

**WFT AFRICA**  
*(a company limited by guarantee  
and not having a share capital)*  
(Company Number: SC361033)  
(Charity Number: SC040580)

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**31 MARCH 2012**

**WFT AFRICA**  
**DIRECTORS' ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2012**

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**WFT AFRICA**  
**LEGAL AND ADMINISTRATIVE INFORMATION**

**DIRECTORS AND CHARITY TRUSTEES**

The directors of the charitable company ("the Trust") are known as its trustees for the purpose of charity law. The directors are:

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

**ORGANISATION**

The day to day management of the charity is delegated to Jo Mackie, Chief Executive.

**SECRETARY**

Graham Good

**REGISTERED OFFICE/PRINCIPAL OFFICE**

John Wood House  
Greenwell Road  
ABERDEEN  
AB12 3AX

**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

## **WFT AFRICA DIRECTORS' ANNUAL REPORT**

The Directors submit their report and the audited financial statements of WFT Africa ("WFTA") for the year ended 31 March 2012.

Legal and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities (revised March 2005).

The charitable company is a wholly owned subsidiary of the Wood Family Trust which was established by Sir Ian Wood and family and was officially launched on the 14<sup>th</sup> September 2007. The Trust is a Scottish based charity with a global outlook.

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

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

WFT Africa is a company limited by guarantee and a registered Scottish charity (charity number SC040580). The charitable company is governed by its Memorandum and Articles of Association.

#### **Organisational Structure**

The board of Directors administer the charity. A Chief Executive is appointed by the Directors to manage the day to day operations of the charity.

#### **Recruitment and Appointment of Directors**

The powers for appointment and removal of Directors are set out in the Memorandum and Articles of Association.

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

#### **Induction and Training of Directors**

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

#### **Risk Management**

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

### **OBJECTIVES AND ACTIVITIES**

The objects of the charitable company are to promote and advance for the public benefit the charitable activities of the Wood Family Trust (Scottish charity number SC037957) both in the United Kingdom and overseas by actively promoting and carrying out projects supported or to be supported by the Wood Family Trust and by doing anything else of a charitable nature which may further the domestic and overseas work of the Wood Family Trust for public benefit and to promote such similar charitable purposes, objects or institutions and in such preparation and manner as the Trustees shall think fit.

**Chairman's Review**

**EXECUTIVE SUMMARY**

The WFT Africa is now in its third year of operation and we continue to develop our Venture Philanthropy model by applying good business principles and practice to our charitable investments and partnerships. Our role in project management has increased as we have taken the operational lead in several of our strategic investments in Sub Saharan Africa, and our direct staff costs are increasing accordingly.

During the last twelve months, we have seen some real signs of success in the Making Market's Work in Sub Saharan Africa portfolios. We are obviously keen to ensure this 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.

WFTA working with Lord David Sainsbury's Gatsby Charitable Foundation (Gatsby), has developed a diverse range of partnership projects in the Tanzanian and Rwandan Tea Sectors. In Tanzania, our early initiatives under our Chai Project (Chai means Tea in Kiswahili) are now beginning to have some positive impact and in Rwanda our Imbarutso Project (Imbarutso means "to catalyse" in Kinyarwanda) is in the process of developing its implementation plan.

Thus, our focus in Sub Saharan Africa is on working with smallholder farmers in the tea industry and we have become specialists in this sector. Our next project will likely be to work with the tea industry in Uganda.

**CHARITABLE ACTIVITIES AND FINANCIAL COMMITMENTS MADE DURING THE 2011/12 YEAR:**

**Making Markets Work for the Poor in Sub Saharan Africa**

We believe we will only effect change by helping local people and communities to help themselves in a way that is consistent with their culture and way of life. Money alone cannot realise the vision, but the effective application of market analysis, quality minds, effective delivery partners and local private enterprise will, we believe, create sustainable change. Our role is to facilitate employment and business activities through supporting the development of markets in growth sectors. We analyse sector value chains and unblock key constraints from primary production through to processing, distribution, and eventually to the end market and consumer. We are focused on the tea industry and our initial countries are Tanzania and Rwanda, with the intention of extending this next to Uganda.

