

**THE WOOD FOUNDATION**  
(Charity Number: SC037957)

**TRUSTEES' ANNUAL REPORT AND ACCOUNTS**

**31 MARCH 2020**

**THE WOOD FOUNDATION**  
**TRUSTEES' ANNUAL REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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**THE WOOD FOUNDATION**  
**LEGAL AND ADMINISTRATIVE INFORMATION**

**TRUSTEES**

Sir Ian C Wood            Executive Chairman  
Lady Helen Wood  
Garreth R C Wood  
Graham Good

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## **THE WOOD FOUNDATION TRUSTEES' ANNUAL REPORT**

The Trustees submit their report and the audited accounts of The Wood Foundation for the year ended 31 March 2020.

Legal and administrative information set out on the previous page forms part of this report. The accounts comply with current statutory requirements, the Trust Deed and the Statement of Recommended Practice - Accounting and Reporting by Charities (FRS102).

The Wood Foundation was established by Sir Ian Wood and family and was officially launched on 14 September 2007. The Trust is a Scottish based charity with a global outlook.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Nature of Governing Document**

The Wood Foundation is a recognised charity in Scotland (charity number SC037957) governed by its Trust Deed.

#### **Organisational Structure**

The Board of Trustees administer the charity. The Executive Chairman manages the day to day operations of the charity.

The Trust's governing document is its Trust Deed.

#### **Recruitment and Appointment of Trustees**

The powers of appointment and removal of Trustees are set out in the Trust Deed.

It is the Trust's policy to seek to appoint Trustees who have a specific interest in its objects or whose skills can complement those already in place.

#### **Induction and Training of Trustees**

The Trustees have been given appropriate information and training regarding their legal roles and responsibilities upon appointment to the Board.

### **TRUST OBJECTIVES AND ACTIVITIES**

The Trust Deed empowers the Trustees to apply the Trust Fund for the benefit of such purposes, objects or institutions, charitable in law, as the Trustees think fit.

The Wood Foundation's chosen objectives are (1) venture philanthropy transforming livelihoods in Africa; (2) encouraging young people in Scotland to become enterprising, independent, tolerant and caring members of society; and (3) promotion of education and economic development in Scotland. The Trust achieves these objectives by investing both money and expertise in its chosen project areas to achieve its objectives. Whether as project leader or by taking an active supporting role with strategic partners, we are generally involved in the research and design, implementation and performance evaluation stages of each project to enable sustained and successful programmes.

The Trust's objectives in Sub-Saharan Africa are implemented by its subsidiary charitable company, The Wood Foundation Africa ('TWFA') (charity number SC040580).

## **CHAIRMAN'S REVIEW**

The Trustees present their report for the year ended 31 March 2020.

### **Assessment of Principal Risks and Uncertainties**

There are risks associated with our tea related activities through our subsidiary, The Wood Foundation Africa, particularly climatic conditions; market prices; and political stability. These risks are mitigated by choosing areas with a good history of respective growing conditions; partnering with reputable producers where applicable; and by recruiting high quality, suitably qualified and experienced management as our operations expand. Financial controls and systems are also in place to manage exposure to major risks, including ensuring that adequate levels of free reserves are maintained to withstand any downturn.

### **Executive Summary**

The Wood Foundation, founded in 2007, continues to make strong progress and further expand its activities both in the UK and in Sub-Saharan Africa. Our funds continue to be focussed on three main areas – Venture Philanthropy Transforming Livelihoods in Africa; Developing Young People in Scotland; and Facilitating Economic and Education Development in Scotland.

The global COVID-19 pandemic continues and this has brought fresh challenges to The Wood Foundation in its various activities both in Africa and in UK since the year end. However, it is pleasing to report that in Africa the factory operations and new tea development projects have been largely unaffected by pandemic due to a combination of efforts by host country governments to stop the spread of transmission from the main cities to the rural areas and by various mitigation protocols implemented by TWFA and its partners at the factories and project sites. At home, our team have adapted admirably and continue to deliver the various projects online as necessary.

Venture Philanthropy Transforming Livelihoods in Africa is implemented through our subsidiary charity, The Wood Foundation Africa ('TWFA'). The majority of our main projects we initially implemented in partnership with Lord David Sainsbury's Gatsby Africa charity ('Gatsby') through our joint-venture charitable company East African Tea Investments, but TWFA now has a number of other projects in tea with Unilever, and Luxmi Tea Company Private Limited ('Luxmi'), an eminent family tea business based in India and, more recently, a smallholder sugar cane development project in south western Kenya with Transmara Sugar Company Limited. We are now involved in five smallholder-supplied tea factories in Rwanda and have four large-scale planting projects to develop a total of 13,000 hectares of tea owned by smallholder farmers. This enables us to positively impact approximately 75,000 smallholder tea farmers – benefiting approximately 450,000 of the rural population including dependents. We have been given good support in three of our smallholder tea development projects by the UK Government's UKAid programme. The Government of Rwanda has committed to a significant share of the smallholder funding required for the latest tea development project committed to since the year-end.

Our Developing Young People in Scotland portfolio continues to grow.

The Youth & Philanthropy Initiative Scotland (YPI) is now one of the largest independent education programmes being delivered through the curriculum in Scottish schools. 275 schools had committed to take part in the 2019/20 academic year, with around half completing their programme of activity before the Covid-19 lockdown in March 2020.

The programme continues to be an outstanding success in supporting young people to develop key skills, and engage meaningfully with their wider communities, understand the social issues affecting them, and realise their potential to make a positive impact. Our Global Learning Partnerships (GLP) programme has grown to become a national opportunity for Scottish schools, providing immersive, ongoing professional learning opportunities to education practitioners. This experience enhances the delivery of global and sustainable education.

## **THE WOOD FOUNDATION TRUSTEES' ANNUAL REPORT**

### **CHAIRMAN'S REVIEW (continued)**

The RAISE (Raising Aspirations in Science Education) programme moved beyond pilot stage to a national offer for all local authorities in Scotland. It has engaged with primary schools in 13 local authorities in Scotland.

We are working in partnership with Aberdeenshire Council to deliver a pilot educational offering, Excelerate, which aims to facilitate system change in education. Four secondary schools are currently engaged, exploring enhanced partnership working, project based learning and a community engaged approach to contextualise learning and teaching in the real world of work.

Our commitment to Facilitating Economic Development in Scotland is implemented by Opportunity North East ('ONE'), a private sector led initiative aimed at maximising opportunities from North Sea oil, supporting the diversification into energy transition and strengthening our key industry sectors. Our commitment to ONE is £29.25 million over five years to 31 March 2021 with a conditional commitment to increase this by a further £33 million for the five-year period from 1 April 2021 to 31 March 2026.

During the year we committed an additional £4.5 million to Kids Operating Room ('KidsOR'), a separate charity set up by my son Garreth in 2018 developing paediatric operating theatres in developing countries around the world. This was paid to KidsOR since the year end via UBS Optimus Foundation.

### **Charitable Activities During the 2019/20 Year**

#### **Venture Philanthropy Transforming Livelihoods in Africa**

During the year we were involved in the operation of five tea processing factories in Rwanda – all majority supplied by local smallholder tea farmers. Two were acquired in partnership with Gatsby during Government privatisations and we progress towards our intention to eventually pass our shares over to smallholder ownership once we recover our original investment at nil return and the smallholder farmers achieve certain capacity and governance KPIs. We expect to pass ownership of the first of these to the farmers in the next 12 months. In partnership with Luxmi (75% Luxmi, 25% TWFA), we acquired two additional factories in 2018 and added a third during the financial year, giving TWFA direct access to support the development of a further 5,000 smallholder farmers. The smallholder tea farmers are the lifeblood of the Rwandan tea industry as these five factories alone, all majority supplied by smallholder tea farmers, now produce one third of the tea produced in that country. Some of these factories are now consistently producing some of the highest quality teas in Africa and directly raising farmer incomes.

