

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

**TRUSTEES' ANNUAL REPORT AND ACCOUNTS**

**31 MARCH 2022**

**THE WOOD FOUNDATION**  
**TRUSTEES' ANNUAL REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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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		(resigned 15 December 2021)
Graham Good		

**NON EXECUTIVE DIRECTORS**

David Knopp	Director of Africa
Alison MacLachlan	UK Director

**PRINCIPAL ADDRESS**

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**AUDITOR**

Anderson Anderson & Brown Audit LLP  
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**BANKERS**

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Scotland  
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**SOLICITORS**

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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 2022.

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's funds 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 invests both money and expertise in its chosen project areas to achieve its objectives. Whether as project leader or actively supporting strategic partners, we are generally involved in research and design, implementation and performance evaluation stages of each project to enable sustained and successful results.

## **CHAIRMAN'S REVIEW**

The Trustees present their report for the year ended 31 March 2022.

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

The principal risks and uncertainties relate to our 'Venture philanthropy transforming livelihoods in Africa' programme, implemented by our subsidiary charity The Wood Foundation Africa ('TWFA') (charity number SC040580). TWFA have a series of large-scale and long-term smallholder farmer development programmes in East Africa, mainly in the tea sector in Rwanda and Tanzania, and so are subject to climatic conditions; market availability and prices; and political stability. These principal risks and uncertainties are mitigated by operating in areas suitable for growing the particular crop; partnering with reputable producers where applicable; and by employing high quality, suitably qualified and experienced management. Financial controls and governance systems are also in place to manage exposure to major risks and uncertainties, including ensuring that adequate levels of funding are agreed and/or reserves are maintained to withstand any downturn.

Agriculture is recognised as a critical industry in the regions we operate in and TWFA operations were therefore minimally impacted during the COVID-19 pandemic. More recent global supply chain issues have caused some minor delays in delivery of goods sold but are having no material impact on the performance of the projects.

### **Executive Summary**

The Wood Foundation, founded in 2007, is a Scottish based charity with a global outlook. Our efforts and resources continue to focus on our chosen objectives of (1) Venture philanthropy transforming livelihoods in Africa; (2) Developing young people in Scotland; and (3) Facilitating economic and education development in Scotland.

In Africa, our subsidiary charity, TWFA, implement a series of large-scale and long-term smallholder farmer development projects mainly, but not exclusively, in the tea sector impacting approximately 75,000 smallholder farmers. These are a combination of investments in factories providing a market and high-quality processing of smallholder supplied raw material and, secondly, service company provision of funding, training and logistical services supporting large numbers of smallholder farmers to plant, grow and harvest tea on their own land. The tea development projects are already having a real impact in lifting local economies from extreme poverty and enabling farmers and factory workers to better fund the feeding, education, healthcare and general welfare of their families.

However, we are pleased to report that in March 2022 we reached a significant achievement milestone when we, along with Lord David Sainsbury's Gatsby Africa charity, handed over our shares in Mulindi Factory Company Ltd to 100% smallholder farmer ownership in Rwanda. We had been working towards achieving the necessary financial and governance KPIs since acquiring the business as part of a Government privatisation and it was particularly pleasing to see them progress over the years to the point of being capable of owning the business themselves. TWFA continue to manage the company and maintain a presence on the board to ensure a smooth transition and the company continues to operate for the full benefit of the smallholder farmers.

We continue to implement and further develop our two UK based portfolios of 'developing young people in Scotland' and 'promotion of education and economic development in Scotland'.



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

These programmes include the Youth and Philanthropy Initiative ('YPI') – enabling secondary school pupils the opportunity to raise awareness and funds for causes they care about; Excelerate – an expanding programme promoting collaboration between secondary schools, local industry, and communities to deliver innovative project based learning opportunities; and Raising Aspirations in Science Education ('RAiSE') – which is raising the standard of science teaching and learning in primary schools.

Promotion of economic development in Scotland is implemented by Opportunity North East ('ONE'), a private sector led initiative aimed at maximising opportunities in key industry sectors in the north east of Scotland, including supporting the energy transition from oil and gas to net zero. ONE is a not-for-profit company whose significant funding from The Wood Foundation is augmented by financial support from both the UK and Scottish Governments.

We are confident that the range of programmes in Africa and Scotland are delivering real benefit and we plan to continue delivering on our stated objectives in the year ahead.

### **Charitable Activities During the 2021/22 Year**

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

During the year our 'venture philanthropy transforming livelihoods in Africa' activities continued to be implemented by our subsidiary charity, TWFA. In partnership with our co-investors and co-funders including Lord David Sainsbury's Gatsby Africa charity; ekaterra (following sale of Unilever's tea business); Luxmi Tea Company Private Limited, an eminent family tea business based in India; UK Foreign and Commonwealth Development Office's UKAid programme; and Government of Rwanda, we continued our involvement in five smallholder supplied tea factories in Rwanda and four large-scale new tea development programmes, three in Rwanda and one in Tanzania each planting between 2,500 and 4,000 hectares of tea on smallholder farmer land.

Farmers are supported with long-term patient funding to plant tea – the biggest barrier of entry for a smallholder farmer given the upfront investment required to prepare their land, purchase plants, and maintain and fertilise their land until the crop matures sufficiently to harvest for commercial sale. In addition, farmers are trained on good agronomic practices as well as other small business modules and governance.

All operations in Rwanda progressed well during the year. However, whilst planting is on target at the project in the southern highlands of Tanzania, declining rainfall over the past five years has adversely impacted yields and so every effort is being made to ensure the long-term viability of tea production for the smallholder farmers in the project.

