

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

**TRUSTEES' ANNUAL REPORT AND ACCOUNTS**

**31 MARCH 2023**

**THE WOOD FOUNDATION**  
**TRUSTEES' ANNUAL REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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

**TRUSTEES**

Sir Ian C Wood                      Executive Chairman  
Lady Helen Wood  
Graham Good

**NON EXECUTIVE DIRECTORS**

David Knopp                      Director of Africa  
Alison MacLachlan              UK Director

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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 2023.

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 registered 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 2023.

### **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 has a series of large-scale and long-term smallholder farmer development projects in 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.

### **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.

During the year TWFA acquired a co-majority stake in a smallholder vanilla development company in Uganda and since the year end also acquired a co-majority stake in another smallholder-supplied tea factory in Rwanda.

The Wood Foundation continues 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 2022/23 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; Lipton Teas and Infusions; 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 and we are pleased to report a measured improvement in the performance at our project in the southern highlands of Tanzania, where farmer yields have been adversely affected by declining rainfall over the past five years.

TWFA ended its smallholder sugar cane action research project in Kenya during the year.

TWFA continued to seek new smallholder farmer development opportunities in other crops and/or other countries in Africa and during the year TWFA acquired a co-majority stake in a smallholder vanilla project in Uganda. The investment is held along with its founder through a newly established joint-venture company called Enimiro Holdings Uganda Ltd. TWFA are taking an active role in the development of the early-stage company.

Since the year end TWFA acquired a co-majority stake in Nshili Kivu Tea Factory, another smallholder-supplied factory in Rwanda which has a good reputation in the international market for producing high quality tea. TWFA will support the company to enable smallholder farmers to plant out a further 1,000 hectares of tea on their own land.

## **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 school-based programmes – YPI, RAiSE and Excelerate.

YPI provides young people across more than 280 secondary schools in Scotland the opportunity to raise awareness and funds for social causes they care about. YPI 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 £163 million, uncommitted funds and investments in The Wood Foundation are approximately £88 million.

#### **Plans for Future**

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

Since the year-end TWFA has 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 the UK and in Africa to further deliver on our charitable objectives.

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

### **FINANCIAL REVIEW**

Charitable activities, net of an unrealised loss on investments, exceeded incoming resources in the year which resulted in net outgoing resources for the year, amounting to £9.8 million (2022 - £4.7 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 2023 was £5.0 million (2022 - £6.4 million) which includes £1.1 million (2022 - £2.5 million) of donations from Sir Ian Wood and family (including family trusts); £1.9 million (2022 - £2.1 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 £2,000 (2022 - £54,000) received from trading activities. In addition, investment income of £1.3 million (2022 - £0.9 million) was earned during the year.

Group charitable expenditure was £6.6 million (2022 - £6.8 million) which includes £3 million (2022 - £5 million) of grants committed to during the year ended 31 March 2023. The total value of grant commitments outstanding at 31 March 2023 was £31 million (2022 - £37 million) and these are scheduled to be paid over the next five years.

The portfolio of The Wood Foundation investments at 31 March 2023 had a total value of £93 million (2022 - £100 million) with a further £20 million (2022 - £30 million) held in cash deposits.

The objective of the managed investment portfolio continues to be to obtain capital growth over the long term. We have smallholder farmer focussed investments in three Rwanda tea factories through our 25% investment in Silverback Tea Company Limited ('STCL') and one vanilla factory in Uganda. We expect to generate returns from these companies 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 or liquid investment 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 £9.8 million (2022 - £4.7 million) to £87.9 million (2022 - £97.8 million) at 31 March 2023. Restricted funds at that date are £72,000 (2022 - £193,000), payable within one year, and committed unrestricted funds are £30.8 million (2022 - £37.3 million), payable over the next five years.