During the year we continued to operate three tea development services companies - one in Tanzania and two in Rwanda. Since the year-end we incorporated another similar services company in Rwanda to support the further tea development project. Each of these provides a full suite of financial and operational support to enable smallholders to plant out tea and develop into a small business. These are 25+ year tea development projects involving a partnership with an international tea producer responsible for building new state of the art tea processing factories to be supplied by the smallholder tea farmers. Two of the three new factories are now open, one being at Rugabano in Rwanda in which TWFA has a 25% interest.

In Tanzania, we are well through the planting of the 2,500 hectares Njombe development and will be working with around 3,500 farmers on completion of the programme. Each farmer is trained in good agronomic practices and it is encouraging to see them now able to consistently supply good quality Greenleaf to the new Unilever factory. As well as loan finance, high quality planting material and training, TWFA are also bringing technological advances to smallholder tea farming in the form of machine harvesting and solar powered irrigation.

**THE WOOD FOUNDATION  
TRUSTEES' ANNUAL REPORT**

**CHAIRMAN'S REVIEW (continued)**

**Venture Philanthropy Transforming Livelihoods in Africa (continued)**

Our other two greenfield developments are located in Southern Rwanda where we have partnered with Unilever at Nyaruguru and with Luxmi at Rugabano. The further development committed to since the year-end is a 3,000 hectare expansion of the project with Unilever at Nyaruguru. The willingness of the Government of Rwanda to co-finance this further 3,000 hectare development with TWFA and Unilever is a testament to both their commitment to smallholder tea farming as a means of transforming local economies and to their appreciation of the effectiveness of TWFA's services company model to facilitate large scale developments

Also since the year end TWFA have commenced an 8 year sugar cane project with Transmara Sugar Company Limited in south western Kenya both to expand the number of smallholder sugar cane farmers supplying the Transmara factory. This is an action research project to determine the potential to increase yields achieved by the new smallholder farmers and, together with the existing farmers supply the Transmara factory, 24,000 smallholder sugar cane farmers will be trained in agronomic practices to improve the viability of their small businesses.

**Developing Young People in Scotland**

During the past academic year, we continued to invest in our outstanding Youth & Philanthropy Initiative (YPI) programme which engaged secondary school pupils in philanthropy across all 32 local authorities.. 275 schools, which accounts for in excess of three quarters of all of Scotland's secondary schools, had committed to delivering the initiative for the 2019/20 academic year. Prior to the Covid-19 lockdown in March 2020, 86% of schools had started their programme with just over half having completed their programme. An adapted programme was developed to offer a digital solution through which young people could still participate in civic engagement and grassroots grantmaking in response to Covid-19.

YPI is providing a unique level of delegated responsibility to young people and giving them the opportunity to raise awareness and funds for causes they care about. More than 90% of teachers report that students are developing a range of skills for learning, life, and work through the programme, as well as having an increased awareness of the issues in their communities and how these are being addressed.

Our Global Learning Partnership (GLP) programme this year facilitated 17 education practitioners from nine local authorities spending four weeks during the Scottish school holidays working with schools in Rwanda and Uganda. In addition to developing and delivering professional training for Rwandan and Ugandan educators, a key priority on their return to Scotland is that they share their experience and learning with their schools to support their students towards a better understanding of their place in the world and their responsibilities as future citizens in a global community. It is also enhancing the resourcefulness, innovation and leadership skills of the participants.

Our commitment to addressing the lack of equitable primary science learning and teaching across Scotland continues through the RAISE (Raising Aspirations in Science Education) programme, now working with 13 local authorities. Through appointing Primary Science Development Officers into local education teams, we aim to enhance primary practitioner confidence and competencies in their delivery of science education, thus improving the consistency of high-quality science learning and teaching. The pilot phase of this programme was evidenced to be a success in an external evaluation. More than 70% of teachers reported that they were more confident in their science pedagogy after engaging with the programme. It is now being offered to all of Scotland's local authorities on a rolling basis.

**THE WOOD FOUNDATION  
TRUSTEES' ANNUAL REPORT**

**CHAIRMAN'S REVIEW (continued)**

**Developing Young People in Scotland (continued)**

We launched our Excelerate initiative in partnership with Aberdeenshire Council and four of its secondary schools – Alford, Banff, Kemnay, and Portlethen Academies. Education practitioners and partners are benefitting from high-quality professional learning, combined with a programme of visits to internationally recognised innovative learning institutions to develop thinking around system change in education. Schools are being empowered to develop and embed new approaches such as project-based learning, and enriched business and community collaborations to deliver learning and teaching that is rooted in real-world context. In order to support an enriched and relevant curriculum, The Wood Foundation has employed a Business & Community Support Officer for each school. They identify and develop meaningful industry and community partnerships designed to enhance the impact and relevance of students' learning experiences.

We also have continued partnership initiatives with the STV Children's Appeal and Cash for Kids, addressing the issue of child poverty in Scotland. These sit alongside health and wellbeing grants with North-east organisations Russell Anderson Foundation and Aberdeen Youth Games.

**Facilitating Economic and Education Development in Scotland**

Opportunity North East (ONE) is a private sector led body helping the North East of Scotland maximise the economic recovery of the North Sea oil and gas reserves and balancing the economy by supporting development of our other industry sectors. Our commitment to ONE is £29.25 million over five years to 31 March 2021 with a conditional commitment to increase this by a further £33 million for the five-year period from 1 April 2021 to 31 March 2026. ONE is on track to source matched funding from the public and private sector which, if the additional £33 million is subsequently approved by us, would result in a total investment of approximately £125 million into the development of five key industry sectors in the North East of Scotland - Oil and Gas; Food, Drink and Agriculture; Life Sciences; Tourism; and Digital & Entrepreneurship over 10 years.

After charitable spend and commitment to date of £109 million, uncommitted funds and investments in The Wood Foundation are approximately £116 million.

**Plans for Future**

TWF is benefitting from targeting our funding and people resources on a small number of key development areas and that will continue to be the strategy. TWFA continues to focus on smallholder farmer development in Africa, recently broadened from the tea industry to sugar cane which is our second smallholder crop. We will continue to seek other potential opportunities in Africa, including in other sectors.

We are continuing to develop YPI very successfully. The programme has grown into an outstanding educational and community project significantly enhancing delivery of Curriculum for Excellence across Scotland. High-quality enrichment opportunities within the curriculum, as well as local charity funding, are more critical than ever as our education system emerges from lockdown and the implications of a pandemic. Our RAiSE programme will continue to engage new local authorities and support the legacy of the investment in exited authorities. Excelerate will continue in our initial pilot schools. Based upon the learning and achievements of the first year, recruitment will begin for a second cohort of schools to explore the opportunities for transformational system change.

Opportunity North East continues to progress well and has the potential to leverage the significant TWF funding to make a very positive economic development impact in the North East of Scotland, and in the current economic climate in the region, its work is even more necessary over the next few years. It will continue to invest to make a difference to transform each of our chosen industry sectors.



## THE WOOD FOUNDATION TRUSTEES' ANNUAL REPORT

### FINANCIAL REVIEW

Charitable activities and loss on investments exceeded incoming resources in the year which resulted in net (outgoing)/incoming resources for the year, amounting to £(9.1) million (2019 - £14.5 million) and have been dealt with as shown in the Consolidated Statement of Financial Activities.

The Trustees have prepared the financial statements in accordance with current statutory requirements, the Trust Deed and the Statement of Recommended Practice (FRS102) - Accounting and Reporting by Charities.

The income of the Group for the year ended 31 March 2020 was £5.6 million (2019 - £15.7 million) which includes £1.26 million (2019 - £11.2 million) of donations from Sir Ian Wood and family trusts; £1.8 million (2019- £2.9 million) grants from the UK Government's UKAid programme (now administered by the newly merged Foreign, Commonwealth and Development Office ('FCDO')) in connection with the Chai Project, the new tea development in the southern highlands of Tanzania and the new tea developments in the Nyaruguru & Rugabano regions of Rwanda; and £75,000 (2019 - £125,000) received from trading activities. In addition, investment income of £1.6 million (2019 - £1.1 million) was earned during the year."