As detailed in the Executive Summary, we successfully handed over our shares in Mulindi Factory Company Ltd making it the first tea factory in Rwanda to be 100% owned by smallholder farmers.

TWFA continued its smallholder sugar cane action research project in Kenya during the year. This ended in September 2022.

TWFA continued to seek new smallholder farmer development opportunities in other crops and/or other countries in East Africa during the year.

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

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

#### **Developing Young People in Scotland**

During the past academic year, we delivered on these objectives primarily through our three schools-based programmes – YPI, RAiSE and Excelerate.

YPI provides young people across more than 250 secondary schools in Scotland the opportunity to raise awareness and funds for social causes they care about and is the largest independent initiative being delivered through the Scottish secondary education curriculum.

Excelerate, our most recent programme, is pioneering an innovative approach to learning in secondary schools, equipping teachers with the professional learning and opportunities to deliver a skills-based learning experience that better prepares all young people to thrive. This is a collaborative approach between secondary schools, local industry, and communities.

RAiSE, through the appointment of Primary Science Development Officers into local education teams, is improving the consistency of high-quality STEM teaching and learning in primary schools across Scotland.

These programmes are receiving increasing acclaim in the Scottish education sector and with Scottish Government as we continue our efforts to encourage and enable young people in Scotland to maximise their learning experiences as they progress through both primary and secondary education and become enterprising, independent, tolerant, and caring members of society ready to succeed in the workforce of tomorrow.

We also continue to invest in addressing the root causes and immediate impacts of childhood poverty in Scotland, most notably through our support of the STV Children's Appeal.

#### **Facilitating Economic Development in Scotland**

During the year we continued to deliver on our objective of Facilitating economic development in Scotland through our funding of Opportunity North East Ltd ('ONE'), a not-for-profit private sector led body helping to maximise the economic development of our key local industries. This includes the energy transition from fossil fuels to net zero which ONE is supporting through another not-for-profit company, Energy Transition Zone Ltd ('ETZ'). The Wood Foundation committed over £68 million to ONE to deliver on these objectives over 10 years on the basis of them sourcing matched funding from a combination of UK and Scottish Governments and the private sector.

After charitable spend and commitment to date of £156 million, uncommitted funds and investments in The Wood Foundation are approximately £98 million.

#### **Plans for Future**

The Wood Foundation plan to continue to implement its existing programmes as listed above.

Since the year-end TWFA have acquired a stake in a relatively early-stage company in Uganda which mainly focusses on smallholder vanilla production. TWFA are taking an active role in the development of this quickly-growing company.

We will continue to seek out further projects both in UK and in Africa to further deliver on our charitable objectives.



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

### **FINANCIAL REVIEW**

Charitable activities, net of a loss on investments, exceeded incoming resources in the year which resulted in net outgoing resources for the year, amounting to £4.7 million (2021 - £13.5 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 2022 was £6.4 million (2021 - £4.4 million) which includes £2.5 million (2021 - £1.4 million) of donations from Sir Ian Wood and family trusts; £2.1 million (2021 - £1.1 million) grants from the UK Government's UKAid programme (administered by the Foreign, Commonwealth and Development Office ('FCDO')) in connection with the new tea developments in the Nyaruguru & Rugabano regions of Rwanda; and £54,000 (2021 - £42,000) received from trading activities. In addition, investment income of £0.9 million (2021 - £0.5 million) was earned during the year.

Group charitable expenditure was £6.8 million (2021 - £39.3 million) which includes £5 million (2021 - £35 million) of grants committed to during the year ended 31 March 2022. The total value of grant commitments outstanding at 31 March 2022 was £37 million (2021 - £44 million) and these are scheduled to be paid over the next five years.

The portfolio of The Wood Foundation investments at 31 March 2022 had a total value of £100 million (2021 - £103 million) with a further £30 million (2021 - £39 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 supply to the Rugabano factory 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 £4.7 million (2021 - £13.6 million) to £97.8 million (2021 - £102.5 million) at 31 March 2022. Restricted funds at that date are £193,000 (2021 - £NIL), payable within one year, and committed unrestricted funds are £37.3 million (2021 - £44.4 million), payable over the next five years.

The Trustees are satisfied that the level of reserves held at 31 March 2022 is in line with the Reserves Policy and will be used for ongoing and long-term project expenditure.



**THE WOOD FOUNDATION  
TRUSTEES' ANNUAL REPORT**

**Reserves (continued)**

With uncommitted and unrestricted reserves of £98 million at 31 March 2022 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.

**PROVISION OF INFORMATION TO AUDITOR**

As far as the Trustees are aware, there is no relevant audit information of which The Wood Foundation's auditor is 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 auditor is aware of that information.

**AUDITOR**

Anderson, Anderson & Brown Audit LLP has expressed its 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

21 DECEMBER 2022  
.....  
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 AUDITOR'S 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 2022 which comprises the Group and Charity Statements of Financial Activities, the Group and Charity Balance Sheet, the Group Cash Flow 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 2022 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**

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

## **THE WOOD FOUNDATION**

### **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE WOOD FOUNDATION (continued)**

#### **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.

#### **Auditor's 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.

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.



