

THE WOOD FAMILY TRUST
(Charity Number: SC037957)

TRUSTEES' ANNUAL REPORT AND ACCOUNTS

31 MARCH 2008

THE WOOD FAMILY TRUST
TRUSTEES' ANNUAL REPORT AND ACCOUNTS
FOR THE PERIOD ENDED 31 MARCH 2008

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THE WOOD FAMILY TRUST
LEGAL AND ADMINISTRATIVE INFORMATION

TRUSTEES

Sir Ian C 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.

PRINCIPAL ADDRESS

John Wood House
Greenwell Road
ABERDEEN
AB12 3AX

AUDITORS

Anderson Anderson & Brown LLP
6 Carden Place
ABERDEEN
AB10 1UR

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

INVESTMENT MANAGERS

Newton Investment Management Limited
160 Queen Victoria Street
LONDON
EC4V 4LA

THE WOOD FAMILY TRUST TRUSTEES' ANNUAL REPORT

The Trustees submit their report and the audited accounts of The Wood Family Trust ("WFT") for the period from 19 March 2007 to 31 March 2008.

Legal and administrative information set out on page 1 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).

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Nature of Governing Document

WFT is a recognised charity in Scotland (charity number: SC037957) governed by its Trust Deed.

Organisational Structure

The Board of Trustees administer the charity. A Chief Executive is appointed by the Trustees to manage 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 risks.

THE WOOD FAMILY TRUST
TRUSTEES' ANNUAL REPORT (continued)

TRUST OBJECTIVES AND ACTIVITIES

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

The Trustees have agreed the following general aims and objectives:

WFT has been established to help develop and support individuals to become independent, healthy, contributing members of their communities. WFT will therefore invest in organisations and enterprises which enable individuals to sustain themselves and their families free from poverty, hunger and disease in Developing Countries, and develop and support young people in the UK.

WFT has three clear areas of investment focus:

- Livelihood in Developing Countries (anticipated to be 75% of the investment per annum)
- 16-25 year olds in the UK – Volunteering Overseas (anticipated to be 12.5% of the investment per annum)
- Developing Young People in Scotland (anticipated to be 12.5% of the investment per annum)

The open application process is only applicable for the 16-25 year olds in the UK – Volunteering Overseas and the Developing Young People in Scotland investment programmes.

The Livelihood in Developing Countries investment programme is by invite only.

ANNUAL REPORT

Chairman's Review

The Trustees believe WFT has made a good start. We have put together a very effective small management team led by the Chief Executive, Jo Mackie, who has appropriate professional knowledge and management experience in the voluntary sector. We are pleased we have the Developing Young People in Scotland Programme well underway. We are now making good progress in the Volunteering Overseas Programme and a number of investments will be implemented here in the current year.

As anticipated, there is a very significant learning exercise for Livelihood in Developing Countries and we are still at an early stage here. However, our Chief Executive has now made nine trips to Africa at the date of this report, some with fellow trustee Garreth Wood, to gain a better understanding of the region. I intend to make two trips to Sub-Saharan Africa later this year but we are resolved not to make any significant investments in this area until we are confident we have identified the most appropriate recipient countries, understand the key issues and can make investments that will be effective and meet our objectives.

THE WOOD FAMILY TRUST
TRUSTEES' ANNUAL REPORT (continued)

Chairman's Review (continued)

During the year the Trust received £18.6 million of donations (including associated gift aid) and it is anticipated further donations (including associated gift aid) of £32 million will be received over the next 4-5 years. It is too early to assess our annual rate of spend until we have better assessed opportunities in Sub-Saharan Africa.

Developing Young People in Scotland – 6 investments - £674,708

The Developing Young People in Scotland portfolio has been the first category to identify a number of major investment recipients around WFT's main areas of interest: employment opportunities for young people, enterprise enhancement, good citizenship, tolerance and achievement.

This portfolio will increase investments in year two and we expect to expend to our annual budget allowances at the end of 2009/2010, supporting a range of organisations, offering both systemic and immediate solutions to enable young people to better engage with society and broaden their horizons.