Group charitable expenditure was £11.4 million (2019 - £5.7 million) which includes £8.3 million (2019 - £2.3 million) of grants committed to during the year ended 31 March 2020. The total value of grant commitments outstanding at 31 March 2020 was £22.1 million (2019 - £24.9 million) and these are scheduled to be paid over the next five years.

The portfolio of The Wood Foundation investments at 31 March 2020 had a total value of £82 million (2019 - £83 million) with a further £52 million (2019 - £60 million) held in cash deposits.

The objective of the investment portfolio continues to be to obtain capital growth over the long term. We have investments in three Rwanda tea factories through our 25% investment in Silverback Tea Company Limited ('STCL'). We expect to generate returns from STCL to be used to further our charitable objects but which already positively impacts 5,000 smallholder farmers and this number will increase by a further 8,000 smallholder farmers over time as the third factory supply increases from the Rugabano tea development project. In addition, The Wood Foundation takes social, environmental and ethical considerations into account in its other investments, including through East African Tea Investments.

### Reserves

The Reserves Policy of The Wood Foundation is to hold high cash reserves to develop and fund our long-term philanthropic programmes.

The significant charitable activities in the year resulted in an overall decrease in reserves of £9 million (2019 - increase of £14.5 million) to £116.1 million (2019 - £125.3 million) at 31 March 2020. Restricted funds at that date are £33,000 (2019 - £281,000), payable within one year, and committed unrestricted funds are £22.1 million (2019 - £24.9 million), payable over the next five years.

The Trustees are satisfied that the level of reserves held at 31 March 2020 is in line with the Reserves Policy and will be used for ongoing and long-term project expenditure.

With uncommitted and unrestricted reserves of £116 million at 31 March 2020 and ongoing likely input of funds from my family, we will continue to maintain high levels of cash reserves and adequate funds to develop our philanthropic programmes and objectives.

**THE WOOD FOUNDATION  
TRUSTEES' ANNUAL REPORT**

**PROVISION OF INFORMATION TO AUDITORS**

As far as the Trustees are aware, there is no relevant audit information of which The Wood Foundation's auditors are unaware and we have taken all the steps we ought to have taken as Trustees in order to make ourselves aware of any relevant audit information and to establish that The Wood Foundation's auditors are aware of that information.

**AUDITORS**

Anderson, Anderson & Brown Audit LLP have expressed their willingness to continue in office and a resolution proposing their re-appointment will be submitted at the annual general meeting.

Signed on behalf of the Board of Trustees



Trustee - Sir Ian Wood

22 DECEMBER 2020  
Date

## **THE WOOD FOUNDATION**

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees 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).

The law applicable to charities in Scotland requires 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 of the charity for that period. 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; 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 proper 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 Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the provisions of the charity's constitution. 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 WOOD FOUNDATION**  
**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE WOOD FOUNDATION**

**Opinion**

We have audited the financial statements of The Wood Foundation (the 'charity') for the year ended 31 March 2020 which comprises the Group and Charity Statements of Financial Activities, the Group and Charity Balance Sheet, the Group Cashflow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group and of the parent charity's affairs as at 31 March 2020 and of their 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 Charities and Trustee Investment (Scotland) Act 2005 and regulation 6 and 8 of the Charities Accounts (Scotland) Regulations 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 Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

**THE WOOD FOUNDATION**  
**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE WOOD FOUNDATION**

**Other information - continued**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

We have nothing to report in respect of the following matters where the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- proper accounting records have not been kept; 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.

**Responsibilities of trustees**

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements which 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 charity or to cease operations, or have no realistic alternative but to do so.

**Auditors' responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 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 Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

**THE WOOD FOUNDATION  
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE WOOD FOUNDATION**

**Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 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 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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

*Anderson Anderson & Brown Audit LLP*

**Anderson Anderson & Brown Audit LLP  
Statutory Auditor  
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Prime Four Business Park  
Kingswells  
Aberdeen  
AB15 8PU**

**Date: 22 December 2020**

**Anderson Anderson & Brown Audit LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.**

**THE WOOD FOUNDATION**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
(incorporating income and expenditure account)  
**FOR THE YEAR ENDED 31 MARCH 2020**

	Note	Unrestricted Funds £'000	Restricted Funds £'000	2020 £'000	2019 £'000
<b>INCOME AND ENDOWMENTS FROM:</b>					
Donations and legacies	3	1,951	1,985	3,936	14,500
Investments	4	1,588	-	1,588	1,088
Other trading activities	5	75	-	75	125
<b>TOTAL</b>		<u>3,614</u>	<u>1,985</u>	<u>5,599</u>	<u>15,713</u>
<b>EXPENDITURE ON:</b>					
Charitable activities	6	9,165	2,233	11,398	5,687
Share of loss of associate	14	113	-	113	-
<b>TOTAL</b>		<u>9,278</u>	<u>2,233</u>	<u>11,511</u>	<u>5,687</u>
Gain/(loss) on investments	13	(3,171)	-	(3,171)	4,425
<b>NET MOVEMENT</b>	10	<u>(8,835)</u>	<u>(248)</u>	<u>(9,083)</u>	<u>14,451</u>
<b>CONSOLIDATED OTHER RECOGNISED GAINS AND LOSSES</b>					
Movement on foreign exchange of investment	14	(79)	-	(79)	
		(8,914)	(248)	(9,162)	14,451
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		125,016	281	125,297	110,846
Total funds carried forward	21	<u>116,102</u>	<u>33</u>	<u>116,135</u>	<u>125,297</u>

The Trust has made no gains or losses other than as reported above.

The notes on pages 18 to 37 form part of these financial statements.

**THE WOOD FOUNDATION****STATEMENT OF FINANCIAL ACTIVITIES (incorporating income and expenditure account)  
FOR THE YEAR ENDED 31 MARCH 2020**

	Note	Unrestricted Funds £'000	Restricted Funds £'000	2020 £'000	2019 £'000
<b>INCOME AND ENDOWMENTS FROM:</b>					
Donations and legacies	3	1,951	164	2,115	11,443
Investments	4	1,331	-	1,331	1,062
<b>TOTAL</b>		<u>3,282</u>	<u>164</u>	<u>3,446</u>	<u>12,505</u>
<b>EXPENDITURE ON:</b>					
Charitable activities	6	8,665	216	8,881	6,075
<b>TOTAL</b>		<u>8,665</u>	<u>216</u>	<u>8,881</u>	<u>6,075</u>
Gain/(loss) on investments	13	(3,171)	-	(3,171)	4,425
<b>NET MOVEMENT IN FUNDS</b>	10	<u>(8,554)</u>	<u>(52)</u>	<u>(8,606)</u>	<u>10,855</u>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		116,472	52	116,524	105,669
Total funds carried forward	21	<u>107,918</u>	<u>-</u>	<u>107,918</u>	<u>116,524</u>

The Trust has made no gains or losses other than as reported above.

The notes on pages 18 to 37 form part of these financial statements.



**THE WOOD FOUNDATION**  
**CONSOLIDATED BALANCE SHEET - 31 MARCH 2020**

	Note	2020 £'000	2019 £'000
<b>FIXED ASSETS</b>			
Investments	14	81,546	82,923
Intangible fixed assets	15	15	20
Tangible fixed assets	16	34	33
		<u>81,595</u>	<u>82,976</u>
<b>CURRENT ASSETS</b>			
Debtors	17	5,046	8,607
Cash at bank and in hand		52,335	59,771
		<u>57,381</u>	<u>68,378</u>
CREDITORS: <i>amounts falling due within one year</i>	18	(15,130)	(18,900)
<b>NET CURRENT ASSETS</b>		<u>42,251</u>	<u>49,478</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		123,846	132,454
CREDITORS: <i>amounts falling due after more than one year</i>	19	(7,711)	(7,157)
<b>NET ASSETS</b>		<u>116,135</u>	<u>125,297</u>
<b>FUNDS</b>			
Unrestricted funds	21	116,102	125,016
Restricted funds	21	33	281
		<u>116,135</u>	<u>125,297</u>

Signed on behalf of the Board of Trustees

  
 -----  
 Trustee - Sir Ian Wood

*22 DECEMBER 2020*  
 -----  
 Date

The notes on pages 18 to 37 form part of these financial statements.