**Auditor's responsibilities for the audit of the financial statements (continued)**

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were The Charities and Trustee Investment (Scotland) Act 2005, together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for the UK operations were Anti-fraud, bribery and corruption legislation, Taxation legislation, Health and safety legislation and Charity regulations.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities including

- Management override of controls to manipulate the charity's key performance indicators to meet targets;
- Timing and completeness of revenue recognition; and
- Compliance with relevant laws and regulations which directly impact the financial statements and those that the charity needs to comply with for the purpose of trading

Our audit procedures to respond to these risks included:

- Testing of journal entries and other adjustments for appropriateness
- Evaluating the business rationale of significant transactions outside the normal course of business
- Reviewing judgements made by management in their calculation of accounting estimates for potential management bias
- Enquiries of management about litigation and claims and inspection of relevant correspondence
- Reviewing legal and professional fees to identify indications of actual or potential litigation, claims and any non-compliance with laws and regulations.
- Testing a sample of income transactions to source documentation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

## THE WOOD FOUNDATION

### INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE WOOD FOUNDATION

#### Auditor's responsibilities for the audit of the financial statements (continued)

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.

#### 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 and Brown Audit LLP

#### Anderson Anderson & Brown Audit LLP

Statutory Auditor  
Kingshill View  
Prime Four Business Park  
Kingswells  
Aberdeen  
AB15 8PU

Date: 21 December 2022

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 2022**

	Note	Unrestricted Funds £'000	Restricted Funds £'000	2022 £'000	2021 £'000
<b>INCOME AND ENDOWMENTS FROM:</b>					
Donations and legacies	3	2,475	2,970	5,445	3,847
Investments	4	890	-	890	545
Other trading activities	5	54	-	54	42
<b>TOTAL</b>		<u>3,419</u>	<u>2,970</u>	<u>6,389</u>	<u>4,434</u>
<b>EXPENDITURE ON:</b>					
Charitable activities	6	3,984	2,779	6,763	39,264
Share of loss of associate	14	68	-	68	338
<b>TOTAL</b>		<u>4,052</u>	<u>2,779</u>	<u>6,831</u>	<u>39,602</u>
(Loss)/gain on investments	13	(4,218)	-	(4,218)	21,668
Gain on disposal of assets		-	2	2	34
<b>NET MOVEMENT</b>	10	<u>(4,851)</u>	<u>193</u>	<u>(4,658)</u>	<u>(13,466)</u>
<b>CONSOLIDATED OTHER RECOGNISED GAINS AND LOSSES</b>					
Foreign exchange movement on consolidation	22	<u>(94)</u>	<u>-</u>	<u>(94)</u>	<u>(159)</u>
		(4,945)	193	(4,752)	(13,625)
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		102,510	-	102,510	116,135
Total funds carried forward	22	<u>97,565</u>	<u>193</u>	<u>97,758</u>	<u>102,510</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 2022

	Note	Unrestricted Funds £'000	Restricted Funds £'000	2022 £'000	2021 £'000
<b>INCOME AND ENDOWMENTS FROM:</b>					
Donations and legacies	3	2,475	538	3,013	1,983
Investments	4	731	-	731	359
<b>TOTAL</b>		<u>3,206</u>	<u>538</u>	<u>3,744</u>	<u>2,342</u>
<b>EXPENDITURE ON:</b>					
Charitable activities	6	3,214	342	3,556	36,296
<b>TOTAL</b>		<u>3,214</u>	<u>342</u>	<u>3,556</u>	<u>36,296</u>
(Loss)/gain on investments	13	(4,218)	-	(4,218)	21,668
<b>NET MOVEMENT IN FUNDS</b>	10	<u>(4,226)</u>	<u>196</u>	<u>(4,030)</u>	<u>(12,286)</u>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		95,632	-	95,632	107,918
Total funds carried forward	22	<u>91,406</u>	<u>196</u>	<u>91,602</u>	<u>95,632</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 2022**

	Note	2022 £'000	2021 £'000
<b>FIXED ASSETS</b>			
Investments	14	100,214	103,340
Intangible fixed assets	15	22	10
Tangible fixed assets	16	127	87
		<u>100,363</u>	<u>103,437</u>
<b>CURRENT ASSETS</b>			
Inventories	17	100	74
Debtors	18	6,116	4,805
Cash at bank and in hand		30,198	38,730
		<u>36,414</u>	<u>43,609</u>
CREDITORS: <i>amounts falling due within one year</i>	19	<u>(18,372)</u>	<u>(16,734)</u>
NET CURRENT ASSETS		<u>18,042</u>	<u>26,875</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		118,405	130,312
CREDITORS: <i>amounts falling due after more than one year</i>	20	<u>(20,647)</u>	<u>(27,802)</u>
NET ASSETS		<u>97,758</u>	<u>102,510</u>
<b>FUNDS</b>			
Unrestricted funds	22	97,565	102,510
Restricted funds	22	193	-
		<u>97,758</u>	<u>102,510</u>

Signed on behalf of the Board of Trustees

Trustee - Sir Ian Wood

Date

21 DECEMBER 2022

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

**THE WOOD FOUNDATION**  
BALANCE SHEET - 31 MARCH 2022

	Note	2022 £'000	2021 £'000
<b>FIXED ASSETS</b>			
Investments	14	100,214	103,181
Intangible fixed assets	15	22	10
Tangible fixed assets	16	17	15
		<u>100,253</u>	<u>103,206</u>
<b>CURRENT ASSETS</b>			
Debtors	18	420	3
Cash at bank and in hand		<u>28,466</u>	<u>36,870</u>
		28,886	36,873
<b>CREDITORS: amounts falling due within one year</b>	19	<u>(16,890)</u>	<u>(16,645)</u>
<b>NET CURRENT ASSETS</b>		<u>11,996</u>	<u>20,228</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		112,249	123,434
<b>CREDITORS: amounts falling due after more than one year</b>	20	<u>(20,647)</u>	<u>(27,802)</u>
<b>NET ASSETS</b>		<u><u>91,602</u></u>	<u><u>95,632</u></u>
<b>FUNDS</b>			
Unrestricted funds	22	91,406	95,632
Restricted funds	22	196	-
		<u><u>91,602</u></u>	<u><u>95,632</u></u>