The Trustees are satisfied that the level of reserves held at 31 March 2023 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 £88 million at 31 March 2023 and ongoing likely input of funds from my family, we will continue to maintain high levels of cash or liquid investment 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

Date

19 DECEMBER 2023

## **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 2023 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 2023 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 (continued)**

#### **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: *19 December 2021*

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 2023**

	Note	Unrestricted Funds £'000	Restricted Funds £'000	2023 £'000	2022 £'000
<b>INCOME AND ENDOWMENTS FROM:</b>					
Donations and legacies	3	1,140	2,526	3,666	5,445
Investments	4	1,348	-	1,348	890
Other trading activities	5	2	-	2	54
<b>TOTAL</b>		<u>2,490</u>	<u>2,526</u>	<u>5,016</u>	<u>6,389</u>
<b>EXPENDITURE ON:</b>					
Charitable activities	6	3,983	2,666	6,649	6,763
Share of loss of associate	14	-	-	-	68
<b>TOTAL</b>		<u>3,983</u>	<u>2,666</u>	<u>6,649</u>	<u>6,831</u>
(Loss)/gain on investments	13	(8,218)	-	(8,218)	(4,218)
Gain on disposal of assets		-	19	19	2
<b>NET MOVEMENT</b>	10	<u>(9,711)</u>	<u>(121)</u>	<u>(9,832)</u>	<u>(4,658)</u>
<b>CONSOLIDATED OTHER RECOGNISED GAINS AND LOSSES</b>					
Foreign exchange movement on consolidation	22	35	-	35	(94)
		(9,676)	(121)	(9,797)	(4,752)
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		97,565	193	97,758	102,510
Total funds carried forward	22	<u>87,889</u>	<u>72</u>	<u>87,961</u>	<u>97,758</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 2023**

	Note	Unrestricted Funds £'000	Restricted Funds £'000	2023 £'000	2022 £'000
<b>INCOME AND ENDOWMENTS FROM:</b>					
Donations and legacies	3	1,140	94	1,234	3,013
Investments	4	1,118	-	1,118	731
<b>TOTAL</b>		<b>2,258</b>	<b>94</b>	<b>2,352</b>	<b>3,744</b>
<b>EXPENDITURE ON:</b>					
Charitable activities	6	4,423	218	4,641	3,556
<b>TOTAL</b>		<b>4,423</b>	<b>218</b>	<b>4,641</b>	<b>3,556</b>
(Loss)/gain on investments	13	(8,218)	-	(8,218)	(4,218)
<b>NET MOVEMENT IN FUNDS</b>	<b>10</b>	<b>(10,383)</b>	<b>(124)</b>	<b>(10,507)</b>	<b>(4,030)</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		91,406	196	91,602	95,632
Total funds carried forward	22	81,023	72	81,095	91,602

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

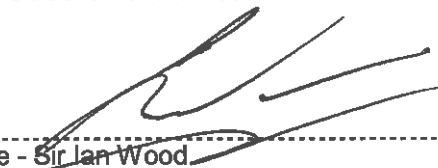
The notes on pages 18 to 37 form part of these financial statements.



**THE WOOD FOUNDATION**  
**CONSOLIDATED BALANCE SHEET - 31 MARCH 2023**

	Note	2023 £'000	2022 £'000
<b>FIXED ASSETS</b>			
Investments	14	93,413	100,214
Intangible fixed assets	15	15	22
Tangible fixed assets	16	158	127
		<u>93,586</u>	<u>100,363</u>
<b>CURRENT ASSETS</b>			
Inventories	17	23	100
Debtors	18	6,712	6,116
Cash at bank and in hand		20,481	30,198
		<u>27,216</u>	<u>36,414</u>
<b>CREDITORS: amounts falling due within one year</b>	19	<u>(19,054)</u>	<u>(18,372)</u>
<b>NET CURRENT ASSETS</b>		<u>8,162</u>	<u>18,042</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>101,748</b>	<b>118,405</b>
<b>CREDITORS: amounts falling due after more than one year</b>	20	<u>(13,787)</u>	<u>(20,647)</u>
<b>NET ASSETS</b>		<u><u>87,961</u></u>	<u><u>97,758</u></u>
<b>FUNDS</b>			
Unrestricted funds	22	87,889	97,565
Restricted funds	22	72	193
		<u>87,961</u>	<u>97,758</u>