**THE WOOD FOUNDATION**  
**BALANCE SHEET - 31 MARCH 2020**

	Note	2020 £'000	2019 £'000
<b>FIXED ASSETS</b>			
Investments	14	80,887	82,072
Intangible fixed assets	15	15	20
Tangible fixed assets	16	14	14
		<u>80,916</u>	<u>82,106</u>
<b>CURRENT ASSETS</b>			
Debtors	17	33	4,278
Cash at bank and in hand		49,205	55,601
		<u>49,238</u>	<u>59,879</u>
<b>CREDITORS: amounts falling due within one year</b>	18	<u>(14,525)</u>	<u>(18,304)</u>
<b>NET CURRENT ASSETS</b>		<u>34,713</u>	<u>41,575</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>115,629</b>	<b>123,681</b>
<b>CREDITORS: amounts falling due after more than one year</b>	19	<u>(7,711)</u>	<u>(7,157)</u>
<b>NET ASSETS</b>		<u>107,918</u>	<u>116,524</u>
<b>FUNDS</b>			
Unrestricted funds	21	107,918	116,472
Restricted funds	21	-	52
		<u>107,918</u>	<u>116,524</u>

Signed on behalf of the Board of Trustees

  
 Trustee - Sir Ian Wood

22 DECEMBER 2020  
 Date

The notes on pages 18 to 37 form part of these financial statements.

**THE WOOD FOUNDATION**  
**CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2020**

	Note	2020 £'000	2019 £'000
<b>Net cash (outflow)/inflow from operating activities</b>			
Net outgoing resources for the year		(5,912)	10,026
Share of loss of associate		113	-
Investment income		(1,588)	(1,088)
Taxation charge		22	21
Amortisation of intangible fixed assets		5	5
Depreciation of tangible fixed assets		13	12
Decrease/(increase) in debtors		3,561	(7,287)
Decrease in creditors		(3,216)	(9,729)
Taxation paid		(22)	(21)
Net cash used in operating activities		<u>(7,024)</u>	<u>(8,061)</u>
<b>Cash flow from investing activities</b>			
Interest receivable & income on fixed asset investments		1,588	1,088
Purchase of fixed assets		(14)	(50)
Disposal proceeds of fixed assets		-	-
Investments acquired		(1,986)	(5,114)
Investment disposals		-	3,807
Net cash provided by/(used in) investing activities		<u>(412)</u>	<u>(269)</u>
<b>Increase(decrease) in cash and cash equivalents</b>	22	<u><u>(7,436)</u></u>	<u><u>(8,330)</u></u>

The notes on pages 18 to 37 form part of these financial statements.

**THE WOOD FOUNDATION**  
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2020**

**1. ACCOUNTING POLICIES**

**(a) *Basis of accounts preparation***

The financial statements are prepared under the historical cost convention, in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)).

**(b) *Going concern***

The Trustees are pleased to report that the tea factories and new tea development projects in Africa have been largely unaffected by the global COVID-19 pandemic due to a combination of efforts by host country governments to stop the spread of transmission from the main cities to the rural areas and by various mitigation protocols implemented by TWFA and its partners. At home, our team have adapted admirably and continue to deliver the various projects online as necessary.

The Trustees, having made due and careful enquiry and preparing forecasts, are of the opinion that the charity has adequate working capital to execute its operations over the next 12 months. The Trustees, therefore, have made an informed judgement, at the time of approving the financial statements, that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. As a result, the Trustees have continued to adopt the going concern basis of accounting in preparing the financial statements.

**(c) *Consolidation***

These accounts consolidate the results of The Wood Foundation Africa, a Scottish charity under common control, and WFT Trading Limited, a trading subsidiary. All transactions between entities within the consolidation are eliminated in full.

**(d) *Income***

**i) Donations and legacies**

Donations and legacies are included in the Statement of Financial Activities in the year in which they are receivable.

**ii) Investment income**

Income from investments is included in the Statement of Financial Activities in the year in which it is receivable. Investment income includes the computed tax credit and tax deducted at source where applicable.

**(e) *Expenditure***

Liabilities are recognised when the charity has an obligation to make a payment to a third party.

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any irrecoverable VAT.

Expenditure is directly attributed to the relevant category in the Statement of Financial Activities where practical. Other expenditure is allocated on a pro-rata basis based on the anticipated allocation between the three main areas of investment.

**THE WOOD FOUNDATION**  
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2020**

1. ACCOUNTING POLICIES (continued)

(e) *Expenditure (continued)*

Grants or instalments of grants offered in connection with projects with institutions are charged to the Statement of Financial Activities in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional and the conditions are within the control of the charity, such grants being recognised as expenditure when payment is made.

Conditional grants where the conditions are outwith the control of the charity are charged to the Statement of Financial Activities in full in the year in which the offer is conveyed.

Grants which have been conveyed in the year but not recognised as expenditure are disclosed as contingent liabilities in the financial statements.

Governance costs are included within support costs and include those costs incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

(f) *Taxation*

The Trust is recognised by HM Revenue & Customs as a charity and, as a consequence of the tax reliefs available in relation to the current year, certain income streams are not liable to taxation. For surpluses which are outwith this exemption, the income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

(g) *Intangible fixed assets and amortisation*

Software purchased is capitalised at cost and amortised over its estimated useful economic life of 5 years.

(h) *Tangible fixed assets and depreciation*

Fixed assets are capitalised at cost and written off over their expected useful lives as follows:

Plant and equipment	30% and 12.5% reducing balance
Motor vehicles	25% straight line
Software	20% straight line

(i) *Fixed asset investments*

Fixed asset investments are included at market value at the year end. Gains and losses on disposal or revaluation of investments are charged or credited to the Statement of Financial Activities and form part of the fund in which the asset is held.

(j) *Social investments - mixed motive*

Shares held as mixed motive investments are initially valued at cost with the carrying amount subsequently adjusted through the Statement of Financial Activities to reflect the trust's share of the associates results.

The trust's share in Silverback Tea Company Limited is treated as such in the financial statements.

**THE WOOD FOUNDATION**  
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2020**

1. ACCOUNTING POLICIES (continued)

(k) *Foreign currencies*

Assets, liabilities, revenues and costs denominated in foreign currencies are recorded at the rates of exchange ruling at the dates of the transactions; monetary assets and liabilities at the balance sheet date are translated at the year-end rate of exchange. The resulting profits or losses are dealt with in the Statement of Financial Activities.

(l) *Joint arrangements*

Where the charity enters into a joint arrangement, such that it carries out activities in partnership with other bodies, without forming a separate legal partnership, then the charity's share of the incoming resources and resources expended and the assets and liabilities are included in the accounts.

(m) *Funds*

Unrestricted funds include incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds. These funds can be used in accordance with the charitable objects at the discretion of the trustees.

Restricted funds are to be used for specific purposes as laid down by the donor.

(n) *Pensions*

Eligible employees are members of defined contribution pension schemes. Pension costs charged to the Statement of Financial Activities represents the contributions payable by the Trust in the year.

(o) *Joint ventures*

The Trust has entered into a joint arrangement with a fellow charity to establish a charitable company limited by guarantee to further the trust's charitable objectives in East Africa. The trust has invested in the charitable company in the form of grants with no financial return anticipated as a result of this investment. Given this the trustees believe the inclusion of the results of the charitable company in the SOFA and balance sheet would not present a true and fair view and as such have excluded this from the results. Detailed disclosure on this including the results of the charitable company are included at note 25.

