THE WOOD FOUNDATION
(formerly "The Wood Family Trust")
(Charity Number: SC037957)

TRUSTEES' ANNUAL REPORT AND ACCOUNTS

31 MARCH 2014

THE WOOD FOUNDATION
TRUSTEES' ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2014

CONTENTS

	PAGE
LEGAL AND ADMINISTRATIVE INFORMATION	1
TRUSTEES' ANNUAL REPORT	2
STATEMENT OF TRUSTEES' RESPONSIBILITIES	5
REPORT OF THE AUDITORS	6
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES	8
STATEMENT OF FINANCIAL ACTIVITIES	9
CONSOLIDATED BALANCE SHEET	10
BALANCE SHEET	11
CONSOLIDATED CASH FLOW STATEMENT	12
NOTES ON THE CONSOLIDATED ACCOUNTS	13

THE WOOD FOUNDATION
LEGAL AND ADMINISTRATIVE INFORMATION

TRUSTEES

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

PRINCIPAL ADDRESS

Blenheim House
Fountainhall Road
ABERDEEN
AB15 4DT

AUDITORS

Anderson Anderson & Brown LLP
9 Queens Road
ABERDEEN
AB15 4YL

BANKERS

Clydesdale Bank
Riverside Branch
Unit 19 North Esplanade West
ABERDEEN
AB11 5RJ

SOLICITORS

Turcan Connell
Princes Exchange
1 Earl Grey Street
EDINBURGH
EH3 9EE

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 2014.

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 (revised March 2005).

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 for 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.

Risk Management

The Trustees have assessed the major risks to which the Trust is exposed, in particular those related to the operations and finance of the Trust and are satisfied that systems are in place to manage the exposure to major risk.

TRUST OBJECTIVES AND ACTIVITIES

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

The Wood Foundation's chosen objectives are (1) making markets work for the poor in Sub Saharan Africa (anticipated to be 75% of the Trust's investment), and (2) encouraging young people to become enterprising, independent, tolerant and caring members of society in the UK (anticipated to be 25% of the Trust's investment). The Trust generally applies the principles of venture philanthropy investing both money and expertise to achieve systemic change within its chosen areas. Sometimes we lead projects and in others we take an active supporting role with strategic partners. We are generally involved in developing the principles of the project, the investigation and implementation plan, and training, guidance and performance evaluation to enable sustained and successful programmes.

CHAIRMAN'S REVIEW

The Wood Foundation is now in its seventh year of operation and I am pleased to report continuing strong progress. 75% of our funds are focused on Making Markets Work for the Poor in Sub Saharan Africa and 25% on Developing Young People in Scotland. We are a proactive venture philanthropy funder with a strong management team both in East Africa and in Scotland.

In East Africa, we are pursuing the venture philanthropy model, applying sound business principles and practice in our charitable investments and partnerships. We are the recognised philanthropist in smallholder tea farming working to enhance the yields and quality of the product, and know-how and capability of the farmers to create systemic change by encouraging and supporting small farmers to become small businesses and help themselves.

Working with Lord David Sainsbury's Gatsby Charitable Foundation (Gatsby), we've continued to successfully develop a range of partnership projects in the Tanzanian and Rwandan tea sectors. Our Chai project (Chai means tea in Kiswahili) in Tanzania is producing tangible benefits to the smallholder tea farmers and we're also now breaking new ground, working alongside a major tea producer in the Southern Highlands to support the start-up of 3,000 new smallholder tea farmers and enhancing the overall prosperity of the region.

In Rwanda, our Imbarutso project (Imbarutso means to catalyse) is working closely with 12,000 smallholder farmers and their communities in developing the two tea factories we acquired in late 2012 and significantly enhancing the yields, quality and capability of the smallholder farmers with the intention that they will eventually own the tea factories.

Overall, between Tanzania and Rwanda, we are working with and supporting over 45,000 smallholder tea farmers and are now able to demonstrate some very clear improvements in tea yields and quality and significantly increased incomes.

In our Developing Young People in Scotland portfolio, our Youth & Philanthropy Initiative is now active in 143 Scottish Secondary Schools with the objective of covering 300 schools across Scotland over the next six years. By any measure, it is a great success, clearly impacting young people's approach to philanthropy in a project they and their teachers really enjoy.