Key to our success is the quality and commitment of our small management team led by David Knopp in Africa and our growing experience in implementing solutions.

WFT Africa is currently working in partnership with The Gatsby Foundation (Lord David Sainsbury's philanthropic vehicle) on two tea projects; Chai in Tanzania and Imbarutso in Rwanda with WFT leading, but working in full consultation with Gatsby. The finance allocation referred to in this Chairman's Review reflects the full costs allocated to each project.

**"Chai - Kwa Maendeleo ya Tanzania" (Tea - For the development of Tanzania) - £835,000**

"Chai" was launched in September 2009 with the intention of committing up to US\$9 million, over a six year period, in the Tanzanian tea sector. The aim of this investment is to double smallholder tea production, increase farmers' profits and increase the competitiveness of the sector.

When Chai became operational, tea was the fourth largest export crop in Tanzania with US\$28.7 million in export earnings. There were approximately 30,000 smallholders directly engaged in tea production and from a combination of estate workers and smallholder producers, the sector supported

**WFT AFRICA**  
**DIRECTORS' ANNUAL REPORT (continued)**

over 50,000 families. However, despite being a valuable export, the Tanzanian tea industry's growth was limited due to a number of significant challenges:

- Low smallholder productivity and yields (the national average in 2007 was 900 kg made tea per hectare compared to 2,000 kg in Kenya)
- Limited access to inputs such as fertilisers, and ineffective extension services
- Poor industry regulation
- Lack of business experience of farmers
- Low green leaf price and poor margins for farmers (small holders were paid 26% of the made tea price)
- Poor rural road and green leaf collection infrastructure
- Low quality of made tea and poor reputation on the world markets
- Smallholders lacking the ability to represent their commercial interests in the processing factories.

We are now nearing the halfway point with respect to the original six year timeline and have made some progress towards sustainable impact against the original targets, as well as effectively tackling some of the challenges outlined above with a portfolio of activities in partnership with the processing factories, smallholder associations and the public institutions responsible for tea.

Chai has specifically placed three matching grants with private processing factories to encourage commercially sustainable services to 21,000 smallholder farmers, supported the Tea Board of Tanzania to introduce a new pricing mechanism for all 30,000 smallholder tea farmers, worked with a smallholder tea farmer association to improve its management and efficiency as the representation body of 15,000 tea farmers and is working with the Tanzania Smallholder Tea Development Agency to pilot a land titling project in a district of Tanzania, which if successful, will be rolled out nationally.

In summary, with the support of Chai finance and management, the following changes for all 30,000 smallholders in Tanzania have taken place since the inception of the project:

- Average smallholder share of made tea prices has risen from 26% to 34%
- Average smallholder yields have risen from 950kg made tea per hectare to 1,100kg made tea per hectare, an increase of 22%
- Average smallholder profits per hectare have increased by 70% from around US\$126 in 2009 to around US\$218 in 2011/12 although the average tea farmer only has 0.4 hectares of tea.

Where Chai has concentrated support with specific interventions and geographies, the impact on yields and profit per hectare is higher than the national average.

**Imbarutso - Win Win for Rwanda Tea - £359,000 (direct charitable activities)**

"Imbarutso" is WFT's second Making Markets Work for the Poor project in Sub Saharan Africa, launched in March 2011, and is again in partnership with the Gatsby Charitable Foundation.

Again focused on improving the smallholder farmers performance and earnings in the tea industry, "Imbarutso" will invest up to US\$9 million over a six year period with the aim of:

- Increasing smallholder net income
- Turning smallholder farmers into viable and efficient Micros & Small Enterprises (MSE's)
- Increasing the competitiveness of the sector

Rwandan tea is among the highest quality in the world. With production spread throughout 11 Districts, tea is Rwanda's second most significant export earner and a vital source of income, supporting the livelihood of over 30,000 smallholder businesses and 60,000 households.