Signed on behalf of the Board of Trustees

  
 Trustee - Sir Ian Wood

19 DECEMBER 2023  
 Date

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

**THE WOOD FOUNDATION**  
**BALANCE SHEET - 31 MARCH 2023**

	Note	2023 £'000	2022 £'000
<b>FIXED ASSETS</b>			
Investments	14	92,558	100,214
Intangible fixed assets	15	12	22
Tangible fixed assets	16	29	17
		<u>92,599</u>	<u>100,253</u>
<b>CURRENT ASSETS</b>			
Debtors	18	618	420
Cash at bank and in hand		<u>18,844</u>	<u>28,466</u>
		19,462	28,886
<b>CREDITORS: amounts falling due within one year</b>	19	<u>(17,179)</u>	<u>(16,890)</u>
<b>NET CURRENT ASSETS</b>		<u>2,283</u>	<u>11,996</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>94,882</b>	<b>112,249</b>
<b>CREDITORS: amounts falling due after more than one year</b>	20	<u>(13,787)</u>	<u>(20,647)</u>
<b>NET ASSETS</b>		<u><u>81,095</u></u>	<u><u>91,602</u></u>
<b>FUNDS</b>			
Unrestricted funds	22	81,023	91,406
Restricted funds	22	<u>72</u>	<u>196</u>
		<u><u>81,095</u></u>	<u><u>91,602</u></u>

Signed on behalf of the Board of Trustees

  
 Trustee - Sir Ian Wood

19 DECEMBER 2023  
 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 2023**

	Note	2023 £'000	2022 £'000
<b>Net cash outflow from operating activities</b>			
Net outgoing resources for the year		(1,633)	(442)
Share of (profit)/loss of associate		(17)	68
Investment income		(1,348)	(890)
Taxation charge		-	(7)
Amortisation of intangible fixed assets		11	9
Depreciation of tangible fixed assets		39	40
Decrease/(increase) in inventories		77	(26)
Increase in debtors		(596)	(1,311)
Decrease in creditors		(7,029)	(6,273)
Taxation paid		-	-
Foreign exchange arising on consolidation		50	38
Net cash used in operating activities		<u>(10,446)</u>	<u>(8,794)</u>
<b>Cash flow from investing activities</b>			
Interest receivable & income on fixed asset investments		1,348	890
Purchase of fixed assets		(86)	(101)
Disposal proceeds of fixed assets		31	2
Investments acquired		(1,400)	(1,251)
Investment disposals		-	-
Net cash used in investing activities		<u>(107)</u>	<u>(460)</u>
<b>Cashflow from financing activities</b>			
Loan received		836	722
<b>Decrease in cash and cash equivalents</b>	23	<u><u>(9,717)</u></u>	<u><u>(8,532)</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 2023

#### 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, Services Company Outgrowers Nyaruguru South Limited, a company limited by guarantee registered in Rwanda and Enimiro Products Uganda Limited. 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 2023**

**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 and Enimiro Products Uganda Limited are treated as such in the financial statements.

**THE WOOD FOUNDATION**  
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2023**

**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 2023**

**(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>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Donations - unrestricted	1,140	2,475	1,140	2,475
Donations - restricted	2,526	2,970	94	538
	<u>3,666</u>	<u>5,445</u>	<u>1,234</u>	<u>3,013</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>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Investment income	561	596	562	605
Bank interest receivable	566	129	556	126
Other interest receivable	204	165	-	-
Share of profit of associate	17	-	-	-
	<u>1,348</u>	<u>890</u>	<u>1,118</u>	<u>731</u>

In 2023 and 2022, all income from investments was for unrestricted funds.

**5 OTHER TRADING ACTIVITIES**

	<b>Group</b>		<b>Trust</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Commercial trading operations	<u>2</u>	<u>54</u>	<u>-</u>	<u>-</u>

In 2023 and 2022, all income from other trading activities was for unrestricted funds.