We are also developing a Global Learning Partnership programme for schools, the basic principle is that Scottish educationalists and teachers have a four week overseas placement living and working within their host communities overseas. On their return, they share their knowledge and experience with their home school and in particular help young people understand the challenges of living and working in some of the poorer countries of the world.

We are also continuing our work with the Prince's Trust and are involved in the STV Appeal for childhood poverty in Scotland.

In line with the growth of our activities and increased funds into the Foundation, plus increasingly international recognition, we have changed our name to The Wood Foundation. We are constantly vigilant to ensure the success is sustained, and will remain innovative in our application of management and finance, as well as working with other private, public and charitable partners. After a spend to date of £17 million, our current funds in the Foundation are close to £120 million and we are not resource constrained in developing our programmes.

FINANCIAL REVIEW

The net incoming resources for the period, amounting to £1.4m (2013 - £47.8m) have been dealt with as shown in the Statement of Financial Activities.

The Trustees have prepared Accounts which are in accordance with current statutory requirements, the Trust Deed and the 2005 Statement of Recommended Practice - Accounting and Reporting by Charities.

The income of the Group for the year ending 31 March 2014 was £5.1m (2013 - £53.2m) which includes £2.7m (2013 - £51.8m (including associated gift aid)) of donations received in the year from Sir Ian Wood, £474,000 (2013 - £nil) from The Department of International Development ("DFID") in connection with the Chai Project, and £67,000 (2013 - £57,000) received from WFT Trading Ltd trading activities. In addition to this, investment income of £1.7m (2013 - £1.4m) was earned during the year. Charitable expenditure was £3.6m (2013 - £5.3m) which includes £2.2m (2013 - £3.9m) of grants committed to during the year ended 31 March 2014, £1m (2013 - £1m) of direct costs and £363,000 (2013 - £362,000) of support costs. The total value of grant commitments outstanding at 31 March 2014 was £904,000 (2013 - £772,000) and these are scheduled to be paid over the next 5 years.

The portfolio of The Wood Foundation investments at 31 March 2014 had a total value of £50.2m (2013 - £17.5m) with a further £69.9m (2013 - £100.3m) being held in cash deposits. Shares in Wood Group PLC with a value of £2.7m were donated to The Wood Foundation by Sir Ian Wood in March 2014. The value of the investments reflects a net gain of £84,000 (2013 - £1.0m) over the year. The investment objective of the investment portfolio continues to be to obtain capital growth over the long term.

Reserves

Due to the uncertain economic climate the Trustees are keeping high cash reserves and will consider a prudent investment programme over the coming 12 months, taking into account the current economic uncertainties as well as aiming to maintain a level of free reserves to enable the charity to sustain its charitable activities.

PROVISION OF INFORMATION TO AUDITORS

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

AUDITORS

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

Signed on behalf of the Board of Trustees

.....
Trustee - Sir Ian Wood

5 DECEMBER 2014
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 the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources 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 judgments and estimates that are reasonable and prudent;
- 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.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE WOOD FOUNDATION

We have audited the financial statements of The Wood Foundation for the year ended 31 March 2014 set out on pages 8 to 30. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with Section 44(1c) of the Charities and Trustee Investment (Scotland) Act 2005 and 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 Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44(1c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the regulations made under that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the charity's trustees; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 March 2014 and of the group's and parent's 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 8 of the Charities Accounts (Scotland) Regulations 2006.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE WOOD FOUNDATION (continued)

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' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient 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.

John A Black

John Black (Senior statutory auditor)
For and on behalf of
Anderson Anderson & Brown LLP
Statutory Auditors
Aberdeen

5 DECEMBER 2014

Anderson Anderson & Brown LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

THE WOOD FOUNDATION
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2014

	Note	Unrestricted Funds £'000	Restricted Funds £'000	2014 £'000	2013 £'000
INCOMING RESOURCES					
Voluntary income	2	2,690	601	3,291	51,749
Investment income	3	1,708	-	1,708	1,393
Activities for generating funds	4	67	-	67	57
TOTAL INCOMING RESOURCES		4,465	601	5,066	53,199
RESOURCES EXPENDED					
Charitable activities	5	3,171	425	3,596	5,340
Governance costs	7	39	-	39	48
TOTAL RESOURCES EXPENDED		3,210	425	3,635	5,388
NET INCOMING RESOURCES BEFORE OTHER RECOGNISED GAINS AND LOSSES		1,255	176	1,431	47,811
OTHER RECOGNISED GAINS/(LOSSES)					
Gains on investment assets	11	84	-	84	970
NET MOVEMENT IN FUNDS	8	1,339	176	1,515	48,781
RECONCILIATION OF FUNDS					
Total funds brought forward		119,786	33	119,819	71,038
Total funds carried forward	17	121,125	209	121,334	119,819