**WFT AFRICA**  
**DIRECTORS' ANNUAL REPORT (continued)**

In looking to successfully develop Rwanda's tea industry, there are two important competitiveness issues. Firstly, Rwanda produces 24,000 Metric Tonnes per annum of made tea (approximately 7% of Kenya's annual output) and even with a planned increase to 35,000 Metric Tonnes by 2015, Rwanda's relative production will remain modest. Secondly, through existing and new planting, about 65% of Rwanda's tea will come from smallholder farmer production which is sold to the large tea plantations that have a monopoly position in their immediate catchment area.

To expand the area under production and significantly increase the volume and quality of tea, a win-win balance must be achieved whereby smallholder farmers have the appropriate financial incentive and professional support services, whilst factories are able to improve their throughput and profitability. If successful, we can potentially transform 30,000 smallholder farmers, into viable and efficient MSE's with the capability of improving their rural economies. In addition, there is a requirement to ensure a fairer distribution of the value chain proceeds between the producer and processor to encourage smallholder farmers to invest in increased yield, quality and quantity.

Based on the above position, Imbarutso is developing an implementation plan which will look at working with Government, Private Factories, and Smallholder co-operatives to develop projects which would have significant benefits to the smallholder farmer as well as the industry. RTI (Rwanda Tea Investments) has been established as a charitable company to support the plan.

**PLANS FOR THE YEAR AHEAD**

- Development of a Rwandan implementation strategy
- Continuing the successful implementation of the Chai Project in Tanzania.
- Developing a third tea sector project, likely to be in Uganda, during the latter quarter of the year. However, this will be dependent on growth and the resource requirement for Chai and Imbarutso during the 2012/13 period.
- Continue growing our in-house knowledge and expertise in the tea industry with additional resource and skills.

**Management and Staff**

Venture philanthropy is very similar to a business in that the success of our efforts is dependent on the quality and commitment of our management team and staff. Under the overall leadership of Jo Mackie based in the UK and with David Knopp heading our operations in East Africa, we have a professional, innovative, dedicated and caring team which gives us the confidence that we will significantly achieve our increasingly ambitious objectives.

**FINANCIAL REVIEW**

The net incoming resources for the year, amounting to £43,766 (2011: outgoing resources of £61,829) have been dealt with as shown in the Statement of Financial Activities.

The Directors have prepared financial statements which are in accordance with current statutory requirements, the Memorandum and Articles of Association and the 2005 Statement of Recommended Practice - Accounting and reporting by Charities.

The income of the Charity for the year ending 31 March 2012 was £983,387 (2011:£713,808) which includes £983,113 (2011:£713,374) of donations received from Wood Family Trust. Charitable expenditure for the year was £924,671 (2011:£755,062) which comprises £146,682 (2011:£198,993) of grants payable, £562,771 (2011:£378,264) of direct costs and £215,218 (2011:£177,805) of support costs with governance costs for the year amounting to £ 14,950 (2011:£20,575).

**WFT AFRICA**  
**DIRECTORS' ANNUAL REPORT (continued)**

**Reserves**

The Trustees will retain a minimal level of reserves in WFT Africa and will draw on the reserves of the parent charity The Wood Family Trust.

**PROVISION OF INFORMATION TO AUDITORS**

As far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware and we have taken all the steps that we ought to have taken as directors 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 Directors



Director - Sir Ian Wood

14 SEPTEMBER 2012  
Date



**WFT AFRICA**  
**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The Directors (who are also trustees of WFT Africa for the purposes of charity law) are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company and charity law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Directors are required to:

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

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS AND MEMBERS OF WFT AFRICA**

We have audited the financial statements of WFT Africa for the year ended 31 March 2012 set out on pages 10 to 20. 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 members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the Charity's Directors, as a body, in accordance with section 44(1)(c) 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 members and the Charity's Directors 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, the Charity's members as a body and the Charity's Directors, as a body, for our audit work, for this report, or for the opinion we have formed.

### **Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' responsibilities, the Directors (who are also the directors of the Charity for the purposes of company law) 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 auditors under the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report to you in accordance with regulations made under those Acts.