(p) *Financial instruments*

The charitable company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and loans to related and third parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

**THE WOOD FOUNDATION**  
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2020**

(p) *Financial instruments (continued)*

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**2 JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported during the year for income and expenditure. However, the nature of estimation means that actual outcomes could differ from those estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The trustees consider that there were no material judgements or estimations uncertainties in the current or prior year.

**3 DONATIONS AND LEGACIES**

	<b>Group</b>		<b>Trust</b>	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Donations - unrestricted	1,951	11,209	1,951	11,209
Donations - restricted	1,985	3,291	164	234
	<u>3,936</u>	<u>14,500</u>	<u>2,115</u>	<u>11,443</u>

In addition to the above the Trust benefited from certain administrative functions from JW Holdings Limited which were provided without charge.

**4 INCOME FROM INVESTMENTS**

	<b>Group</b>		<b>Trust</b>	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Investment income	758	431	768	489
Bank interest receivable	563	657	563	573
Other interest receivable	267	-	-	-
	<u>1,588</u>	<u>1,088</u>	<u>1,331</u>	<u>1,062</u>

In 2020 and 2019, all income from investments was for unrestricted funds.

**5 OTHER TRADING ACTIVITIES**

	<b>Group</b>		<b>Trust</b>	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Commercial trading operations	<u>75</u>	<u>125</u>	<u>-</u>	<u>-</u>

In 2020 and 2019, all income from other trading activities was for unrestricted funds.

**THE WOOD FOUNDATION**  
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2020**

**6 EXPENDITURE ON CHARITABLE ACTIVITIES**

<b>Group</b>	<b>Miscellaneous grants &amp; capacity support costs £'000</b>	<b>Venture philanthropy transforming livelihoods in Africa £'000</b>	<b>Volunteering overseas &amp; global citizenship £'000</b>	<b>Developing young people in Scotland £'000</b>	<b>2020 Total £'000</b>
Grants payable (note 8)	4,582	1,098	15	2,590	8,285
<b>Direct costs:</b>					
Staff	-	1,356	-	-	1,356
Consultancy	-	387	-	-	387
Travel	-	91	-	-	91
	-	1,834	-	-	1,834
<b>YPI Programme:</b>					
Staff	-	-	-	190	190
Consultancy	-	-	-	86	86
Travel	-	-	-	32	32
Press & publicity	-	-	-	40	40
Miscellaneous expenses	-	-	-	4	4
	-	-	-	352	352
<b>Global Learning Partnership:</b>					
Programme:					
Staff	-	-	32	-	32
Consultancy	-	-	26	-	26
Travel	-	-	32	-	32
Press & publicity	-	-	9	-	9
	-	-	99	-	99
<b>Excelerate:</b>					
Programme:					
Staff	-	-	125	-	125
Consultancy	-	-	48	-	48
Travel	-	-	55	-	55
Press & publicity	-	-	37	-	37
Miscellaneous expenses	-	-	6	-	6
	-	-	271	-	271
<b>Support costs:</b>					
Staff	192	276	-	-	468
Training & development	21	11	4	17	53
Insurance	3	9	1	2	15
Travel	19	81	4	15	119
Press & publicity	3	1	-	2	6
Miscellaneous expenses	11	159	2	8	180
Depreciation	5	5	1	4	15
Exchange gains	-	(354)	-	-	(354)
Governance costs	3	29	5	7	44
Taxation (note 7)	-	11	-	-	11
	257	228	17	55	557
	4,839	3,160	402	2,997	11,398



**THE WOOD FOUNDATION**
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2020**
**6 EXPENDITURE ON CHARITABLE ACTIVITIES (continued)**

Trust	Miscellaneous grants & capacity support costs £'000	Venture philanthropy transforming livelihoods in Africa £'000	Volunteering overseas & global citizenship £'000	Developing young people in Scotland £'000	2020 Total £'000
Grants payable (note 8)	4,582	737	15	2,590	7,924
Direct costs:					
Staff	-	-	-	-	-
Consultancy	-	-	-	-	-
Travel	-	-	-	-	-
YPI Programme:					
Staff	-	-	-	190	190
Consultancy	-	-	-	86	86
Travel	-	-	-	32	32
Press & publicity	-	-	-	36	36
Miscellaneous expenses	-	-	-	4	4
	-	-	-	348	348
Global Learning Partnership:					
Programme:					
Staff	-	-	32	-	32
Consultancy	-	-	26	-	26
Travel	-	-	31	-	31
Press & publicity	-	-	8	-	8
	-	-	97	-	97
Excelerate:					
Programme:					
Staff	-	-	-	125	125
Consultancy	-	-	-	48	48
Travel	-	-	-	55	55
Press & publicity	-	-	-	37	37
Miscellaneous expenses	-	-	-	6	6
	-	-	-	271	271
Support costs:					
Staff	192	-	-	-	192
Training & development	21	-	4	17	42
Insurance	3	-	1	2	6
Travel	19	-	4	15	38
Press & publicity	2	-	-	2	4
Miscellaneous expenses	11	-	2	8	21
Depreciation	5	-	1	4	10
Exchange gains	-	(85)	-	-	(85)
Governance costs (note 9)	3	-	5	5	13
	256	(85)	17	53	241
	4,838	652	129	3,262	8,881

**THE WOOD FOUNDATION**  
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2020**

**6 EXPENDITURE ON CHARITABLE ACTIVITIES (continued)**

The comparative figures for 2019 were:

<b>Group</b>	<b>Miscellaneous grants &amp; capacity support costs £'000</b>	<b>Venture philanthropy transforming livelihoods in Africa £'000</b>	<b>Volunteering overseas &amp; global citizenship £'000</b>	<b>Developing young people in Scotland £'000</b>	<b>2019 Total £'000</b>
Grants payable (note 8)	64	1,238	32	971	2,305
<b>Direct costs:</b>					
Staff	-	1,411	-	-	1,411
Consultancy	-	833	-	-	833
Travel	-	108	-	-	108
	<u>-</u>	<u>2,352</u>	<u>-</u>	<u>-</u>	<u>2,352</u>
<b>YPI Programme:</b>					
Staff	-	-	-	207	207
Consultancy	-	-	-	88	88
Travel	-	-	-	37	37
Press & publicity	-	-	-	56	56
Miscellaneous expenses	-	-	-	6	6
	<u>-</u>	<u>-</u>	<u>-</u>	<u>394</u>	<u>394</u>
<b>Global Learning Partnership:</b>					
<b>Programme:</b>					
Staff	-	-	78	-	78
Consultancy	-	-	42	-	42
Travel	-	-	47	-	47
Press & publicity	-	-	18	-	18
Miscellaneous expenses	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>185</u>	<u>-</u>	<u>185</u>
<b>Support costs:</b>					
Staff	167	296	-	-	463
Training & development	5	5	3	3	16
Insurance	2	12	1	1	16
Travel	7	61	3	3	74
Press & publicity	2	-	1	1	4
Database	2	3	1	1	7
Miscellaneous expenses	13	168	6	6	193
Depreciation	6	5	3	3	17
Exchange gains	-	(395)	-	-	(395)
Governance costs (note 9)	3	32	5	5	45
Taxation (note 7)	-	11	-	-	11
	<u>207</u>	<u>198</u>	<u>23</u>	<u>23</u>	<u>451</u>
	<u>271</u>	<u>3,788</u>	<u>240</u>	<u>1,388</u>	<u>5,687</u>

In 2019, of the total charitable expenditure, £2,665,000 was from unrestricted funds and £3,022,000 was from restricted funds.

The gain on investments was attributable in full to unrestricted funds.