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

THE WOOD FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2014

	Note	Unrestricted Funds £'000	Restricted Funds £'000	2014 £'000	2013 £'000
INCOMING RESOURCES					
Voluntary income	2	2,752	127	2,879	51,804
Investment income	3	1,708	-	1,708	1,393
TOTAL INCOMING RESOURCES		4,460	127	4,587	53,197
RESOURCES EXPENDED					
Charitable activities	5	3,131	97	3,228	5,436
Governance costs	7	20	-	20	28
TOTAL RESOURCES EXPENDED		3,151	97	3,248	5,464
NET INCOMING RESOURCES BEFORE OTHER RECOGNISED GAINS AND LOSSES		1,309	30	1,339	47,733
OTHER RECOGNISED GAINS/(LOSSES)					
Gains on investment assets	11	84	-	84	970
NET MOVEMENT IN FUNDS	8	1,393	30	1,423	48,703
RECONCILIATION OF FUNDS					
Total funds brought forward		119,619	33	119,652	70,949
Total funds carried forward	17	121,012	63	121,075	119,652

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

THE WOOD FOUNDATION
CONSOLIDATED BALANCE SHEET - 31 MARCH 2014

	Note	2014 £'000	2013 £'000
FIXED ASSETS			
Investments	12	50,269	17,469
Tangible fixed assets	13	70	35
		50,339	17,504
CURRENT ASSETS			
Debtors	14	2,278	2,865
Cash at bank and in hand		69,865	100,369
		72,143	103,234
CREDITORS: *amounts falling due within one year*	15	945	757
NET CURRENT ASSETS		71,198	102,477
TOTAL ASSETS LESS CURRENT LIABILITIES		121,537	119,981
CREDITORS: *amounts falling due after more than one year*	16	203	162
NET ASSETS		121,334	119,819
FUNDS			
Unrestricted funds	17	121,125	119,786
Restricted funds	17	209	33
		121,334	119,819

Signed on behalf of the Board of Trustees

Trustee - Sir Ian Wood

5 DECEMBER 2014

Date

THE WOOD FOUNDATION
BALANCE SHEET - 31 MARCH 2014

	Note	2014 £'000	2013 £'000
FIXED ASSETS			
Investments	12	50,269	17,469
Tangible fixed assets	13	1	-
		50,270	17,469
CURRENT ASSETS			
Debtors	14	2,271	2,537
Cash at bank and in hand		69,540	100,215
		71,811	102,752
CREDITORS: *amounts falling due within one year*	15	836	523
NET CURRENT ASSETS		70,975	102,229
TOTAL ASSETS LESS CURRENT LIABILITIES		121,245	119,698
CREDITORS: *amounts falling due after more than one year*	16	170	46
NET ASSETS		121,075	119,652
FUNDS			
Unrestricted funds	17	121,012	119,619
Restricted funds	17	63	33
		121,075	119,652

Signed on behalf of the Board of Trustees

Trustee - Sir Ian Wood

5 DECEMBER 2014
Date

THE WOOD FOUNDATION
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2014

	Note	2014 £'000	2013 £'000
Net cash (outflow)/inflow from operating activities			
Net incoming resources for the year		1,431	47,811
Investment income		(1,708)	(1,393)
Depreciation of tangible fixed assets		26	16
Decrease in debtors		587	2,526
Increase/(decrease) in creditors		229	(672)
		565	48,288
Returns on investment and servicing of finance			
Interest receivable & income on fixed asset investments		1,708	1,393
		2,273	49,681
Capital expenditure			
Purchase of fixed assets		(61)	-
		2,212	49,681
Investment activities			
Investments acquired		(32,716)	(47,616)
Investment disposals		-	49,666
(Decrease)/increase in cash and cash equivalents	18	(30,504)	51,731

1. ACCOUNTING POLICIES

(a) *Basis of accounts preparation*

The accounts are prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, and in accordance with applicable accounting standards, the Charities Accounts (Scotland) Regulations 2006 and the Statement of Recommended Practice - Accounting and Reporting by Charities (revised 2005).