**THE WOOD FOUNDATION**  
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2023**

**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>2023 Total £'000</b>
Grants payable (note 8)	258	1,787	1,202	-	3,247
Direct costs:					
Service company overheads	-	354	-	-	354
Historical cost recharges	-	-	-	-	-
Staff	-	1,071	-	-	1,071
Consultancy	-	326	-	-	326
Travel	-	92	-	-	92
Miscellaneous expenses	-	21	-	-	21
	-	1,864	-	-	1,864
YPI Programme:					
Staff	-	-	235	-	235
Consultancy	-	-	95	-	95
Travel	-	-	24	-	24
Press & publicity	-	-	43	-	43
Miscellaneous expenses	-	-	5	-	5
	-	-	402	-	402
Global Learning Partnership:					
Programme:					
Staff	-	-	43	-	43
Consultancy	-	-	7	-	7
Press & publicity	-	-	5	-	5
	-	-	55	-	55
Excelerate:					
Programme:					
Staff	-	-	402	-	402
Consultancy	-	-	240	-	240
Teacher training	-	-	125	-	125
Travel	-	-	104	-	104
Press & publicity	-	-	7	-	7
Miscellaneous expenses	-	-	8	-	8
	-	-	886	-	886
Support costs:					
Staff	248	230	-	-	478
Training & development	9	5	11	-	25
Insurance	3	9	3	-	15
Travel	5	51	5	-	61
Press & publicity	9	-	7	-	16
Miscellaneous expenses	26	108	26	-	160
Depreciation	11	10	11	-	32
Exchange gains	-	(668)	-	-	(668)
Governance costs	7	59	9	-	75
Taxation (note 7)	-	1	-	-	1
	318	(195)	72	-	195
	576	3,456	2,617	-	6,649

The historical cost recharges relates to charges to related undertakings.



**THE WOOD FOUNDATION**  
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2023**

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

<b>Trust</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>2023 Total £'000</b>
Grants payable (note 8)	258	1,632	1,202	-	3,092
Direct costs:					
YPI Programme:					
Staff	-	-	235	-	235
Consultancy	-	-	95	-	95
Travel	-	-	24	-	24
Press & publicity	-	-	43	-	43
Miscellaneous expenses	-	-	5	-	5
	-	-	402	-	402
Global Learning Partnership:					
Programme:					
Staff	-	-	43	-	43
Consultancy	-	-	7	-	7
Press & publicity	-	-	5	-	5
	-	-	55	-	55
Excelerate:					
Programme:					
Staff	-	-	402	-	402
Consultancy	-	-	240	-	240
Teacher training	-	-	125	-	125
Travel	-	-	104	-	104
Press & publicity	-	-	7	-	7
Miscellaneous expenses	-	-	8	-	8
	-	-	886	-	886
Support costs:					
Staff	248	-	-	-	248
Training & development	9	-	11	-	20
Insurance	3	-	3	-	6
Travel	5	-	5	-	10
Press & publicity	8	-	7	-	15
Miscellaneous expenses	26	-	26	-	52
Depreciation	11	-	11	-	22
Exchange gains	-	(181)	-	-	(181)
Governance costs (note 9)	7	-	7	-	14
	317	(181)	70	-	206
	575	1,451	2,615	-	4,641

**THE WOOD FOUNDATION**  
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2023**

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

The comparative figures for 2022 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	2022 Total £'000
Grants payable (note 8)	1,327	2,293	944	-	4,564
Direct costs:					
Service company overheads	-	283	-	-	283
Historical 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

In 2022, of the total charitable expenditure, £3,984,000 was from unrestricted funds and £2,779,000 was from restricted funds. The loss on investments was attributable in full to unrestricted funds.

The historical cost recharges relate to charges to related undertakings.

**THE WOOD FOUNDATION**  
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2023**

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

<b>Trust</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	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	7	-	7	-	14
	250	(83)	37	-	204
	1,596	158	1,802	-	3,556

In 2022, of the total charitable expenditure, £3,214,000 was from unrestricted funds and £342,000 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 2023

**7 TAXATION**

	<b>Group</b>		<b>Trust</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
UK corporation tax for the current year	-	-	-	-
UK corporation tax relating to prior year	-	(7)	-	-
Overseas corporation tax	1	3	-	-
	<u>1</u>	<u>(4)</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 rate of 30%.

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>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Net incoming resources not subject to taxation reliefs	-	-	-	-
Taxation charges at 19% (2021-19%)	-	-	-	-
Adjustments relating to prior period	-	(7)	-	-
Total UK tax credit recognised in the year	<u>-</u>	<u>(7)</u>	<u>-</u>	<u>-</u>