The main investment recipients for 2007/2008:

Princes' Trust: £242,000 over a three year period to expand the "Get Into" programme which will support 552 NEET (Not in Employment Education or Training) young people with the skills to find mainstream sustainable employment.

Columba 1400: £156,000 over a three year period to deliver 6 "Ambassador Leadership Programmes" in the North East of Scotland through local schools and communities.

PSYBT: £244,000 over a three year period to support the development of ICT (Information Communication Technology) systems which will enhance the overall service provided to 1,500 young people starting their own businesses.

16-25 year olds in the UK – Volunteering Overseas – 9 investments - £67,836

The Volunteering Overseas programme is still in its infancy and the Trustees are investigating a number of potential partners to deliver significant, appropriate, volunteering overseas opportunities.

Through results from extensive market research, the Trustees made an amendment to the investment focus to open up the opportunity to volunteers of all ages, recognising that mature professional experience has a key role to play in skills and capacity development in Developing Countries.

To date, WFT has supported over 70 individuals to volunteer in ten community projects in the developing countries.

THE WOOD FAMILY TRUST
TRUSTEES' ANNUAL REPORT (continued)

Livelihood in Developing Countries

The Livelihood in Developing Countries portfolio is still at a learning stage with the complex nature of the challenges in Sub-Saharan Africa.

The Trustees are taking time to fully examine the specific areas they wish to support through in-country investigation and engagement with a range of specialist experts. It has become increasingly apparent that WFT needs to take a strategic and measured look at in-country solutions and base their funding criteria on long term development needs which do not distort the landscape and offer sustainable solutions to alleviating poverty. This process will take time.

Through initial investigation, the Trustees have narrowed their focus both in terms of geography and theme to ensure that WFT can achieve targeted, systemic impact. WFT is currently considering programmes which provide sustainable employment opportunities, wealth creation and economic growth in Uganda, Ghana and Tanzania with additional countries possibly added – alleviating poverty through business solutions.

The Trustees have not been in a position to make any commitments in this portfolio throughout the year as significant upfront investigation and market assessment is essential for intelligent investment.

Plans for the Year Ahead

The Trustees will continue to evolve the Trust to ensure that its systems and processes are fit for purpose and its capacity is appropriate for activity. This will ensure that the commitments the Trustees make will be thoroughly considered, providing appropriate interventions against WFT's stated objectives.

WFT's application process will become largely proactive to ensure the Trustees can engage potential partners based on WFT's funding criteria and develop a strong relationship from entry point. Through this targeted approach, the Trustees will be able to provide a value added service to partners by supporting their capacity development through appropriate mechanisms.

The Developing Young People in Scotland portfolio should increase to full capacity and the Trustees expect to begin significant investment into the Volunteering Overseas programme.

The Trustees will continue to investigate opportunities in the Livelihood in Developing Countries portfolio and anticipate some initial investment may be made in 2008/2009.

FINANCIAL REVIEW

The net incoming resources for the period, amounting to £17.9 million, have been dealt with as shown in the Statement of Financial Activities.

THE WOOD FAMILY TRUST
TRUSTEES' ANNUAL REPORT (continued)

FINANCIAL REVIEW (continued)

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 Trust for the period ending 31 March 2008 was £18.7 million which includes £18.6 million of donations (including associated Gift Aid) received in the period from Sir Ian Wood. In addition to this, interest of £122,000 was earned on cash deposits. Charitable expenditure was £842,000 which includes £742,000 of grants paid or committed to by 31 March 2008 and £100,000 of support costs. The support costs include £15,000 of costs associated with the start up of the Trust. The total value of grant commitments at 31 March 2008 was £573,000 and these are scheduled to be paid over the next 3 years.

To date the majority of grants have been invested in the area of 'Developing Young People in Scotland' with £674,000 of the total grants having been invested in this area.

The portfolio of listed investments had a total value of £7 million at 31 March 2008 with a further £8.1 million being held in cash deposits. The long term investment objective of the listed investment portfolio is to obtain capital growth. Depending upon market conditions, the Trustees may allocate further amounts to listed investments once a clearer position is established on the likely investment programme for the next few years.

