Resilience Centre.

The Centre will focus on an integrated, cross disciplinary approach to policy and interventions to reduce the negative impact of climate change and will provide a hub for interdisciplinary curriculum development and training.

13 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 July 2021 are represented by:						
Investments	1	-	1	1	-	1
Current assets/ (liabilities)	57,929	-	57,929	80,084	527	80,611
	57,930	-	57,930	80,085	527	80,612

14 Related party transactions

There were no disclosable related party transactions during the financial year or in the previous year.

At the year-end Evidence for Development (Trading) Limited owed the charity £34,104 (2020 - £34,104).

EVIDENCE FOR DEVELOPMENT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

15 Subsidiaries

These financial statements are separate charity financial statements for Evidence for Development.

Details of the charity's subsidiaries at 31 July 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Evidence for Development (Trading) Limited	England & Wales	Trading subsidiary	Ordinary shares	100.00	