(b) *Consolidation*

These accounts consolidate the results of The Wood Foundation Africa, a Scottish charity under common control, and WFT Trading Limited.

(c) *Incoming resources*

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.

(d) *Resources expended*

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 3 main areas of investment

Costs of generating funds comprise those costs directly attributable to managing the investment portfolio and raising investment income.

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, such grants being recognised as expenditure when the conditions attached are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as contingent liabilities, but not accrued as expenditure.

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

(e) *Taxation*

The Trust is recognised by HM Revenue & Customs as a charity and as a consequence of the tax reliefs available in relation to current year income is not liable to taxation.

1. ACCOUNTING POLICIES (continued)

(f) *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

(g) *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.

(h) *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.

(i) *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. Where this treatment is not adopted, full disclosure regarding the arrangement is provided by way of a note to the accounts (see note 20).

(j) *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.

(k) *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.

2. VOLUNTARY INCOME

	Group		Trust	
	2014 £'000	2013 £'000	2014 £'000	2013 £'000
Donations - unrestricted	2,690	49,630	2,752	49,685
Taxation recoverable on Donations received - Unrestricted	-	2,125	-	2,125
Donations - restricted	601	(6)	127	(6)
	3,291	51,749	2,879	51,804

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

3. INVESTMENT INCOME

	Group		Trust	
	2014 £'000	2013 £'000	2014 £'000	2013 £'000
Investment income	547	200	547	200
Bank interest receivable	1,161	1,191	1,161	1,191
Other interest received	-	2	-	2
	1,708	1,393	1,708	1,393

4. ACTIVITIES FOR GENERATING FUNDS

	Group		Trust	
	2014 £'000	2013 £'000	2014 £'000	2013 £'000
Commercial trading operations	67	57	-	-

5. CHARITABLE ACTIVITIES

Group	Miscellaneous grants & capacity support costs £'000	Making markets work for the poor £'000	Volunteering overseas & global citizenship £'000	Developing young people in Scotland £'000	2014 Total £'000
Grants payable (note 6)	747	649	58	775	2,229
Direct costs:					
Staff	-	656	-	-	656
Consultancy	-	51	-	-	51
Travel	-	50	-	-	50
YPI Programme:					
Staff	-	-	-	75	75
Consultancy	-	-	-	29	29
Travel	-	-	-	11	11
Press and publicity	-	-	-	19	19
Miscellaneous expenses	-	-	-	7	7
Global learning partnership Programme:					
Staff	-	-	64	-	64
Consultancy	-	-	5	-	5
Travel	-	-	28	-	28
Press & publicity	-	-	8	-	8
Miscellaneous expenses	-	-	1	-	1
Support costs:					
Staff	-	73	57	57	187
Training and development	-	5	2	2	9
Insurance	-	12	2	1	15
Travel	-	34	5	6	45
Press and publicity	-	-	1	-	1
Database	-	13	3	3	19
Miscellaneous expenses	-	55	5	6	66
Office rent	-	-	8	7	15
Depreciation	-	16	-	1	17
Exchange losses	-	(5)	(3)	(3)	(11)
	747	1,609	244	996	3,596

5. CHARITABLE ACTIVITIES (continued)

Trust	Miscellaneous grants & capacity support costs £'000	Making markets work for the poor £'000	Volunteering overseas & global citizenship £'000	Developing young people in Scotland £'000	2014 Total £'000
Grants payable (note 6)	747	1,243	58	775	2,823
Direct costs:					
Staff	-	-	-	-	-
Consultancy	-	-	-	-	-
Travel	-	-	-	-	-
Miscellaneous expenses	-	-	-	-	-
YPI Programme:					
Staff	-	-	-	75	75
Consultancy	-	-	-	29	29
Travel	-	-	-	11	11
Press and publicity	-	-	-	17	17
Miscellaneous expenses	-	-	-	7	7
Global Learning Partnership Programme:					
Staff	-	-	64	-	64
Consultancy	-	-	5	-	5
Travel	-	-	28	-	28
Press & publicity	-	-	8	-	8
Miscellaneous expenses	-	-	1	-	1
Support costs:					
Staff	-	-	57	57	114
Training and development	-	-	2	2	4
Insurance	-	-	2	1	3
Travel	-	-	5	6	11
Press and publicity	-	-	1	-	1
Database	-	-	3	3	6
Miscellaneous expenses	-	-	5	6	11
Office rent	-	-	8	7	15
Depreciation	-	-	-	1	1
Exchange losses	-	-	(3)	(3)	(6)
	747	1,243	244	994	3,228

Grants payable by the Trust includes £655,000 (2013: £990,000) payable to The Wood Foundation Africa.