Signed on behalf of the Board of Trustees

Trustee - Sir Ian Wood

Date

21 DECEMBER 2022

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 2022**

	Note	2022 £'000	2021 £'000
<b>Net cash outflow from operating activities</b>			
Net outgoing resources for the year		(442)	(35,168)
Share of loss of associate		68	338
Investment income		(890)	(545)
Taxation charge		(7)	7
Amortisation of intangible fixed assets		9	5
Depreciation of tangible fixed assets		40	28
Increase in inventories		(26)	-
(Increase)/decrease in debtors		(1,311)	241
(Decrease)/increase in creditors		(5,510)	21,709
Taxation paid		-	(22)
Foreign exchange arising on consolidation		(3)	4
Net cash used in operating activities		<u>(8,072)</u>	<u>(13,403)</u>
<b>Cash flow from investing activities</b>			
Interest receivable & income on fixed asset investments		890	545
Purchase of fixed assets		(101)	(81)
Disposal proceeds of fixed assets		2	34
Investments acquired		(1,251)	(626)
Investment disposals		-	-
Net cash used in investing activities		<u>(460)</u>	<u>(128)</u>
<b>Decrease in cash and cash equivalents</b>	23	<u><u>(8,532)</u></u>	<u><u>(13,531)</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 2022**

**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) - (Charities SORP (FRS 102)).

**(b) Going concern**

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, WFT Trading Limited, a trading subsidiary, and Services Company Outgrowers Nyaruguru South Limited, a company limited by guarantee registered in Rwanda. 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 2022**

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

(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 2022

#### 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 2022

### (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

	Group		Trust	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Donations - unrestricted	2,475	1,735	2,475	1,735
Donations - restricted	2,970	2,112	538	248
	<u>5,445</u>	<u>3,847</u>	<u>3,013</u>	<u>1,983</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

	Group		Trust	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Investment income	596	192	605	192
Bank interest receivable	129	171	126	167
Other interest receivable	165	182	-	-
	<u>890</u>	<u>545</u>	<u>731</u>	<u>359</u>

In 2022 and 2021, all income from investments was for unrestricted funds.

## 5 OTHER TRADING ACTIVITIES

	Group		Trust	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Commercial trading operations	<u>54</u>	<u>42</u>	<u>-</u>	<u>-</u>

In 2022 and 2021, all income from other trading activities was for unrestricted funds.

**THE WOOD FOUNDATION**
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2022**
**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>Developing young people in Scotland £'000</b>	<b>Facilitating economic and education development in Scotland £'000</b>	<b>2022 Total £'000</b>
Grants payable (note 8)	1,327	2,293	944	-	4,564
Direct costs:					
Service company overheads	-	283	-	-	283
Historic cost recharges	-	(375)	-	-	(375)
Staff	-	931	-	-	931
Consultancy	19	151	-	-	170
Travel	-	58	-	-	58
Miscellaneous expenses	-	17	-	-	17
	19	1,065	-	-	1,084
YPI Programme:					
Staff	-	-	169	-	169
Consultancy	-	-	74	-	74
Travel	-	-	6	-	6
Press & publicity	-	-	3	-	3
Miscellaneous expenses	-	-	1	-	1
	-	-	253	-	253
Global Learning Partnership:					
Programme:					
Staff	-	-	41	-	41
	-	-	41	-	41
Excelerate:					
Programme:					
Staff	-	-	266	-	266
Consultancy	-	-	77	-	77
Teacher training	-	-	138	-	138
Travel	-	-	45	-	45
Press & publicity	-	-	2	-	2
Miscellaneous expenses	-	-	1	-	1
	-	-	529	-	529
Support costs:					
Staff	211	224	-	-	435
Training & development	5	4	7	-	16
Insurance	2	11	2	-	15
Travel	1	25	-	-	26
Press & publicity	3	-	1	-	4
Miscellaneous expenses	11	91	11	-	113
Depreciation	8	11	9	-	28
Exchange gains	-	(391)	-	-	(391)
Governance costs	7	34	9	-	50
Taxation (note 7)	-	(4)	-	-	(4)
	248	5	39	-	292
	1,594	3,363	1,806	-	6,763

The historic cost recharges relates to charges to related undertakings.



**THE WOOD FOUNDATION**
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2022**
**6 EXPENDITURE ON CHARITABLE ACTIVITIES (continued)**

<b>Trust</b>	Miscellaneous grants & capacity support costs £'000	Venture philanthropy transforming livelihoods in Africa £'000	Developing young people in Scotland £'000	Facilitating economic and education development in Scotland £'000	2022 Total £'000
Grants payable (note 8)	1,327	241	944	-	2,512
Direct costs:					
YPI Programme:					
Staff	-	-	169	-	169
Consultancy	19	-	74	-	93
Travel	-	-	6	-	6
Press & publicity	-	-	2	-	2
Miscellaneous expenses	-	-	1	-	1
	19	-	252	-	271
Global Learning Partnership:					
Programme:					
Staff	-	-	41	-	41
	-	-	41	-	41
Excelerate:					
Programme:					
Staff	-	-	265	-	265
Consultancy	-	-	77	-	77
Teacher training	-	-	138	-	138
Travel	-	-	45	-	45
Press & publicity	-	-	2	-	2
Miscellaneous expenses	-	-	1	-	1
	-	-	528	-	528
Support costs:					
Staff	211	-	-	-	211
Training & development	5	-	7	-	12
Insurance	2	-	2	-	4
Travel	1	-	-	-	1
Press & publicity	2	-	1	-	3
Miscellaneous expenses	14	-	11	-	25
Depreciation	8	-	9	-	17
Exchange gains	-	(83)	-	-	(83)
Governance costs (note 9)	7	-	7	-	14
	250	(83)	37	-	204
	1,596	158	1,802	-	3,556