**8 GRANTS**

<b>Group</b>	<b>Grants Awarded No.</b>	<b>2023 £'000</b>	<b>Grants Awarded No.</b>	<b>2022 £'000</b>
<b>Grants to institutions:</b>				
Venture philanthropy transforming livelihoods in Africa	2	1,787	2	2,293
Volunteering overseas	-	-	(1)	(5)
Developing young people in Scotland	285	1,202	263	947
Kids Operating Room	1	148	2	1,312
	<u>288</u>	<u>3,137</u>	<u>266</u>	<u>4,547</u>
<b>Miscellaneous grants:</b>				
Other miscellaneous grants	4	110	2	15
	<u>292</u>	<u>3,247</u>	<u>268</u>	<u>4,562</u>
<b>Grants to individuals:</b>				
Volunteering overseas	-	-	2	2
	<u>292</u>	<u>3,247</u>	<u>270</u>	<u>4,564</u>

**THE WOOD FOUNDATION**  
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2023**

**8 GRANTS (continued)**

<b>Trust</b>	<b>Grants Awarded No.</b>	<b>2023 £'000</b>	<b>Grants Awarded No.</b>	<b>2022 £'000</b>
<b>Grants to institutions:</b>				
Venture philanthropy transforming livelihoods in Africa	1	1,632	1	241
Volunteering overseas	-	-	(1)	(5)
Developing young people in Scotland	285	1,202	263	947
Kids Operating Room	1	148	2	1,312
	<u>287</u>	<u>2,982</u>	<u>265</u>	<u>2,495</u>
<b>Miscellaneous grants:</b>				
Other miscellaneous grants	4	110	2	15
	<u>291</u>	<u>3,092</u>	<u>267</u>	<u>2,510</u>
<b>Grants to individuals:</b>				
Volunteering overseas	-	-	2	2
	<u>291</u>	<u>3,092</u>	<u>269</u>	<u>2,512</u>

**9 GOVERNANCE COSTS**

	<b>Group</b>		<b>Trust</b>	
	<b>2023 £'000</b>	<b>2022 £'000</b>	<b>2023 £'000</b>	<b>2022 £'000</b>
Auditors' remuneration	25	25	14	13
Legal	31	4	-	1
Overseas Compliance Services	18	21	-	-
	<u>74</u>	<u>50</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>2023 £'000</b>	<b>2022 £'000</b>	<b>2023 £'000</b>	<b>2022 £'000</b>
Auditors' remuneration				
Audit fees	25	25	14	13
Non-audit fees	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**THE WOOD FOUNDATION**  
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2023**

**11 STAFF COSTS AND NUMBERS**

	<b>Group</b>		<b>Trust</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Staff costs				
Wages and salaries	3,186	2,972	716	525
Social security	118	93	114	90
Other pension costs	109	105	78	60
Gatsby share of costs	-	-	-	-
Staff cost recharge (note 24)	(993)	(1,130)	-	-
	<u>2,420</u>	<u>2,040</u>	<u>908</u>	<u>675</u>

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

	<b>Group</b>		<b>Trust</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>
Trustees	3	4	3	4
Management & administration	63	56	23	19
	<u>66</u>	<u>60</u>	<u>26</u>	<u>23</u>

During the year 15 employees within the group received emoluments of over £60,000 (2022: 15). Pension contributions totalling £69,000 were paid into direct contribution pension schemes in respect of 7 of these individuals (2022: £63,000, 8 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>	
	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Unrealised losses on revaluation	<u>(8,218)</u>	<u>(4,218)</u>

**THE WOOD FOUNDATION**  
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2023**

**14 INVESTMENTS**

	<b>Group &amp; Trust</b>	
	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Market value at 1 April 2022	100,214	103,181
Additions at cost	562	1,251
Net unrealised investment gains/(losses) on revaluation	(8,218)	(4,218)
Market value at 31 March 2023	<u>92,558</u>	<u>100,214</u>

The market value of investments at 31 March 2023 comprises:

	<b>Group &amp; Trust</b>	
	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Listed equity investments	230	186
Managed funds	<u>92,328</u>	<u>100,028</u>
	<u>92,558</u>	<u>100,214</u>

	<b>Trust</b>	
	<b>2023</b>	<b>2022</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.