5. CHARITABLE ACTIVITIES (continued)

The comparative figures for 2013 were:

Group	Miscellaneous grants & capacity support costs £'000	Making markets work for the poor £'000	Volunteering overseas & global citizenship £'000	Developing young people in Scotland £'000	2013 Total £'000
Grants payable (note 6)	381	3,451	29	70	3,931
Direct costs:					
Staff	-	496	-	-	496
Consultancy	192	166	2	-	360
Travel	-	23	-	-	23
YPI Programme:					
Staff	-	-	-	81	81
Consultancy	-	-	-	19	19
Travel	-	-	-	9	9
Press and publicity	-	-	-	14	14
Miscellaneous expenses	-	-	-	19	19
Enterprise/Education programme					
Consultancy	-	-	-	26	26
Miscellaneous expenses	-	-	-	-	-
Support costs:					
Staff	-	70	89	89	248
Training and development	-	3	1	-	4
Insurance	-	8	1	1	10
Travel	-	58	3	3	64
Press and publicity	-	-	1	1	2
Database	-	5	1	2	8
Miscellaneous expenses	-	35	7	6	48
Depreciation	-	8	-	-	8
Exchange losses	-	18	(24)	(24)	(30)
	573	4,341	110	316	5,340

5. CHARITABLE ACTIVITIES (continued)

Trust	Miscellaneous grants & capacity support costs £'000	Making markets work for the poor £'000	Volunteering overseas & global citizenship £'000	Developing young people in Scotland £'000	2013 Total £'000
Grants payable (note 6)	381	4,437	29	70	4,917
Direct costs:					
Staff	-	-	-	-	-
Consultancy	192	-	2	-	194
YPI Programme:					
Staff	-	-	-	81	81
Consultancy	-	-	-	19	19
Travel	-	-	-	9	9
Press and publicity	-	-	-	14	14
Miscellaneous expenses	-	-	-	19	19
Enterprise/Education programme					
Consultancy	-	-	-	26	26
Support costs:					
Staff	-	-	89	89	178
Training and development	-	-	1	-	1
Insurance	-	-	1	1	2
Travel	-	-	3	3	6
Press and publicity	-	-	1	1	2
Database	-	-	1	2	3
Miscellaneous expenses	-	-	7	6	13
Depreciation	-	-	-	-	-
Exchange losses	-	-	(24)	(24)	(48)
	573	4,437	110	316	5,436

6. GRANTS

Group	Grants Awarded No	2014 £'000	Grants awarded No	2013 £'000
Grants to institutions:				
Marking markets work for the poor	2	649	2	3,475
Volunteering overseas	27	58	20	26
Developing young people in Scotland	110	775	81	249
Global Teachers	-	-	4	2
Grants cancelled	-	-	(3)	(203)
Miscellaneous grants:				
Aberdeen City Gardens Trust	-	-	1	368
Other miscellaneous grants	7	747	1	13
	146	2,229	106	3,930
Grants to individuals:				
Volunteering overseas	-	-	1	1
Total	146	2,229	107	3,931

Trust	Grants Awarded No	2014 £'000	Grants awarded No	2013 £'000
Grants to institutions:				
Making markets work for the poor	2	1,243	2	4,437
Volunteering overseas	27	58	20	26
Developing young people in Scotland	110	775	81	249
Global Teachers	-	-	4	2
Grants cancelled	-	-	(2)	(179)
Miscellaneous grants:				
Aberdeen City Gardens Trust	-	-	1	368
Other miscellaneous grants	7	747	1	13
	146	2,823	107	4,916
Grants to individuals:				
Volunteering overseas	-	-	1	1
Total	146	2,823	108	4,917