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 Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' 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 Charity's affairs as at 31 March 2012 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

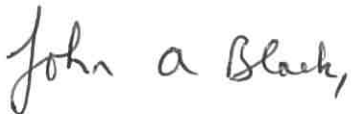
In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WFT AFRICA  
(continued)

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

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

- the Charity has not kept proper and adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



John A Black (Senior statutory auditor)  
for and on behalf of  
Anderson Anderson & Brown LLP  
Statutory Auditor  
9 Queens Road  
Aberdeen  
AB15 4YL  
Date:

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

12 SEPTEMBER 2012

WFT AFRICA  
STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2012

	Note	Unrestricted funds £	Restricted funds £	Year ended 31 March 2012 £	Year ended 31 March 2011 £
INCOMING RESOURCES					
Voluntary income	2	294,576	688,537	983,113	713,374
Investment income	3	274	-	274	434
<b>TOTAL INCOMING RESOURCES</b>		<b>294,850</b>	<b>688,537</b>	<b>983,387</b>	<b>713,808</b>
RESOURCES EXPENDED					
Charitable activities	4	239,969	684,702	924,671	755,062
Governance costs	5	11,115	3,835	14,950	20,575
<b>TOTAL RESOURCES EXPENDED</b>		<b>251,084</b>	<b>688,537</b>	<b>939,621</b>	<b>775,637</b>
<b>NET MOVEMENT IN FUNDS</b>	6	<b>43,766</b>	<b>-</b>	<b>43,766</b>	<b>(61,829)</b>
RECONCILIATION OF FUNDS					
Total funds brought forward		41,353	-	41,353	103,182
Total funds carried forward	13	£85,119	£-	£85,119	£41,353

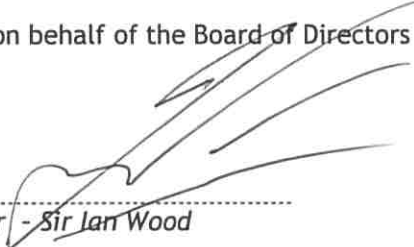
The Trust has made no gains or losses other than as reported above.

All incoming resources and resources expended derive from continuing activities.

WFT AFRICA  
COMPANY NUMBER : SC361033  
BALANCE SHEET - 31 MARCH 2012

	Note	2012 £	2011 £
FIXED ASSETS			
Tangible assets	9	51,015	26,088
CURRENT ASSETS			
Debtors	10	309,573	224,762
Cash at bank and in hand		408,976	269,612
		718,549	494,374
CREDITORS: <i>amounts falling due within one year</i>	11	472,927	189,766
NET CURRENT ASSETS		245,622	304,608
TOTAL ASSETS LESS CURRENT LIABILITIES		296,637	330,696
CREDITORS: <i>amounts falling after more than one year</i>	12	211,518	289,343
NET ASSETS		£85,119	£ 41,353
FUNDS			
Unrestricted funds	13	£85,119	£ 41,353

Signed on behalf of the Board of Directors

  
Director - Sir Ian Wood

14 SEPTEMBER 2012  
Date

WFT AFRICA  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2012

	Note	2012 £	2011 £
<b>Net cash inflow from operating activities</b>			
Net incoming resources/(resources expended) for the year		43,766	(61,829)
Investment income		(274)	(434)
Depreciation of tangible fixed assets		11,219	3,728
Increase in debtors		(84,811)	(217,723)
Increase in creditors		205,336	428,329
		<u>175,236</u>	<u>152,071</u>
<b>Returns on investment and servicing of finance</b>			
Interest receivable & income on fixed asset investments		274	434
		<u>175,510</u>	<u>152,505</u>
<b>Capital expenditure</b>			
Purchase of fixed assets		(36,146)	(29,816)
<b>Increase in cash and cash equivalents</b>	14	<u>£139,364</u>	<u>£ 122,689</u>

## WFT AFRICA

### NOTES ON THE FINANCIAL STATEMENTS - 31 MARCH 2012

#### 1. ACCOUNTING POLICIES

##### (a) *Basis of financial statements preparation*

The financial statements are prepared under the historical cost convention, and in accordance with applicable accounting standards, the Companies Act 2006, the Charities Accounts (Scotland) Regulations 2006 and the Statement of Recommended Practice - Accounting and Reporting by Charities (revised 2005).