**Social investment - mixed motive**

**Silverback Tea Company Limited**

	<b>Group</b>		<b>Trust</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
At 1 April 2022	-	159	-	-
Share of loss	-	(68)	-	-
Foreign exchange movement on revaluation of foreign associate	-	(91)	-	-
At 31 March 2023	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**Enimiro Products Uganda Limited**

	<b>Group</b>		<b>Trust</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
At 1 April 2022	-	-	-	-
Investment during year	838	-	-	-
Share of profit	17	-	-	-
Foreign exchange movement on	-	-	-	-
At 31 March 2023	<u>855</u>	<u>-</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. The Wood Foundation Africa purchased 40.12% equity stake in Enimiro Products Uganda Limited, a smallholder-supplied vanilla processor playing a key role in the development of Uganda as a premium origin of organic vanilla. All future income realised from these investments will be used to further our charitable objectives. The valuation of the investment has been based on the Silverback Tea Company Limited annual accounts at 31 December 2022 and the Enimiro Products Uganda Limited annual accounts at 30 June 2023. The Trustees consider movements between company year ends and 31 March 2023 to be immaterial.

**THE WOOD FOUNDATION**  
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**14 INVESTMENTS (continued)**

<b>TOTAL INVESTMENTS</b>	<b>Group</b>		<b>Trust</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
At 31 March 2023	<u>93,413</u>	<u>100,214</u>	<u>-</u>	<u>-</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</b>	<b>Software</b>	
	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
<b>COST</b>		
At 1 April 2022	46	25
Additions	4	21
At 31 March 2023	<u>50</u>	<u>46</u>
<b>AMORTISATION</b>		
At 1 April 2022	24	15
Charge for year	11	9
At 31 March 2023	<u>35</u>	<u>24</u>
<b>NET BOOK VALUES</b>		
At 31 March 2023	<u>15</u>	<u>22</u>



**THE WOOD FOUNDATION**  
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2023**

**15 INTANGIBLE FIXED ASSETS (continued)**

<b>Trust</b>	<b>Software</b>	
	<b>2023 £'000</b>	<b>2022 £'000</b>
<b>COST</b>		
At 1 April 2022	46	25
Additions	-	21
At	<u>46</u>	<u>46</u>
<b>AMORTISATION</b>		
At 1 April 2022	24	15
Charge for year	10	9
At 31 March 2023	<u>34</u>	<u>24</u>
<b>NET BOOK VALUES</b>		
At 31 March 2023	<u>12</u>	<u>22</u>

**16 TANGIBLE FIXED ASSETS**

<b>Group</b>	<b>Plant &amp; equipment £'000</b>	<b>Motor vehicles £'000</b>	<b>Total £'000</b>
<b>COST</b>			
At 1 April 2022	215	64	279
Additions	82	-	82
Disposals	-	(64)	(64)
At 31 March 2023	<u>297</u>	<u>-</u>	<u>297</u>
<b>DEPRECIATION</b>			
At 1 April 2022	105	47	152
Charge for year	34	5	39
Appropriated on disposal	-	(52)	(52)
At 31 March 2023	<u>139</u>	<u>-</u>	<u>139</u>
<b>NET BOOK VALUES</b>			
At 31 March 2023	<u>158</u>	<u>-</u>	<u>158</u>
At 1 April 2022	<u>110</u>	<u>17</u>	<u>127</u>

<b>Trust</b>	<b>Plant &amp; equipment £'000</b>	<b>Total £'000</b>
<b>COST</b>		
At 1 April 2022	45	45
Additions	26	26
At 31 March 2023	<u>71</u>	<u>71</u>
<b>DEPRECIATION</b>		
At 1 April 2022	28	28
Charge for year	14	14
At 31 March 2023	<u>42</u>	<u>42</u>
<b>NET BOOK VALUES</b>		
At 31 March 2023	<u>29</u>	<u>29</u>
At 1 April 2022	<u>17</u>	<u>17</u>

**THE WOOD FOUNDATION**  
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2023**

17	STOCKS	Group 2023 £'000	Group 2022 £'000
	Nurseries	23	100

18	DEBTORS	Group		Trust	
		2023 £'000	2022 £'000	2023 £'000	2022 £'000
	Amounts due from related undertakings	5,054	4,408	-	-
	Other debtors	977	1,119	-	-
	Prepayments and accrued income	681	589	618	420
		<u>6,712</u>	<u>6,116</u>	<u>618</u>	<u>420</u>

Other debtors at the year end include loan balances due to Services Company Outgrowers Nyaruguru South Limited from smallholder farmers being supported to plant tea with loan interest charged at 0% per annum. These loan balances will increase as the project expands and until such time as the tea matures and farmers can repay their loans.