6 EXPENDITURE ON CHARITABLE ACTIVITIES (continued)

The comparative figures for 2021 were:

Group	Miscellaneous grants & capacity support costs £'000	Venture philanthropy transforming livelihoods in Africa £'000	Developing young people in Scotland £'000	Facilitating economic and education development in Scotland £'000	2021 Total £'000
Grants payable (note 8)	400	887	998	33,200	35,485
Direct costs:					
Service company overheads	-	67	-	-	67
Staff	-	1,464	-	-	1,464
Consultancy	-	170	-	-	170
Travel	-	35	-	-	35
Miscellaneous expenses	-	3	-	-	3
	-	1,739	-	-	1,739
YPI Programme:					
Staff	-	-	195	-	195
Consultancy	-	-	46	-	46
Travel	-	-	1	-	1
Press & publicity	-	-	12	-	12
	-	-	254	-	254
Global Learning Partnership:					
Programme:					
Staff	-	-	39	-	39
	-	-	39	-	39
Excelerate:					
Programme:					
Staff	-	-	239	-	239
Consultancy	-	-	82	-	82
Press & publicity	-	-	9	-	9
	-	-	330	-	330
Support costs:					
Staff	206	207	-	-	413
Training & development	2	6	15	-	23
Insurance	3	13	3	-	19
Travel	-	9	-	-	9
Press & publicity	1	1	-	-	2
Miscellaneous expenses	8	178	8	-	194
Depreciation	6	10	5	-	21
Exchange gains	-	673	-	-	673
Governance costs	7	40	9	-	56
Taxation (note 7)	-	7	-	-	7
	233	1,144	40	-	1,417
	633	3,770	1,661	33,200	39,264

To better align with the charitable objectives the Trustees have redefined the categories of charitable activities from those reported in the accounts to 31 March 2021.

In 2021, of the total charitable expenditure, £37,085,000 was from unrestricted funds and £2,179,000 was from restricted funds. The loss on investments was attributable in full to unrestricted funds.

**THE WOOD FOUNDATION**
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2022**
**6 EXPENDITURE ON CHARITABLE ACTIVITIES (continued)**

<b>Trust</b>	Miscellaneous grants & capacity support costs £'000	Venture philanthropy transforming livelihoods in Africa £'000	Developing young people in Scotland £'000	Facilitating economic and education development in Scotland £'000	2021 Total £'000
Grants payable (note 8)	400	598	998	33,200	35,196
Direct costs:					
YPI Programme:					
Staff	-	-	195	-	195
Consultancy	-	-	46	-	46
Travel	-	-	1	-	1
Press & publicity	-	-	7	-	7
	<u>-</u>	<u>-</u>	<u>249</u>	<u>-</u>	<u>249</u>
Global Learning Partnership:					
Programme:					
Staff	-	-	39	-	39
	<u>-</u>	<u>-</u>	<u>39</u>	<u>-</u>	<u>39</u>
Excelerate:					
Programme:					
Staff	-	-	239	-	239
Consultancy	-	-	82	-	82
Press & publicity	-	-	9	-	9
	<u>-</u>	<u>-</u>	<u>330</u>	<u>-</u>	<u>330</u>
Support costs:					
Staff	206	-	-	-	206
Training & development	2	-	15	-	17
Insurance	3	-	3	-	6
Miscellaneous expenses	8	-	8	-	16
Depreciation	6	-	5	-	11
Exchange gains	-	212	-	-	212
Governance costs	7	-	7	-	14
	<u>232</u>	<u>212</u>	<u>38</u>	<u>-</u>	<u>482</u>
	<u>632</u>	<u>810</u>	<u>1,654</u>	<u>33,200</u>	<u>36,296</u>

To better align with the charitable objectives the Trustees have redefined the categories of charitable activities from those reported in the accounts to 31 March 2021.

In 2021, of the total charitable expenditure, £36,048,000 was from unrestricted funds and £248,000 was from restricted funds. The loss on investments was attributable in full to unrestricted funds.

**THE WOOD FOUNDATION**
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2022**
**7 TAXATION**

	<b>Group</b>		<b>Trust</b>	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
UK corporation tax for the current year	-	7	-	-
UK corporation tax relating to prior year	(7)	-	-	-
Overseas corporation tax	3	-	-	-
	<u>(4)</u>	<u>7</u>	<u>-</u>	<u>-</u>

Overseas income tax is charged on taxable profits generated by the group's operations in Rwanda. Tax is charged at the Rwanda Revenue Authority's preferential rate of 15%.