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

##### (b) *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.

##### (c) *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 three main areas of investment

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.

WFT AFRICA  
NOTES ON THE FINANCIAL STATEMENTS - 31 MARCH 2012

1. ACCOUNTING POLICIES (continued)

(d) *Taxation*

The company 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.

(e) *Tangible fixed assets and depreciation*

Fixed assets consisting of £10,000 or more are capitalised at cost. The cost of fixed assets is written off by equal monthly instalments over their expected useful lives as follows:

Motor vehicles	4 years
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(f) *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.

(g) *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 gross share of the incoming resources and resources expended and the assets and liabilities are included in the accounts.

(h) *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 directors.

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

(i) *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.



WFT AFRICA  
NOTES ON THE FINANCIAL STATEMENTS - 31 MARCH 2012

2. VOLUNTARY INCOME

	2012 £	2011 £
Donations - Wood Family Trust		
Unrestricted funds	294,576	147,030
Restricted funds	688,537	566,344
	<u>£ 983,113</u>	<u>£ 713,374</u>

In addition to the above the Charity benefits from certain administrative and finance functions from John Wood Group PLC and JW Holdings Ltd which are provided without charge.

3. INVESTMENT INCOME

	2012	2011
Bank interest receivable	<u>£ 274</u>	<u>£ 434</u>

**WFT AFRICA**  
**NOTES ON THE FINANCIAL STATEMENTS - 31 MARCH 2012**

**4. CHARITABLE ACTIVITIES**

	Making Markets Work for the Poor	Chai Project	Imbarutsu Win Win for Rwanda Tea Project	2012
	£	£	£	£
Grants payable (a)	-	146,682	-	146,682
Direct Costs:				
Staff costs	41,997	202,442	177,587	422,026
Consultancy	-	87,761	27,227	114,988
Travel	-	14,027	11,036	25,063
Miscellaneous expenses	-	480	214	694
Support costs:				
Staff	83,719	-	-	83,719
Training and development	17,130	-	-	17,130
Insurance	2,559	2,152	1,272	5,983
Travel	49,218	-	-	49,218
Press and publicity	1,925	-	-	1,925
Database	6,053	-	-	6,053
Miscellaneous expenses	12,992	5,614	5,355	23,961
Depreciation	-	3,727	1,883	5,610
Exchange losses / (gains)	24,376	(2,757)	-	21,619
	<u>£ 239,969</u>	<u>£ 460,128</u>	<u>£ 224,574</u>	<u>£ 924,671</u>

The comparative figures for 2011 were:

	Making Markets Work for the Poor	Chai Project	Imbarutsu Win Win for Rwanda Tea Project	2011
	£	£	£	£
Grants payable (a)	-	198,993	-	198,993
Direct Costs:				
Staff costs	20,510	201,847	78,143	300,500
Consultancy	-	23,536	5,553	29,089
Travel	-	16,687	27,571	44,258
Miscellaneous expenses	-	4,417	-	4,417
Support costs:				
Staff	85,013	-	-	85,013
Training and development	5,479	-	-	5,479
Insurance	1,655	2,355	-	4,010
Travel	30,527	-	-	30,527
Press and publicity	217	-	-	217
Database	2,992	-	-	2,992
Miscellaneous expenses	21,805	3,290	-	25,095
Depreciation	-	1,864	-	1,864
Exchange losses	20,520	2,088	-	22,608
	<u>£ 188,718</u>	<u>£ 455,077</u>	<u>£ 111,267</u>	<u>£ 755,062</u>

**(a) Grants awarded**

	Grants awarded	Year ended 31 March 2012	Grants awarded	Period ended 31 March 2011
	No	£	No	£
Grants to institutions	<u>3</u>	<u>146,682</u>	<u>2</u>	<u>198,993</u>