19	CREDITORS: <i>amounts falling due within one year</i>	Group		Trust	
		2023 £'000	2022 £'000	2023 £'000	2022 £'000
	Amounts due to related undertakings	172	605	-	-
	Grants payable	17,045	16,691	17,045	16,691
	Taxation and social security	34	28	34	28
	Corporation tax	4	-	-	-
	Trade creditors	73	145	47	134
	Accruals and deferred income	71	68	53	37
	Other creditors	1,655	835	-	-
		<u>19,054</u>	<u>18,372</u>	<u>17,179</u>	<u>16,890</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. This loan relates to funding for a smallholder tea development in Rwanda. The balance outstanding at the year end was £1,613,813 (2022 - £762,431).

20	CREDITORS: <i>amounts falling due after more than one year</i>	Group		Trust	
		2023 £'000	2022 £'000	2023 £'000	2022 £'000
	Grants payable	<u>13,787</u>	<u>20,647</u>	<u>13,787</u>	<u>20,647</u>

**THE WOOD FOUNDATION**  
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2023**

**21 FINANCIAL INSTRUMENTS**

	<b>Group</b>		<b>Trust</b>	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
<b>Financial assets</b>				
Financial assets measured at fair value	20,481	30,198	18,844	20,466
Financial assets measured at amortised cost	6,627	6,031	420	420
	<u>27,108</u>	<u>36,229</u>	<u>19,264</u>	<u>20,886</u>
<b>Financial liabilities</b>				
Financial liabilities measured at amortised cost	19,016	18,344	17,145	16,862
Financial liabilities measured at fair value	13,787	20,647	13,787	20,647
	<u>32,803</u>	<u>38,991</u>	<u>30,932</u>	<u>37,509</u>

**22 MOVEMENT IN FUNDS**

	<b>Unrestricted Funds £'000</b>	<b>Restricted Funds £'000</b>	<b>2023 £'000</b>
<b>Group</b>			
At 1 April 2022	97,565	193	97,758
Income	2,490	2,526	5,016
Expenditure	(3,983)	(2,666)	(6,649)
Other (losses)/gains	(8,218)	19	(8,199)
Foreign exchange movement on consolidation	35	-	35
At 31 March 2023	<u>87,889</u>	<u>72</u>	<u>87,961</u>
<b>Trust</b>			
At 1 April 2022	91,406	196	91,602
Income	2,258	94	2,352
Expenditure	(4,423)	(218)	(4,641)
Other losses	(8,218)	-	(8,218)
At 31 March 2023	<u>81,023</u>	<u>72</u>	<u>81,095</u>

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

The comparative figures for 2022 were:

	<b>Unrestricted Funds £'000</b>	<b>Restricted Funds £'000</b>	<b>2022 £'000</b>
<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 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 gains	(4,218)	-	(4,218)
At 31 March 2022	<u>91,406</u>	<u>196</u>	<u>91,602</u>

**THE WOOD FOUNDATION**  
**NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2023**

**22 MOVEMENT IN FUNDS (continued)**

Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted Funds £'000	2023 £'000
<b>Group</b>			
Investments	93,413	-	93,413
Fixed assets	164	9	173
Current assets	26,975	241	27,216
Current liabilities	(18,876)	(178)	(19,054)
Non-current liabilities	(13,787)	-	(13,787)
At 31 March 2023	<u>87,889</u>	<u>72</u>	<u>87,961</u>
<b>Trust</b>			
Investments	92,558	-	92,558
Fixed assets	41	-	41
Current assets	19,390	72	19,462
Current liabilities	(17,179)	-	(17,179)
Non-current liabilities	(13,787)	-	(13,787)
At 31 March 2023	<u>81,023</u>	<u>72</u>	<u>81,095</u>

The comparative figures for 2022 were:

	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)
Long term 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)
Long term liabilities	(20,647)	-	(20,647)
At 31 March 2022	<u>91,406</u>	<u>196</u>	<u>91,602</u>