Reserves

The Trustees consider it prudent to maintain a high level of liquid assets whilst they assess the likely investment programme over the coming 12 months. The Trustees also aim to maintain a level of free reserves to enable the charity to sustain its charitable activities. All of the charities funds are unrestricted.

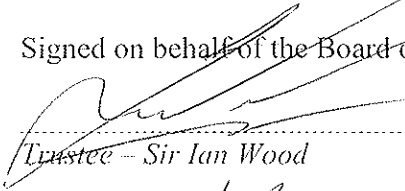
Provision of Information to Auditors

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 were appointed as auditors on 17 August 2007 and 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

Date

28/8/08

THE WOOD FAMILY TRUST
STATEMENT OF TRUSTEES' RESPONSIBILITIES

Law applicable to charities in Scotland requires the trustees to prepare accounts for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing accounts giving a true and fair view, the trustees are required to follow best practice and:

- a) select suitable accounting policies and then apply them consistently;
- b) make judgements and estimates that are reasonable and prudent; and
- c) prepare the accounts 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 which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ascertain the financial position of the charity and which enable them to ensure that the accounts comply with the Charities and Trustee Investment (Scotland) Act 2005, Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 and United Kingdom Generally Accepted Accounting Practice. 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 FAMILY TRUST

This report is issued in respect of an audit carried out under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005.

We have audited the accounts of The Wood Family Trust for the period ended 31 March 2008 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. These accounts have been prepared under the historical cost convention and in accordance with the accounting policies set out therein.

This report is made solely to the charity's trustees, 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 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.

Respective responsibilities of trustees and auditors

The responsibilities of the trustees for preparing the Trustees' Annual Report and the accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006. We also report to you if, in our opinion, the Trustees' Annual Report is not consistent with the accounts, the charity has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion


We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the accounts, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion:-

- the accounts give a true and fair view, of the state of the charity's affairs as at 31 March 2008 and of its incoming resources and application of resources for the period then ended;
- the accounts have been properly prepared in accordance with the Charities and Trustee Investment (Scotland) Act 2005, Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 and United Kingdom Generally Accepted Practice, and
- the information given in the Trustees' Annual Report is consistent with the financial statements.


Anderson Anderson & Brown LLP
Chartered Accountants
Registered Auditors
Aberdeen

29 August 2008

THE WOOD FAMILY TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE PERIOD ENDED 31 MARCH 2008

	Note	£
INCOMING RESOURCES		
Voluntary income	2	18,635,159
Investment income	3	<u>122,438</u>
TOTAL INCOMING RESOURCES		<u><u>18,757,597</u></u>
RESOURCES EXPENDED		
Charitable activities	4	842,254
Governance costs	6	<u>9,505</u>
TOTAL RESOURCES EXPENDED		<u><u>851,759</u></u>
NET INCOMING RESOURCES BEFORE OTHER RECOGNISED GAINS AND LOSSES		17,905,838
OTHER RECOGNISED GAINS/ LOSSES		
Gains on investment assets		<u>53,666</u>
NET MOVEMENT IN FUNDS AND CARRIED FORWARD	7	<u><u>£ 17,959,504</u></u>

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

All funds are unrestricted.

THE WOOD FAMILY TRUST
BALANCE SHEET – 31 MARCH 2008

	Note	£
FIXED ASSETS		
Investments	10	<u>7,009,321</u>
CURRENT ASSETS		
Debtors	11	3,434,771
Cash at bank and in hand		<u>8,102,616</u>
		11,537,387
CREDITORS: amounts falling due within one year	12	<u>255,183</u>
NET CURRENT ASSETS		<u>11,282,204</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		18,291,525
CREDITORS: amounts falling due after more than one year	13	<u>332,021</u>
NET ASSETS		<u>£ 17,959,504</u>
FUNDS		
Unrestricted funds	14	<u>£ 17,959,504</u>