**WFT AFRICA**

**NOTES ON THE FINANCIAL STATEMENTS - 31 MARCH 2012**

**5. GOVERNANCE COSTS**

	2012 £	2011 £
Auditors' remuneration	5,610	8,985
Legal	2,319	7,481
Overseas Compliance Services	7,021	4,109
	<u>£ 14,950</u>	<u>£ 20,575</u>

**6. NET MOVEMENT IN TOTAL FUNDS FOR THE YEAR/PERIOD *is stated after charging:***

	2012 £	2011 £
Auditors' remuneration - audit fees	<u>5,610</u>	<u>8,985</u>

**7. STAFF COSTS AND NUMBERS**

	2012 £	2011 £
Staff costs:		
Wages and salaries	409,604	307,926
Social security	-	5,987
Other pension costs	17,617	6,078
	<u>£ 427,221</u>	<u>£ 319,991</u>

**WFT AFRICA**  
**NOTES ON THE FINANCIAL STATEMENTS - 31 MARCH 2012**

**7. STAFF COSTS AND NUMBERS (continued)**

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

	2012 No	2011 No
Directors	4	4
Management & administration	7	5
	<u>11</u>	<u>9</u>

During the year 3 employees within the group received emoluments of over £60,000 (2011 - 2). Pension contributions totalling £25,557 were paid into personal pension schemes in respect of 2 of these individuals. The trustees consider that it would be operationally sensitive to disclose any further remuneration information in respect of these individuals.

**8. DIRECTORS' EMOLUMENTS AND EXPENSES**

The Directors received no remuneration from the Charity during the current or previous years.

No Director received expenses from the Charity during the current or previous years.

**9. FIXED ASSETS**

	Motor Vehicles Total £
<b>COST</b>	
At 1 April 2011	29,816
Additions	36,146
At 31 March 2012	<u>65,962</u>
<b>DEPRECIATION</b>	
At 1 April 2011	3,728
Charge for year	11,219
At 31 March 2012	<u>14,947</u>
Net book values at:	
31 March 2012	<u>£ 51,015</u>
31 March 2011	<u>£ 26,088</u>

**WFT AFRICA**  
**NOTES ON THE FINANCIAL STATEMENTS - 31 MARCH 2012**

**10. DEBTORS**

	2012 £	2011 £
Other debtors	297,017	221,158
Prepayments and accrued income	12,556	3,604
	<u>£ 309,573</u>	<u>£ 224,762</u>

Included in other debtors is £65,867 (2011: £143,176) which is due after one year.

WFT Africa and the Gatsby Charitable Foundation have entered into a partnership to develop the Tea Sector in Tanzania. Both parties are to contribute equally to the agreed costs of the project and other debtors at the year end includes £98,024 (2011: creditor of £49,809), of expenditure incurred in excess of amounts received from Gatsby, as follows:

	2012 £	2011 £
Chai project		
Creditor brought forward	49,809	43,846
Received from the Gatsby Charitable Foundation	226,543	328,755
Share of agreed costs of Chai project	(374,376)	(322,792)
(Debtor)/creditor carried forward	<u>£(98,024)</u>	<u>£ 49,809</u>

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

	2012 £	2011 £
Grants payable	275,523	112,820
Trade creditors	18,223	16,837
Accruals and deferred income	11,805	10,300
Other creditors	167,376	49,809
	<u>£ 472,927</u>	<u>£ 189,766</u>

WFT Africa and the Gatsby Charitable Foundation have entered into a partnership to develop the Tea Sectors in Rwanda. Both parties are to contribute equally to the agreed costs of the projects and other creditors at the year end includes £167,376 (2011: debtor of £22,165), received from Gatsby in advance of expenditure being incurred, as follows:

	2012 £	2011 £
Imbarutso project		
Debtor brought forward	(22,165)	-
Received from the Gatsby Charitable Foundation	323,635	-
Share of agreed costs of Imbarutso project	(134,094)	(22,165)
Creditor/(debtor) carried forward	<u>£ 167,376</u>	<u>£ (22,165)</u>