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

	<b>Group</b>	
	2023 £'000	2022 £'000
Cash at bank and in hand at 1 April 2022	30,198	38,730
Decrease in cash and cash equivalents	(9,717)	(8,532)
At 31 March 2023	<u>20,481</u>	<u>30,198</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	1,141,000	-
Opportunity North East	A company in which Sir Ian Wood is a director	Grants committed	-	(28,453,000)
East African Tea Investments	Joint venture	Grants paid Grants received	(1,787,000) 521,000	(172,000) 521,000
Mulindi Factory Company Limited	An entity with common Directors	Recharge of costs	323,000	97,000
Shagasha Tea Factory Limited	Subsidiary of East African Tea Investments	Recharge of costs	237,000	79,000
Services Company Outgrowers Nyaruguru North Limited	Subsidiary of East African Tea Investments	Recharge of costs	144,000	22,000
Rugabano Outgrowers Services Limited	Subsidiary of East African Tea Investments	Recharge of costs	154,000	34,000
Kids Operating Room	A charity in which Graham Good is also a Trustee	Recharge of costs Grants paid	274,000 (148,000)	76,000
Silverback Tea Company Limited	Associate of subsidiary The Wood Foundation Africa 25% equity stake	Loan Accrued loan interest Recharge of costs	291,000 205,000 -	2,385,000 771,000 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	69,000	14,000
Pfunda Tea Company Ltd	Subsidiary of Silverback Tea Company Limited	Recharge of costs	82,000	15,000
Rugabano Tea Company Ltd	Subsidiary of Silverback Tea Company Limited	Recharge of costs	15,000	4,000
Services Company Outgrowers Nyaruguru South Limited	Subsidiary	Loan advanced Recharge of costs	257,000 142,000	493,000 21,000
Enimiro Products Uganda Limited	Associate company - 40.12% equity stake	Loan Loan interest	1,011,000 16,000	1,011,000 16,000

The loan is available for as long as The Wood Foundation Africa is a shareholder. The loan is repayable on demand of the lender, is unsecured and interest is charged at 6%.

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**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. Since the year end the lease obligations have been fulfilled and the guarantee has now been discharged.

**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 with a view to turning the businesses around before transferring ownership to the smallholder farmers. EATI completed the transfer of Mulindi Factory Company Limited in March 2022 and continues to work towards the same objective at Shagasha Tea Company Limited. 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 £1,787,455 (2022 - £2,293,441) to EATI. A balance of £171,636 (2022 - £605,485) remains outstanding in relation to these grants at the year end. In addition the charity also received grants from EATI of £521,481 (2022 - £303,817). A balance of £521,481 (2022 - £303,817) remains outstanding in relation to these grants at the year end.

EATI produced consolidated accounts for the year to 31 March 2023 incorporating the 12 month trading period of those companies.

The consolidated balance sheets to 31 March 2023 show:

	2023 £'000	2022 £'000
<b>FIXED ASSETS</b>		
Tangible fixed assets	<u>2,661</u>	<u>2,560</u>
	2,661	2,560
<b>CURRENT ASSETS</b>		
Stock	1,507	1,642
Debtors	15,713	12,754
Cash at bank and in hand	<u>1,509</u>	<u>3,064</u>
	18,729	17,460
<b>CREDITORS: amounts falling due within one year</b>	<u>(1,718)</u>	<u>(1,728)</u>
<b>NET CURRENT ASSETS</b>	<u>17,011</u>	<u>15,732</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>19,672</b>	<b>18,292</b>
<b>CREDITORS: amounts falling due after more than one year</b>	<b>(786)</b>	<b>(469)</b>
<b>NET ASSETS</b>	<u>18,886</u>	<u>17,823</u>
<b>FUNDS</b>		
<b>Unrestricted funds</b>		
General	18,685	(5,163)
Minority interests	(1,064)	(2,476)
Exchange reserve	<u>(1,301)</u>	<u></u>
	16,320	(7,639)
<b>Restricted funds</b>		
Tea Investment Fund	2,566	24,950
Minority interests	-	1,859
Exchange reserve	<u>-</u>	<u>(1,347)</u>
	2,566	25,462
<b>TOTAL FUNDS</b>	<u>18,886</u>	<u>17,823</u>

**THE WOOD FOUNDATION****NOTES ON THE CONSOLIDATED ACCOUNTS - 31 MARCH 2023****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 our charitable aims 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.