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>	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Net incoming resources not subject to taxation reliefs	-	36	-	-
Taxation charges at 19% (2021-19%)	-	7	-	-
Adjustments relating to prior period	<u>(7)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total tax charge recognised in the year	<u>(7)</u>	<u>7</u>	<u>-</u>	<u>-</u>

**8 GRANTS**

<b>Group</b>	Grants Awarded No.	2022 £'000	Grants Awarded No.	2021 £'000
Grants to institutions:				
Venture philanthropy transforming livelihoods in Africa	2	2,293	3	887
Volunteering overseas	(1)	(5)	(1)	(3)
Developing young people in Scotland	263	947	203	1,001
Opportunity North East	-	-	2	33,200
Kids Operating Room	2	1,312	-	-
	<u>266</u>	<u>4,547</u>	<u>207</u>	<u>35,085</u>
Miscellaneous grants:				
Other miscellaneous grants	2	15	2	400
	<u>268</u>	<u>4,562</u>	<u>209</u>	<u>35,485</u>
Grants to individuals:				
Volunteering overseas	2	2	-	-
	<u>270</u>	<u>4,564</u>	<u>209</u>	<u>35,485</u>



**THE WOOD FOUNDATION**  
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2022**

**8 GRANTS (continued)**

<b>Trust</b>	<b>Grants Awarded No.</b>	<b>2022 £'000</b>	<b>Grants Awarded No.</b>	<b>2021 £'000</b>
Grants to institutions:				
Venture philanthropy transforming livelihoods in Africa	1	241	1	598
Volunteering overseas	(1)	(5)	(1)	(3)
Developing young people in Scotland	263	947	203	1,001
Opportunity North East	-	-	2	33,200
Kids Operating Room	2	1,312		
	<u>265</u>	<u>2,495</u>	<u>205</u>	<u>34,796</u>
Miscellaneous grants:				
Other miscellaneous grants	2	15	2	400
	<u>267</u>	<u>2,510</u>	<u>207</u>	<u>35,196</u>
Grants to individuals:				
Volunteering overseas	2	2	-	-
	<u>269</u>	<u>2,512</u>	<u>207</u>	<u>35,196</u>

**9 GOVERNANCE COSTS**

	<b>Group</b>		<b>Trust</b>	
	<b>2022 £'000</b>	<b>2021 £'000</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
Auditors' remuneration	25	24	13	13
Legal	4	4	1	1
Overseas Compliance Services	21	28	-	-
	<u>50</u>	<u>56</u>	<u>14</u>	<u>14</u>

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

	<b>Group</b>		<b>Trust</b>	
	<b>2022 £'000</b>	<b>2021 £'000</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
Auditors' remuneration				
Audit fees	25	24	13	13
Non-audit fees	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**THE WOOD FOUNDATION**
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2022**
**11 STAFF COSTS AND NUMBERS**

	<b>Group</b>		<b>Trust</b>	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Staff costs				
Wages and salaries	2,765	2,842	525	524
Social security	90	83	90	83
Other pension costs	105	98	60	55
Gatsby share of costs	-	-	-	-
Staff cost recharge (note 24)	(1,130)	(689)	-	-
	<u>1,830</u>	<u>2,334</u>	<u>675</u>	<u>662</u>

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

	<b>Group</b>		<b>Trust</b>	
	2022	2021	2022	2021
	No.	No.	No.	No.
Trustees	4	4	4	4
Management & administration	39	42	19	19
	<u>43</u>	<u>46</u>	<u>23</u>	<u>23</u>

During the year 15 employees within the group received emoluments of over £60,000 (2021: 16). Pension contributions totalling £63,000 were paid into direct contribution pension schemes in respect of 8 of these individuals (2021: £58,000, 7 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>	
	2022	2021
	£'000	£'000
Unrealised (losses)/gains on revaluation	<u>(4,218)</u>	<u>21,668</u>

**THE WOOD FOUNDATION**
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2022**
**14 INVESTMENTS**

	<b>Group &amp; Trust</b>	
	2022	2021
	£'000	£'000
Market value at 1 April 2021	103,181	80,887
Additions at cost	1,251	626
Net unrealised investment gains/(losses) on revaluation	(4,218)	21,668
Market value at 31 March 2022	<u>100,214</u>	<u>103,181</u>

The market value of investments at 31 March 2022 comprises:

	<b>Group &amp; Trust</b>	
	2022	2021
	£'000	£'000
Listed equity investments	186	311
Managed funds	<u>100,028</u>	<u>102,870</u>
	<u>100,214</u>	<u>103,181</u>

	<b>Trust</b>	
	2022	2021
	£	£
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>Group</b>		<b>Trust</b>	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
<b>Social investment - mixed motive</b>				
At 1 April 2021	159	659	-	-
Share of loss	(68)	(338)	-	-
Foreign exchange movement on revaluation of foreign associate	(91)	(162)	-	-
At 31 March 2022	<u>-</u>	<u>159</u>	<u>-</u>	<u>-</u>

The Wood Foundation Africa owns 25% equity in Silverback Tea Company Limited ("STCL") (formerly Rwanda Tea Investments Limited) who 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 2021. The Trustees consider movements between December 2021 and March 2022 to be immaterial.

**THE WOOD FOUNDATION**
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2022**
**14 INVESTMENTS (continued)**

<b>TOTAL INVESTMENTS</b>	<b>Group</b>		<b>Trust</b>	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
At 31 March 2022	<u>100,214</u>	<u>103,340</u>	<u>100,214</u>	<u>103,181</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 26.

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.

Services Company Outgrowers Nyaruguru South Limited is company limited by guarantee registered in Rwanda. The Wood Foundation Africa is the sole guarantor with 100% control of the company.