**THE WOOD FOUNDATION**  
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2020**

**6 EXPENDITURE ON CHARITABLE ACTIVITIES (continued)**

Trust	Miscellaneous grants & capacity support costs £'000	Venture philanthropy transforming livelihoods in Africa £'000	Volunteering overseas & global citizenship £'000	Developing young people in Scotland £'000	2019 Total £'000
Grants payable (note 8)	64	4,289	32	971	5,356
Direct costs:					
Staff	-	-	-	-	-
Consultancy	-	-	-	-	-
Travel	-	-	-	-	-
YPI Programme:					
Staff	-	-	-	207	207
Consultancy	-	-	-	88	88
Travel	-	-	-	37	37
Press & publicity	-	-	-	47	47
Miscellaneous expenses	-	-	-	6	6
Global Learning Partnership:					
Programme:					
Staff	-	-	78	-	78
Consultancy	-	-	42	-	42
Travel	-	-	46	-	46
Press & publicity	-	-	17	-	17
Miscellaneous expenses	-	-	-	-	-
Support costs:					
Staff	167	-	-	-	167
Training & development	5	-	3	3	11
Insurance	2	-	1	1	4
Travel	7	-	3	3	13
Press & publicity	2	-	1	1	4
Database	3	-	1	1	5
Miscellaneous expenses	14	-	6	6	26
Depreciation	6	-	3	3	12
Exchange gains	-	(104)	-	-	(104)
Governance costs	3	-	5	5	13
	<u>209</u>	<u>(104)</u>	<u>23</u>	<u>23</u>	<u>151</u>
	<u>273</u>	<u>4,185</u>	<u>238</u>	<u>1,379</u>	<u>6,075</u>

In 2019, of the total charitable expenditure, £5,893,000 was from unrestricted funds and £182,000 was from restricted funds. The gain on investments was attributable in full to unrestricted funds.

**THE WOOD FOUNDATION**  
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2020**

**7 TAXATION**

	<b>Group</b>		<b>Trust</b>	
	<b>2020</b> <b>£'000</b>	<b>2019</b> <b>£'000</b>	<b>2020</b> <b>£'000</b>	<b>2019</b> <b>£'000</b>
UK corporation tax for the current year	11	11	-	-
	<u>11</u>	<u>11</u>	<u>-</u>	<u>-</u>

The charity is recognised by HM Revenue and Customs as a charity and is therefore entitled to certain reliefs on income received. Certain income streams received in the current and prior year have however been deemed to be outwith these reliefs and have been taxed at the standard rate of corporation tax payable in the UK (19%). A reconciliation of this obligation is as follows:

	<b>Group</b>		<b>Trust</b>	
	<b>2020</b> <b>£'000</b>	<b>2019</b> <b>£'000</b>	<b>2020</b> <b>£'000</b>	<b>2019</b> <b>£'000</b>
Net incoming resources not subject to taxation reliefs	115	113	-	-
Taxation charges at 19% (2018-19%)	22	21	-	-
Share of agreed cost with Gatsby Charitable Foundation (note 17)	(11)	(11)	-	-
Total tax charge recognised in the year	<u>11</u>	<u>10</u>	<u>-</u>	<u>-</u>

**8 GRANTS**

<b>Group</b>	<b>Grants</b>	<b>2020</b> <b>£'000</b>	<b>Grants</b>	<b>2019</b> <b>£'000</b>
	<b>Awarded</b> <b>No.</b>		<b>Awarded</b> <b>No.</b>	
<b>Grants to institutions:</b>				
Venture philanthropy transforming livelihoods in Africa	2	1,098	3	1,238
Volunteering overseas	3	10	4	16
Developing young people in Scotland	200	2,590	253	971
	<u>205</u>	<u>3,698</u>	<u>260</u>	<u>2,225</u>
<b>Miscellaneous grants:</b>				
Other miscellaneous grants	4	4,582	4	64
	<u>209</u>	<u>8,280</u>	<u>264</u>	<u>2,289</u>
<b>Grants to individuals:</b>				
Volunteering overseas	6	5	20	16
	<u>215</u>	<u>8,285</u>	<u>284</u>	<u>2,305</u>

**THE WOOD FOUNDATION**  
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2020**

**8 GRANTS (continued)**

<b>Trust</b>	<b>Grants Awarded No.</b>	<b>2020 £'000</b>	<b>Grants Awarded No.</b>	<b>2019 £'000</b>
<b>Grants to institutions:</b>				
Venture philanthropy transforming livelihoods in Africa	1	737	1	4,289
Volunteering overseas	3	10	4	16
Developing young people in Scotland	200	2,590	253	971
	<u>204</u>	<u>3,337</u>	<u>258</u>	<u>5,276</u>
<b>Miscellaneous grants:</b>				
Other miscellaneous grants	4	4,582	4	64
	<u>208</u>	<u>7,919</u>	<u>262</u>	<u>5,340</u>
<b>Grants to individuals:</b>				
Volunteering overseas	6	5	20	16
	<u>214</u>	<u>7,924</u>	<u>282</u>	<u>5,356</u>

**9 GOVERNANCE COSTS**

	<b>Group</b>		<b>Trust</b>	
	<b>2020 £'000</b>	<b>2019 £'000</b>	<b>2020 £'000</b>	<b>2019 £'000</b>
Auditors' remuneration	25	22	13	13
Legal	4	8	1	2
Overseas Compliance Services	16	16	-	-
	<u>45</u>	<u>46</u>	<u>14</u>	<u>15</u>

**10 NET MOVEMENT IN TOTAL FUNDS FOR THE YEAR is stated after charging:**

	<b>Group</b>		<b>Trust</b>	
	<b>2020 £'000</b>	<b>2019 £'000</b>	<b>2020 £'000</b>	<b>2019 £'000</b>
Auditors' remuneration				
Audit fees	25	22	13	13
Non-audit fees	2	2	2	2
	<u>27</u>	<u>24</u>	<u>15</u>	<u>15</u>

**THE WOOD FOUNDATION**  
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2020**

**11 STAFF COSTS AND NUMBERS**

	<b>Group</b>		<b>Trust</b>	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Staff costs				
Wages and salaries	2,858	2,767	429	341
Social security	47	51	47	51
Other pension costs	84	91	44	37
Gatsby share of costs	(238)	(190)	-	-
Staff cost recharge (note 23)	(598)	(583)	-	-
	<u>2,153</u>	<u>2,136</u>	<u>520</u>	<u>429</u>

The average number of persons employed by the Trust during the year was as follows:

	<b>Group</b>		<b>Trust</b>	
	2020 No.	2019 No.	2020 No.	2019 No.
Trustees	4	4	4	4
Management & administration	34	31	16	13
	<u>38</u>	<u>35</u>	<u>20</u>	<u>17</u>

During the year 13 employees within the group received emoluments of over £60,000 (2019: 12). Pension contributions totalling £45,000 were paid into direct contribution pension schemes in respect of 5 of these individuals (2019: £62,000, 5 individuals). The Trustees consider that it would be operationally sensitive to disclose any further remuneration information in respect of these individuals.

**12 TRUSTEES' EMOLUMENTS AND EXPENSES**

The Trustees received no remuneration from the Trust during the year.

No Trustees received expenses from the Trust during the current or previous year.

No employees other than the Trustees are considered to be key management personnel.

**13 (LOSSES)/GAINS ON INVESTMENT ASSETS**

	<b>Group &amp; Trust</b>	
	2020 £'000	2019 £'000
Realised gain/(loss) arising on disposals	-	774
Unrealised gains/(losses) on revaluation	(3,171)	3,651
	<u>(3,171)</u>	<u>4,425</u>

**THE WOOD FOUNDATION**  
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2020**

**14 INVESTMENTS**

	<b>Group &amp; Trust</b>	
	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>
Market value at 1 April 2019	82,072	77,191
Additions at cost	1,986	4,263
Disposals at opening value	-	(3,033)
Net unrealised investment gains/(losses) on revaluation	(3,171)	3,651
Market value at 31 March 2020	<u>80,887</u>	<u>82,072</u>

The market value of investments at 31 March 2020 comprises:

	<b>Group &amp; Trust</b>	
	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>
Listed equity investments	180	584
Managed funds	80,707	81,488
	<u>80,887</u>	<u>82,072</u>

	<b>Trust</b>	
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Investment in subsidiary undertakings	<u>1</u>	<u>1</u>

WFT Trading Ltd, a wholly owned subsidiary company, was incorporated on 19 December 2011 and is registered under the company number SC413410.