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

	2012 £	2011 £
Grants payable	<u>£ 211,518</u>	<u>£ 289,343</u>

**WFT AFRICA****NOTES ON THE FINANCIAL STATEMENTS - 31 MARCH 2012****13. MOVEMENT IN FUNDS**

	Unrestricted funds	Restricted funds	Total funds 2012	Total funds 2011
	£	£	£	£
At 1 April 2011	41,353	-	41,353	103,182
Incoming resources	294,850	688,537	983,387	713,808
Resources expended	(251,084)	(688,537)	(939,621)	(775,637)
At 31 March 2012	<u>£ 85,119</u>	<u>£ -</u>	<u>£ 85,119</u>	<u>£ 41,353</u>

**Purposes of restricted funds**

Restricted funds comprise funds donated for the Chai and Imbarutsu Win Win for Rwanda Tea projects; projects where the value chain of the tea sector is analysed in Tanzania and Rwanda respectively.

**14. ANALYSIS OF CHANGES IN CASH IN YEAR**

	2012 £	2011 £
Cash at bank and in hand at 1 April 2011	269,612	146,923
Increase in cash and cash equivalents	<u>139,364</u>	<u>122,689</u>
Cash at bank and in hand at 31 March 2012	<u>£408,976</u>	<u>£ 269,612</u>

**15. RELATED PARTY TRANSACTIONS****Control**

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

**Transactions**

The company has taken advantage of the exemption contained in Financial Reporting Standard No 8 from disclosing transactions with its parent undertaking The Wood Family Trust.

The following statement does not form part of  
the audited statutory financial statements of the charitable company

**WFT AFRICA**  
**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH 2012**

	Making Markets Work For The Poor £	Chai Project £	Imbarutsu Win Win for Rwanda £	Year ended 31 March 2012 £	Period ended 31 March 2011 £
<b>INCOME</b>					
Donations	294,576	461,478	227,059	983,113	713,374
Bank interest receivable	274	-	-	274	434
<b>TOTAL INCOME</b>	<b>294,850</b>	<b>461,478</b>	<b>227,059</b>	<b>983,387</b>	<b>713,808</b>
<b>GRANTS PAYABLE</b>	-	146,682	-	146,682	198,993
<b>DIRECT COSTS</b>					
Staff	41,997	202,442	177,587	422,026	300,500
Consultancy	-	87,761	27,227	114,988	29,089
Travel	-	14,027	11,036	25,063	44,258
Miscellaneous expenses	-	480	214	694	4,417
<b>SUPPORT COSTS</b>					
Staff	83,719	-	-	83,719	85,013
Training & development	17,130	-	-	17,130	5,479
Insurance	2,559	2,152	1,272	5,983	4,010
Travel	49,218	-	-	49,218	30,527
Press and publicity	1,925	-	-	1,925	217
Database	6,053	-	-	6,053	2,992
Miscellaneous expenses	12,992	5,614	5,355	23,961	25,095
Depreciation	-	3,727	1,883	5,610	1,864
Exchange gains	24,376	(2,757)	-	21,619	22,608
	<b>239,969</b>	<b>460,128</b>	<b>224,574</b>	<b>924,671</b>	<b>755,062</b>
<b>GOVERNANCE</b>					
Audit	5,610	-	-	5,610	8,985
Legal	2,319	-	-	2,319	7,481
Overseas Compliance Services	3,186	1,350	2,485	7,021	4,109
	<b>11,115</b>	<b>1,350</b>	<b>2,485</b>	<b>14,950</b>	<b>20,575</b>
<b>TOTAL EXPENDITURE</b>	<b>251,084</b>	<b>461,478</b>	<b>227,059</b>	<b>939,621</b>	<b>775,637</b>
<b>SURPLUS/(DEFICIT) FOR YEAR</b>	<b>£ 43,766</b>	<b>£ -</b>	<b>£ -</b>	<b>£ 43,766</b>	<b>£ (61,829)</b>