**15 INTANGIBLE FIXED ASSETS**

	<b>Group &amp; Trust</b>	
	2022 £'000	2021 £'000
<b>Software</b>		
<b>COST</b>		
At 1 April 2021	25	25
Additions	21	-
At 31 March 2022	<u>46</u>	<u>25</u>
<b>AMORTISATION</b>		
At 1 April 2021	15	10
Charge for year	9	5
At 31 March 2022	<u>24</u>	<u>15</u>
<b>NET BOOK VALUES</b>		
At 31 March 2022	<u>22</u>	<u>10</u>

**16 TANGIBLE FIXED ASSETS**

	<b>Plant &amp; equipment £'000</b>	<b>Motor vehicles £'000</b>	<b>Total £'000</b>
<b>Group</b>			
<b>COST</b>			
At 1 April 2021	135	64	199
Additions	80	-	80
Disposals	-	-	-
At 31 March 2022	<u>215</u>	<u>64</u>	<u>279</u>
<b>DEPRECIATION</b>			
At 1 April 2021	72	40	112
Charge for year	33	7	40
Appropriated on disposal	-	-	-
At 31 March 2022	<u>105</u>	<u>47</u>	<u>152</u>
<b>NET BOOK VALUES</b>			
At 31 March 2022	<u>110</u>	<u>17</u>	<u>127</u>
At 1 April 2021	<u>63</u>	<u>24</u>	<u>87</u>



**THE WOOD FOUNDATION**  
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2022**

16 TANGIBLE FIXED ASSETS (continued)

	Plant & equipment £'000	Total £'000
<b>Trust</b>		
<b>COST</b>		
At 1 April 2021	36	36
Additions	9	9
At 31 March 2022	<u>45</u>	<u>45</u>
<b>DEPRECIATION</b>		
At 1 April 2021	21	21
Charge for year	7	7
At 31 March 2022	<u>28</u>	<u>28</u>
<b>NET BOOK VALUES</b>		
At 31 March 2022	<u>17</u>	<u>17</u>
At 1 April 2021	<u>15</u>	<u>15</u>

17 STOCKS	<b>Group</b> 2022 £'000	<b>Group</b> 2021 £'000
Nurseries	<u>100</u>	<u>74</u>

18 DEBTORS	<b>Group</b>		<b>Trust</b>	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Amounts due from related undertakings	4,408	3,948	-	-
Other debtors	1,119	792	-	-
Prepayments and accrued income	589	65	420	3
	<u>6,116</u>	<u>4,805</u>	<u>420</u>	<u>3</u>

Other debtors at the year end include a loan balance due from Transmara Sugar Company Limited with loan interest charged at 3% per annum. The balance outstanding at the year end was £799,455 (2021 - £762,705). Interest received during the year amounted to £17,508 (2021 - £13,539). Interest receivable at the year end was £5,920 (2021 - £Nil).

**THE WOOD FOUNDATION**
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2022**
**19 CREDITORS: amounts falling due within one year**

	<b>Group</b>		<b>Trust</b>	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Amounts due to related undertakings	605	-	-	-
Grants payable	16,691	16,572	16,691	16,572
Taxation and social security	28	25	28	25
Corporation tax	-	7	-	-
Trade creditors	145	34	134	20
Accruals and deferred income	68	65	37	28
Other creditors	835	31	-	-
	<u>18,372</u>	<u>16,734</u>	<u>16,890</u>	<u>16,645</u>

Other creditors at the year end include a loan balance due to the Government of Rwanda with loan interest charged at 0% per annum. The balance outstanding at the year end was £762,431 (2021 - £NIL).

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

	<b>Group</b>		<b>Trust</b>	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Grants payable	<u>20,647</u>	<u>27,802</u>	<u>20,647</u>	<u>27,802</u>

**21 FINANCIAL INSTRUMENTS**

	<b>Group</b>		<b>Trust</b>	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
<b>Financial assets</b>				
Financial assets measured at fair value through profit or loss	30,198	38,730	28,466	36,870
Financial assets measured at amortised cost	<u>6,031</u>	<u>4,720</u>	<u>420</u>	<u>3</u>
	<u>36,229</u>	<u>43,450</u>	<u>28,886</u>	<u>36,873</u>
<b>Financial liabilities</b>				
Financial liabilities measured at amortised cost	18,344	16,702	16,862	16,620
Financial liabilities measured at fair value	<u>20,647</u>	<u>27,802</u>	<u>20,647</u>	<u>27,802</u>
	<u>38,991</u>	<u>44,504</u>	<u>37,509</u>	<u>44,422</u>

**THE WOOD FOUNDATION**  
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2022**

**22 MOVEMENT IN FUNDS**

	Unrestricted Funds £'000	Restricted Funds £'000	2022 £'000
<b>Group</b>			
At 1 April 2021	102,510	-	102,510
Income	3,419	2,970	6,389
Expenditure	(4,052)	(2,779)	(6,831)
Other (losses)/gains	(4,218)	2	(4,216)
Foreign exchange movement on consolidation	(94)	-	(94)
At 31 March 2022	<u>97,565</u>	<u>193</u>	<u>97,758</u>
<b>Trust</b>			
At 1 April 2021	95,632	-	95,632
Income	3,206	538	3,744
Expenditure	(3,214)	(342)	(3,556)
Other losses	(4,218)	-	(4,218)
At 31 March 2022	<u>91,406</u>	<u>196</u>	<u>91,602</u>

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

The comparative figures for 2021 were:

	Unrestricted Funds £'000	Restricted Funds £'000	2021 £'000
<b>Group</b>			
At 1 April 2020	116,102	33	116,135
Income	2,322	2,112	4,434
Expenditure	(37,423)	(2,179)	(39,602)
Other gains	21,668	34	21,702
Foreign exchange movement on consolidation	(159)	-	(159)
At 31 March 2021	<u>102,510</u>	<u>-</u>	<u>102,510</u>
<b>Trust</b>			
At 1 April 2020	107,918	-	107,918
Income	2,094	248	2,342
Expenditure	(36,048)	(248)	(36,296)
Other gains	21,668	-	21,668
At 31 March 2021	<u>95,632</u>	<u>-</u>	<u>95,632</u>