<b>Social investment - mixed motive</b>	<b>Group</b>		<b>Trust</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
At 31 March 2019	851	851	-	-
Share of loss	(113)	-	-	-
Foreign exchange movement on revaluation of foreign associate	(79)	-	-	-
At 31 March 2020	<u>659</u>	<u>851</u>	<u>-</u>	<u>-</u>

The Wood Foundation Africa owns 25% equity in Silverback Tea Company Limited ("STCL") (formerly Rwanda Tea Investments Limited) which has interests in three tea factories in Rwanda; Gisovu Tea Company Limited, Pfunda Tea Company Limited and Rugabano Tea Company Private Limited. STCL investments already impact 5,000 smallholder tea farmers in Rwanda at Gisovu and Pfunda factories. Rugabano is a new factory to process the Greenleaf from the new tea development we are undertaking there, so the STCL investment is expected to impact a further 8,000 smallholder tea farmers as the tea is planted out. All future income realised from TWFA's investment will be used to further our charitable objects. The valuation of the investment has been based on the Silverback Tea Company Limited annual accounts at 31 December 2019. The Trustees consider movements between December 2019 and March 2020 to be immaterial.

**THE WOOD FOUNDATION**  
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2020**

14 INVESTMENTS (continued)

TOTAL INVESTMENTS	Group		Trust	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
At 31 March 2020	<u>81,546</u>	<u>82,923</u>	<u>80,887</u>	<u>82,072</u>

East African Tea Investments, a company limited by guarantee, was incorporated on 26 January 2013 and is a joint venture between The Wood Foundation and Gatsby Africa. Further details are provided in note 25.

The Wood Foundation Africa is a wholly owned subsidiary charitable company, limited by guarantee. The Wood Foundation Africa is registered with the company number SC361033, and the charity number SC040580.

15 INTANGIBLE FIXED ASSETS

Software	Group & Trust	
	2020 £'000	2019 £'000
<b>COST</b>		
At 1 April 2019	25	25
At 31 March 2020	<u>25</u>	<u>25</u>
<b>AMORTISATION</b>		
At 1 April 2019	5	-
Charge for year	5	5
At 31 March 2020	<u>10</u>	<u>5</u>
<b>NET BOOK VALUES</b>		
At 31 March 2020	<u>15</u>	<u>20</u>

16 TANGIBLE FIXED ASSETS

Group	Plant & equipment £'000	Motor vehicles £'000	Total £'000
	<b>COST</b>		
At 1 April 2019	68	88	156
Additions	14	-	14
At 31 March 2020	<u>82</u>	<u>88</u>	<u>170</u>
<b>DEPRECIATION</b>			
At 1 April 2019	35	88	123
Charge for year	13	-	13
At 31 March 2020	<u>48</u>	<u>88</u>	<u>136</u>
<b>NET BOOK VALUES</b>			
At 31 March 2020	<u>34</u>	<u>-</u>	<u>34</u>
At 1 April 2019	<u>33</u>	<u>-</u>	<u>33</u>



**THE WOOD FOUNDATION**  
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2020**

16 TANGIBLE FIXED ASSETS (continued)

	Plant & equipment £'000	Total £'000
<b>Trust</b>		
<b>COST</b>		
At 1 April 2019	24	24
Additions	5	5
Disposals	-	-
At 31 March 2020	<u>29</u>	<u>29</u>
<b>DEPRECIATION</b>		
At 1 April 2019	10	10
Charge for year	5	5
Appropriated on disposal	-	-
At 31 March 2020	<u>15</u>	<u>15</u>
<b>NET BOOK VALUES</b>		
At 31 March 2020	<u>14</u>	<u>14</u>
At 1 April 2019	<u>14</u>	<u>14</u>

17 DEBTORS

	Group		Trust	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Amounts due from related undertakings	4,116	4,310	-	871
Other debtors	816	868	-	-
Prepayments and accrued income	114	3,429	33	3,407
	<u>5,046</u>	<u>8,607</u>	<u>33</u>	<u>4,278</u>

The Wood Foundation Africa and Gatsby Africa have entered into a joint venture to develop the Tea Sectors in Tanzania and Rwanda. The parties are to contribute equally to the agreed share of the costs of the projects.

Other debtors at the year end includes £202,000 (2019: £593,000), of expenditure incurred in excess of amounts received from Gatsby in respect of the Imbarutso project, as follows:

	2020 £'000	2019 £'000
<b>Imbarutso Project</b>		
Debtor brought forward	593	257
Funds received from Gatsby	(593)	-
Share of agreed costs of Imbarutso project	249	381
Share of management fee receivable	(58)	(57)
Share of taxation obligation (note 7)	11	12
Debtor carried forward	<u>202</u>	<u>593</u>

**THE WOOD FOUNDATION**  
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2020**

**17 DEBTORS (continued)**

Other debtors at the year end includes £109,000 (2019: £152,000), of expenditure incurred in excess of amounts received from Gatsby in respect of the Chai project, as follows:

	2020 £'000	2019 £'000
<b>Chai Project</b>		
Debtor/(creditor) brought forward	152	(13)
Funds received from Gatsby	(152)	-
Share of agreed costs of Chai project	109	165
Debtor carried forward	<u>109</u>	<u>152</u>

**18 CREDITORS: amounts falling due within one year**

	Group		Trust	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Amounts due to related undertakings	486	484	-	-
Grants payable	14,360	17,760	14,360	17,759
Taxation and social security	28	26	28	26
Corporation tax	21	21	-	-
Trade creditors	154	68	105	21
Accruals and deferred income	68	541	29	498
Other creditors	13	-	3	-
	<u>15,130</u>	<u>18,900</u>	<u>14,525</u>	<u>18,304</u>

**19 CREDITORS: amounts falling due after more than one year**

	Group		Trust	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Grants payable	<u>7,711</u>	<u>7,157</u>	<u>7,711</u>	<u>7,157</u>

**20 FINANCIAL INSTRUMENTS**

	Group		Trust	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
<b>Financial assets</b>				
Financial assets measured at fair value through profit or loss	52,335	59,771	49,205	55,601
Financial assets measured at amortised cost	4,961	8,522	22	4,258
	<u>57,296</u>	<u>68,293</u>	<u>49,227</u>	<u>59,859</u>
<b>Financial liabilities</b>				
Financial liabilities measured at amortised cost	15,081	18,853	14,497	18,278
Financial liabilities measured at fair value	7,711	7,157	7,711	7,157
	<u>22,792</u>	<u>26,010</u>	<u>22,208</u>	<u>25,435</u>

**THE WOOD FOUNDATION**  
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2020**

**21 MOVEMENT IN FUNDS**

	Unrestricted Funds £'000	Restricted Funds £'000	2020 £'000
<b>Group</b>			
At 1 April 2019	125,016	281	125,297
Income	3,614	1,985	5,599
Expenditure	(9,278)	(2,233)	(11,511)
Other gains/(losses)	(3,171)	-	(3,171)
Consolidated other gains and losses	(79)	-	(79)
At 31 March 2020	<u>116,102</u>	<u>33</u>	<u>116,135</u>
<b>Trust</b>			
At 1 April 2019	116,472	52	116,524
Income	3,282	164	3,446
Expenditure	(8,665)	(216)	(8,881)
Other gains/(losses)	(3,171)	-	(3,171)
At 31 March 2020	<u>107,918</u>	<u>-</u>	<u>107,918</u>

Restricted funds are for the YPI project and tea projects in Africa.