7. GOVERNANCE COSTS

	Group		Trust	
	2014 £'000	2013 £'000	2014 £'000	2013 £'000
Auditors' remuneration	20	15	12	10
Legal	9	19	8	18
Overseas Compliance Services	10	14	-	-
	39	48	20	28

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

	Group		Trust	
	2014 £'000	2013 £'000	2014 £'000	2013 £'000
Auditors' remuneration				
- audit fees	18	13	10	8
- non-audit fees	2	2	2	2

9. STAFF COSTS AND NUMBERS

	Group		Trust	
	2014 £'000	2013 £'000	2014 £'000	2013 £'000
Staff costs:				
Wages and salaries	905	750	199	199
Social security	24	31	24	31
Other pension costs	44	38	20	21
	973	819	243	251

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

	Group		Trust	
	2014 No	2013 No	2014 No	2013 No
Trustees	4	4	4	4
Management & administration	15	13	6	6
	19	17	10	10

During the year 5 employees within the group received emoluments of over £60,000 (2013 - 4). Pension contributions totalling £29,726 were paid into personal pension schemes in respect of 4 of these individuals (2013: £24,414, 3 individuals). The Trustees consider that it would be operationally sensitive to disclose any further remuneration information in respect of these individuals.

10. TRUSTEES' EMOLUMENTS AND EXPENSES

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

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

11. GAINS/(LOSSES) ON INVESTMENT ASSETS

	Group and Trust	
	2014	2013
	£'000	£'000
Realised loss arising on disposals	-	(1,244)
Unrealised gains/(losses) arising on revaluation	84	2,214
	84	970

12. INVESTMENTS

	Group and Trust	
	2014	2013
	£'000	£'000
Market value at 1 April 2013	17,469	18,547
Additions at cost	32,716	47,616
Disposals at opening value	-	(50,908)
Net unrealised investment gains on revaluation	84	2,214
Market value at 31 March 2014	50,269	17,469

The market value of investments at 31 March 2014 comprises:

	Group and Trust	
	2014	2013
	£'000	£'000
Listed equity investments	2,685	-
Managed funds	47,558	17,469
Cash deposits	26	-
	50,269	17,469

12. INVESTMENTS (continued)

	Trust	
	2014	2013
	£	£
Investment in subsidiary undertakings	1	1

WFT Trading Ltd, a wholly owned subsidiary company, was incorporated on 19 December 2011. There is one ordinary share in issue acquired by The Wood Foundation for £1. The net assets of the company at 31 March 2014 were £1 (2013 - £1), profit for the year was £nil (2013 - £nil).

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 the Gatsby Charitable Foundation. Further details are provided in note 20.

The Wood Foundation Africa is a wholly owned subsidiary charitable company. The net assets of the company at 31 March 2014 were £260,000 (2013 - £168,000) and the net movement in funds for the year ended 31 March 2014 was £92,000 (2013 - £83,000).

13. TANGIBLE FIXED ASSETS

Group	Plant & equipment £'000	Motor vehicles £'000	Total £'000
COST			
At 1 April 2013	-	66	66
Additions	9	52	61
At 31 March 2014	9	118	127
DEPRECIATION			
At 1 April 2013	-	31	31
Charge for year	3	23	26
At 31 March 2014	3	54	57
Net book values at:			
31 March 2014	6	64	70
31 March 2013	-	35	35

The motor vehicles are located in Africa for use for the purposes of local projects.

13. TANGIBLE FIXED ASSETS (continued)

Trust	Plant & equipment £'000
COST	
At 1 April 2013	-
Additions	2
At 31 March 2014	2
DEPRECIATION	
At 1 April 2013	-
Charge for year	1
At 31 March 2014	1
Net book values at:	
31 March 2014	1
31 March 2013	-

14. DEBTORS

	Group		**Trust**	
	2014 £'000	2013 £'000	2014 £'000	2013 £'000
Amounts due from joint venture	-	452	-	103
Prepayments and accrued income	2,278	2,413	2,271	2,434
	2,278	2,865	2,271	2,537

15. CREDITORS: *amounts falling due within one year*

	Group		Trust	
	2014 £'000	2013 £'000	2014 £'000	2013 £'000
Amounts due to related undertaking	-	-	120	-
Grants payable	701	610	585	431
Taxation and social security	10	8	10	8
Trade creditors	36	26	22	6
Accruals and deferred income	113	95	99	78
Other creditors	85	18	-	-
	945	757	836	523