22 MOVEMENT IN FUNDS (continued)

Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted Funds £'000	2022 £'000
<b>Group</b>			
Investments	100,214	-	100,214
Fixed assets	141	8	149
Current assets	35,600	814	36,414
Current liabilities	(17,743)	(629)	(18,372)
Non-current liabilities	(20,647)	-	(20,647)
At 31 March 2022	<u>97,565</u>	<u>193</u>	<u>97,758</u>
<b>Trust</b>			
Investments	100,214	-	100,214
Fixed assets	39	-	39
Current assets	28,690	196	28,886
Current liabilities	(16,890)	-	(16,890)
Non-current liabilities	(20,647)	-	(20,647)
At 31 March 2022	<u>91,406</u>	<u>196</u>	<u>91,602</u>

The comparative figures for 2021 were:

	Unrestricted Funds £'000	Restricted Funds £'000	2021 £'000
<b>Group</b>			
Investments	103,340	-	103,340
Tangible fixed assets	86	11	97
Current assets	43,599	10	43,609
Current liabilities	(16,713)	(21)	(16,734)
Long term liabilities	(27,802)	-	(27,802)
At 31 March 2021	<u>102,510</u>	<u>-</u>	<u>102,510</u>
<b>Trust</b>			
Investments	103,181	-	103,181
Tangible fixed assets	25	-	25
Current assets	36,873	-	36,873
Current liabilities	(16,645)	-	(16,645)
Long term liabilities	(27,802)	-	(27,802)
At 31 March 2021	<u>95,632</u>	<u>-</u>	<u>95,632</u>

23 ANALYSIS OF CHANGES IN NET DEBT IN YEAR

	<b>Group</b>	
	2022 £'000	2021 £'000
Cash at bank and in hand at 1 April 2021	38,730	52,335
Decrease in cash and cash equivalents	<u>(8,532)</u>	<u>(13,605)</u>
At 31 March 2022	<u>30,198</u>	<u>38,730</u>



**24 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>
Sir Ian Wood (and family)	Executive Chairman	Donations received	2,476,000	-
Opportunity North East	A company in which Sir Ian Wood is a director	Grants committed	-	(34,714,000)
East African Tea Investments	Joint venture	Grants paid Grants received	(2,293,000) 304,000	(605,000) 304,000
Mulindi Factory Company Limited	Subsidiary of East African Tea Investments up to 30 March 2022	Recharge of costs	353,000	284,000
Shagasha Tea Factory Limited	Subsidiary of East African Tea Investments	Recharge of costs Management fees	250,000 42,000	219,000 42,000
Services Company Outgrowers Nyaruguru North (SCONN) Limited	Subsidiary of East African Tea Investments	Recharge of costs	173,000	173,000
Rugabano Outgrowers Services Limited	Subsidiary of East African Tea Investments	Recharge of costs	519,000	519,000
Kids Operating Room	A charity in which Garreth Wood and Graham Good are also Trustees	Recharge of costs Grants paid	147,000 (1,312,000)	43,000 -
Silverback Tea Company Limited	Associate of subsidiary The Wood Foundation Africa 25% equity stake	Loan Accrued loan interest Recharge of costs	- 141,000 5,000	2,094,000 566,000 57,000
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%.				
Gisovu Tea Company Ltd	Subsidiary of Silverback Tea Company Limited	Recharge of costs	80,000	21,000
Pfunda Tea Company Ltd	Subsidiary of Silverback Tea Company Limited	Recharge of costs	79,000	37,000
Rugabano Tea Company Ltd	Subsidiary of Silverback Tea Company Limited	Recharge of costs	9,000	5,000
Services Company Outgrowers Nyaruguru South (SCONS) Limited	Subsidiary	Loan advanced Recharge of costs	83,000 173,000	236,000 43,000

# THE WOOD FOUNDATION

## NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2022

### 25 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 2022 was £17,500 (2021 - £37,500).

### 26 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 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 £2,293,441 (2021 - £877,825) to EATI. A balance of £605,485 (2021 - £Nil) remains outstanding in relation to these grants at the year end. In addition the charity also received grants from EATI of £303,817 (2021 - £1,092,522). A balance of £303,817 (2021 - £752,364) remains outstanding in relation to these grants at the year end.

EATI produced consolidated accounts for the year to 31 March 2022 incorporating the 12 month trading period of those factories.

The consolidated balance sheets to 31 March 2022 show:

	2022 £'000	2021 £'000
<b>FIXED ASSETS</b>		
Tangible fixed assets	2,560	5,792
	<u>2,560</u>	<u>5,792</u>
<b>CURRENT ASSETS</b>		
Stock	1,642	2,549
Debtors	12,754	11,006
Cash at bank and in hand	3,064	6,106
	<u>17,460</u>	<u>19,661</u>
<b>CREDITORS: amounts falling due within one year</b>	(1,728)	(3,637)
	<u>15,732</u>	<u>16,024</u>
<b>NET CURRENT ASSETS</b>		
	15,732	16,024
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	18,292	21,816
<b>CREDITORS: amounts falling due after more than one year</b>	(469)	(410)
	<u>17,823</u>	<u>21,406</u>
<b>NET ASSETS</b>		
	17,823	21,406
<b>FUNDS</b>		
<b>Unrestricted funds</b>		
General	(5,163)	(875)
Minority interests	(2,476)	(1,687)
	<u>(7,639)</u>	<u>(2,562)</u>
<b>Restricted funds</b>		
Tea Investment Fund	24,950	21,556
Minority interests	1,859	3,772
Exchange reserve	(1,347)	(1,360)
	<u>25,462</u>	<u>23,968</u>
<b>TOTAL FUNDS</b>	<u>17,823</u>	<u>21,406</u>

**THE WOOD FOUNDATION****NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2022****26 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.