The comparative figures for 2019 were:

	Unrestricted Funds £'000	Restricted Funds £'000	2019 £'000
<b>Group</b>			
At 1 April 2018	110,834	12	110,846
Income	12,422	3,291	15,713
Expenditure	(2,665)	(3,022)	(5,687)
Other (losses)/gains	4,425	-	4,425
At 31 March 2019	<u>125,016</u>	<u>281</u>	<u>125,297</u>
<b>Trust</b>			
At 1 April 2018	105,669	-	105,669
Income	12,271	234	12,505
Expenditure	(5,893)	(182)	(6,075)
Other (losses)/gains	4,425	-	4,425
At 31 March 2019	<u>116,472</u>	<u>52</u>	<u>116,524</u>

**THE WOOD FOUNDATION**  
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**21 MOVEMENT IN FUNDS (continued)**

Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted Funds £'000	2020 £'000
<b>Group</b>			
Investments	81,546	-	81,546
Fixed assets	35	14	49
Current assets	56,806	575	57,381
Current liabilities	(14,574)	(556)	(15,130)
Non-current liabilities	(7,711)	-	(7,711)
At 31 March 2020	<u>116,102</u>	<u>33</u>	<u>116,135</u>
<b>Trust</b>			
Investments	80,887	-	80,887
Fixed assets	29	-	29
Current assets	49,238	-	49,238
Current liabilities	(14,525)	-	(14,525)
Non-current liabilities	(7,711)	-	(7,711)
At 31 March 2020	<u>107,918</u>	<u>-</u>	<u>107,918</u>

The comparative figures for 2019 were:

	Unrestricted Funds £'000	Restricted Funds £'000	2019 £'000
<b>Group</b>			
Investments	82,923	-	82,923
Tangible fixed assets	38	15	53
Current assets	67,392	986	68,378
Current liabilities	(18,180)	(720)	(18,900)
Long term liabilities	(7,157)	-	(7,157)
At 31 March 2019	<u>125,016</u>	<u>281</u>	<u>125,297</u>
<b>Trust</b>			
Investments	82,072	-	82,072
Tangible fixed assets	34	-	34
Current assets	59,827	52	59,879
Current liabilities	(18,304)	-	(18,304)
Long term liabilities	(7,157)	-	(7,157)
At 31 March 2019	<u>116,472</u>	<u>52</u>	<u>116,524</u>

**22 ANALYSIS OF CHANGES IN NET DEBT IN YEAR**

	Group	
	2020 £'000	2019 £'000
Cash at bank and in hand at 1 April 2019	59,771	68,101
Increase/(decrease) in cash and cash equivalents	(7,436)	(8,330)
At 31 March 2020	<u>52,335</u>	<u>59,771</u>

**THE WOOD FOUNDATION**  
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2019**

**23 RELATED PARTY TRANSACTIONS**

**Control**

Throughout the year the Trust was controlled by the Board of Trustees.

**Transactions**

The charity has taken advantage of the exemption contained in Financial Reporting Standard 102 S33.1A from disclosing transactions with parties wholly owned within the same group.

<b>Related party</b>	<b>Nature of relationship</b>	<b>Transaction</b>	<b>Amount £</b>	<b>Balance at year end £</b>
Opportunity North East	A company in which Sir Ian Wood is a director	Grants committed	NIL	(13,614,000)
East African Tea Investments	Joint venture	Grants paid Grants received	1,108,000 691,000	(486,000) NIL
Mulindi Factory Company Limited	Subsidiary of East African Tea Investments	Recharge of costs Management fees	433,000 73,000	433,000 73,000
Shagasha Tea Factory Limited	Subsidiary of East African Tea Investments	Recharge of costs Management fees	247,000 42,000	247,000 42,000
The Chester Hotel Limited	A company of which Graham Good is a director	Grants committed to Signature charity event	70,000	NIL
Kids Operating Room	A charity in which Garreth Wood and Graham Good are also Trustees	Grants committed Recharge of costs	4,500,000 18,000	(4,912,000) 18,000
Silverback Tea Company Limited	Associate of subsidiary The Wood Foundation Africa 25% equity stake	Loan repayment Accrued loan interest Recharge of costs	515,000 267,000 23,000	3,030,000 267,000 23,000

The loan is repayable in full by 31 December 2027, however the loan agreements do allow for early repayments at the borrowers discretion. The loan is unsecured and interest is charged at 7%.

**24 CONTINGENT LIABILITIES**

During the year to 31 March 2018 the group provided a guarantee in respect of lease obligations to a third party in connection with a charitable project in Africa, the total contingent liability in respect of this guarantee at 31 March 2020 was £62,000 (2019 - £80,000).

During the year to 31 March 2018 the charity committed to a further £33,000,000 of grant payments to ONE to extend their funding from 5 years to 10 years. These have not been recognised as liabilities as they are subject to certain terms and conditions that remain within the control of the charity. Any payment relating to the commitment would take place over a period of five years commencing in 2021 and would be funded from existing and future accumulated funds.

During the year The Wood Foundation deposited funds in a pledge account in support of Kids Operating Room amounting to £500,000. The balance on the account at 31 March 2020 was £500,000. The funds were subsequently released on 31 July 2020.

**THE WOOD FOUNDATION**  
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25 JOINT VENTURE

East African Tea Investments (EATI) (formerly Rwanda Tea Investments) is a charitable company limited by guarantee and jointly controlled by The Wood Foundation (TWF) and the Gatsby Africa (Gatsby). In December 2012 EATI purchased the majority shareholdings in two tea factories in Rwanda. In addition, EATI also controls three services companies which have been incorporated to support smallholder farmers in three large-scale greenfield tea developments - one in Tanzania and two in Rwanda.

During the year, the charity made grants totalling £1,108,369 (2019 - £1,441,526) to EATI. A balance of £485,668 (2019 - £NIL) remains outstanding in relation to these grants at the year end.

EATI produced consolidated accounts for the year to 31 March 2020 incorporating the 12 month trading period of those factories.

The consolidated balance sheets to 31 March 2020 show:

	2020 £'000	2019 £'000
<b>FIXED ASSETS</b>		
Tangible fixed assets	<u>7,312</u>	<u>7,998</u>
	7,312	7,998
<b>CURRENT ASSETS</b>		
Stock	2,507	2,010
Debtors	11,007	9,139
Cash at bank and in hand	<u>8,272</u>	<u>8,539</u>
	21,786	19,688
<b>CREDITORS: amounts falling due within one year</b>	<u>(3,339)</u>	<u>(2,537)</u>
	18,447	17,151
<b>NET CURRENT ASSETS</b>	<u>18,447</u>	<u>17,151</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	25,759	25,149
<b>CREDITORS: amounts falling due after more than one year</b>	(3)	(5)
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>		
Deferred taxation	(100)	(147)
<b>NET ASSETS</b>	<u>25,656</u>	<u>24,997</u>
<b>FUNDS</b>		
<b>Unrestricted funds</b>		
General	1,303	1,094
Minority interests	<u>(1,244)</u>	<u>357</u>
	59	1,451
<b>Restricted funds</b>		
Tea Investment Fund	22,347	20,280
Minority interests	4,240	4,187
Exchange reserve	<u>(990)</u>	<u>(921)</u>
	25,597	23,546
<b>TOTAL FUNDS</b>	<u>25,656</u>	<u>24,997</u>

**THE WOOD FOUNDATION**  
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2020**

25 JOINT VENTURE (continued)

The Trustees believe that the inclusion of TWF's share of the EATI results and financial position in the consolidated accounts of TWF would not provide a realistic view of the nature of the investment in EATI. In line with the charitable aims of the Chai and Imbarutso projects, TWF's investment in EATI is focussed on improving the smallholder farmers' performance and earnings in the tea industry, thus increasing their livelihoods and reducing poverty. The investment is not geared towards generating a return to TWF, and the Trustees intend to recycle any realised return from the investment into further such investments. Any return of value from the EATI investment will be treated as income in the TWF accounts at the time it is received.