The Wood Foundation Africa and the Gatsby Charitable Foundation have entered into a partnership to develop the Tea Sector in Rwanda. Both parties are to contribute equally to the agreed costs of the Imbarutso project and other creditors at the year end includes £45,634 (2013: £18,316), received from Gatsby in advance of expenditure being incurred, as follows:

	2014 £	2013 £
Imbarutso project		
Creditor brought forward	18,316	167,376
Received from the Gatsby Charitable Foundation	254,255	189,838
Share of agreed costs of Imbarutso project	(226,937)	(338,898)
Creditor carried forward	45,634	18,316

The Wood Foundation Africa and the Gatsby Charitable Foundation have entered into a partnership to develop the Tea Sector in Tanzania. The parties are to contribute an agreed share of the costs of the Chai project and other creditors at the year end includes £39,812 (2013: debtor of £3,974), received from Gatsby in advance of expenditure being incurred.

	2014	2013
Chai project		
Debtor brought forward	(3,974)	(98,024)
Received from the Gatsby Charitable Foundation	139,249	247,822
Share of agreed costs of Chai project	(95,463)	(153,772)
Creditor/(debtor) carried forward	39,812	(3,974)

16. CREDITORS: *amounts falling due after more than one year*

	Group		Trust	
	2014 £'000	2013 £'000	2014 £'000	2013 £'000
Grants payable	203	162	170	46

17. MOVEMENT IN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	2014 £'000	2013 £'000
Group				
At 1 April 2013	119,786	33	119,819	71,038
Incoming resources	4,465	601	5,066	53,199
Resources expended	(3,210)	(425)	(3,635)	(5,388)
Other recognised gains	84	-	84	970
At 31 March 2014	121,125	209	121,334	119,819
Trust				
At 1 April 2013	119,619	33	119,652	70,949
Incoming resources	4,460	127	4,587	53,197
Resources expended	(3,151)	(97)	(3,248)	(5,464)
Other recognised gains	84	-	84	970
At 31 March 2014	121,012	63	121,075	119,652

Restricted funds are for the ~Global Learning Partnership & YPI projects.

17. MOVEMENT IN FUNDS (continued)

Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted Funds £'000	2014 £'000	2013 £'000
Group				
Investments	50,269	-	50,269	17,469
Tangible fixed assets	70	-	70	35
Current assets	71,934	209	72,143	103,234
Current liabilities	(945)	-	(945)	(757)
Long term liabilities	(203)	-	(203)	(162)
At 31 March 2014	121,125	209	121,334	119,819

	Unrestricted Funds £'000	Restricted Funds £'000	2014 £'000	2013 £'000
Trust				
Investments	50,269	-	50,269	17,469
Tangible fixed assets	1	-	1	-
Current assets	71,748	63	71,811	102,752
Current liabilities	(836)	-	(836)	(523)
Long term liabilities	(170)	-	(170)	(46)
At 31 March 2014	121,012	63	121,075	119,652

18. ANALYSIS OF CHANGES IN CASH IN YEAR

	Group	
	2014 £'000	2013 £'000
Cash at bank and in hand at 1 April 2013	100,369	48,638
(Decrease)/increase in cash and cash equivalents	(30,504)	51,731
At 31 March 2014	69,865	100,369

	Trust	
	2014 £'000	2013 £'000
Cash at bank and in hand at 1 April 2013	100,215	48,225
(Decrease)/increase in cash and cash equivalents	(30,675)	51,990
At 31 March 2014	69,540	100,215

19. RELATED PARTY TRANSACTIONS

Control

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

Transactions

During the year the Trust had transactions with related parties as included in note 10.

The Trust has taken advantage of the exemption contained in Financial Reporting Standard No 8 from disclosing transactions with its subsidiary undertaking The Wood Foundation Africa.

During the year the Group paid grants totalling £588,000 to East African Tea Investments, a joint venture as disclosed in note 20. The Group also incurred expenses which were subsequently recharged to East African Tea Investments totalling £Nil (2013 - £452,000). The outstanding balance at 31 March 2014 was £Nil (2013 - £452,000).

During the year donations totalling £84,000 were awarded by the Speratus Group Limited to the group. Garreth Wood is a shareholder and director of this company. The total amount outstanding in relation to this donation as at 31 March 2014 was £42,000.

20. JOINT VENTURE

East African Tea Investments (EATI) (formerly Rwanda Tea Investments) is a charitable company limited by guarantee and jointly controlled by The Wood Foundation (TWF) and the Gatsby Charitable Foundation (Gatsby). In December 2012 EATI purchased the majority shareholdings in two tea factories in Rwanda. During the year, TWF made grants totalling £588,197 (2013: £3,454,000) to EATI, matched by Gatsby, to fund the working capital requirements of those factories.

EATI produced consolidated accounts for the year to 31 March 2014 incorporating the 12 month trading period of the factories.

The consolidated balance sheets to 31 March 2014 show:

	2014 £'000	2013 £'000
FIXED ASSETS		
Intangible fixed assets	(578)	(780)
Tangible fixed assets	10,394	11,369
	9,816	10,589
CURRENT ASSETS		
Stocks	1,224	1,925
Debtors	797	395
Cash at bank and in hand	1,084	934
	3,105	3,254
CREDITORS: *amounts falling due within one year*	(1,607)	(1,878)
NET CURRENT ASSETS	1,498	1,376
TOTAL ASSETS LESS CURRENT LIABILITIES	11,314	11,965
CREDITORS: amounts falling due after more than one year	(128)	-
PROVISIONS FOR LIABILITIES AND CHARGES		
Deferred taxation	(31)	-
NET ASSETS	11,155	11,965
FUNDS		
Unrestricted		
General	(149)	(68)
Minority interests	(281)	(72)
	(430)	(140)
Restricted		
Tea Investment Fund	8,049	7,021
Minority interests	4,667	4,939
Exchange reserve	(1,206)	145
Revaluation reserve	75	-
	11,585	12,105
TOTAL FUNDS	11,155	11,965

20. JOINT VENTURE (continued)

Total funds at 31 March 2014 comprise £8,085,000 (2013: £6,908,000) of grants received from TWF and Gatsby, minority interests of £4,386,000 (2013: £4,867,000) and a loss of £1,597,000 (2013: £118,000 profit) relating to the trading of the factories and operation of the EATI company.

The Trustees believe that the inclusion of TWF's share of the EATI result and financial position in the consolidated accounts of TWF would not provide a realistic view of the nature of its investment in EATI. In line with the charitable aims of the Imbarutso project, TWF's investment in EATI is focussed on improving the smallholder farmer's 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 return realised 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.

The following statement does not form part of the audited accounts of the charity

THE WOOD FOUNDATION
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2014

	Miscellaneous grants & capacity support costs £'000	Making markets work for the poor Sub Saharan £'000	Volunteers overseas & global citizenship £'000	Developing young people in Scotland £'000	2014 £'000	2013 £'000
INCOME						
Donations	-	-	-	-	2,879	49,679
Gift Aid	-	-	-	-	-	2,125
Investment income	-	-	-	-	547	200
Bank interest Receivable	-	-	-	-	1,161	1,191
Other interest receivable	-	-	-	-	-	2
TOTAL INCOME					4,587	53,197
CHARITABLE EXPENDITURE						
Grants payable	747	1,243	58	775	2,823	4,917
DIRECT COSTS						
Staff	-	-	64	75	139	81
Consultancy	-	-	5	29	34	239
Travel	-	-	28	11	39	9
Press & Publicity	-	-	8	17	25	14
Miscellaneous expenses	-	-	1	7	8	19
SUPPORT COSTS						
Staff	-	-	57	57	114	178
Training & development	-	-	2	2	4	1
Insurance	-	-	2	1	3	2
Travel	-	-	5	6	11	6
Press and publicity	-	-	1	-	1	2
Database	-	-	3	3	6	3
Miscellaneous expenses	-	-	5	6	11	13
Office rent	-	-	8	7	15	-
Depreciation	-	-	-	1	1	-
Exchange gains	-	-	(3)	(3)	(6)	(48)
	747	1,243	244	994	3,228	5,436
GOVERNANCE						
Audit	-	-	6	6	12	10
Legal	-	-	4	4	8	18
	-	-	10	10	20	28
TOTAL EXPENDITURE	747	1,243	254	1,004	3,248	5,464
NET INCOME					1,339	47,733
OTHER GAINS						
Gains on investment assets					84	970
SURPLUS FOR THE YEAR					1,423	48,703