Signed on behalf of the Board of Trustees



 Trustee – Sir Ian Wood

29/8/08 Date

THE WOOD FAMILY TRUST
CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2008

	£
Net cash inflow from operating activities	
Net incoming resources for the period	17,905,838
Investment income	(122,438)
Increase in debtors	(3,434,771)
Increase in creditors	587,204
	<hr/>
	14,935,833
Returns on investment and servicing of finance	
Interest receivable	122,438
	<hr/>
Investment activities	
Investments acquired	(6,955,655)
	<hr/>
Increase in cash and cash equivalents	<u>£ 8,102,616</u>

THE WOOD FAMILY TRUST

NOTES ON THE ACCOUNTS – 31 MARCH 2008

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 Companies Act 1985, the Charities Accounts (Scotland) Regulations 2006 and the Statement of Recommended Practice – Accounting and Reporting by Charities (revised 2005).

(b) *Incoming resources*

i) Donations

Donations 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 3 main areas of investment.

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

THE WOOD FAMILY TRUST

NOTES ON THE ACCOUNTS – 31 MARCH 2008

1. ACCOUNTING POLICIES (continued)

(c) *Resources expended* (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, 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.

(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) *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.

(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 profit and loss account.

(g) *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.

Designated funds are unrestricted funds earmarked by the trustees for specific future purposes or projects.

THE WOOD FAMILY TRUST
NOTES ON THE ACCOUNTS – 31 MARCH 2008

2. VOLUNTARY INCOME

	£
Donations	15,184,424
Gift aid	3,450,735
	<u>£ 18,635,159</u>

In addition to the above, the Trust benefits from certain administrative and finance services provided by John Wood Group Plc and JW Holdings Ltd, for which no charge is levied.

3. INVESTMENT INCOME

	£
Bank interest receivable	116,783
Bank interest receivable on fixed asset investments	5,655
	<u>£ 122,438</u>

4. CHARITABLE ACTIVITIES

	Note	Livelihood in Developing Countries £	Volunteering Overseas £	Developing Young People in Scotland £	Total £
Grants payable	5	-	67,836	674,708	742,544
Support costs:					
Staff		32,649	5,442	5,442	43,533
Training and development		11,266	513	513	12,292
Insurance		537	28	28	593
Travel		25,886	788	1,598	28,272
Press and publicity		10,602	1,767	1,767	14,136
Miscellaneous expenses		672	106	106	884
		<u>£ 81,612</u>	<u>£ 76,480</u>	<u>£ 684,162</u>	<u>£ 842,254</u>

THE WOOD FAMILY TRUST
NOTES ON THE ACCOUNTS – 31 MARCH 2008

5. GRANTS

	Grants awarded	
	No	£
Volunteering Overseas	9	67,836
Developing Young People in Scotland	6	674,708
	<u>15</u>	<u>£ 742,544</u>

All grants made in the period were to institutions.

6. GOVERNANCE COSTS

	£
Audit and accountancy	6,815
Legal	2,690
	<u>£ 9,505</u>

7. MOVEMENT IN TOTAL FUNDS FOR THE PERIOD INCLUDES:

	£
Auditor's remuneration - audit fees	4,700
- non-audit fees	2,115
	<u>6,815</u>

THE WOOD FAMILY TRUST
NOTES ON THE ACCOUNTS – 31 MARCH 2008

8. STAFF COSTS AND NUMBERS

	£
Staff costs:	
Wages and salaries	36,316
Social security	3,758
Pension costs	3,459
	<hr/>
	£ 43,533
	<hr/> <hr/>

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

	No
Administrative	2
	<hr/> <hr/>

There were no employees with emoluments over £60,000

9. TRUSTEES' EMOLUMENTS AND EXPENSES

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

The Chairman was reimbursed expenses amounting to £1,025 in relation to Trust activities. No other Trustee received expenses from the Trust during the period.

THE WOOD FAMILY TRUST
NOTES ON THE ACCOUNTS – 31 MARCH 2008

10. INVESTMENTS

	£
Additions at cost	6,955,655
Net unrealised investments gains on revaluation	53,666
	<hr/>
Market value at 31 March 2008	£ 7,009,321
	<hr/> <hr/>

The market value of investments at 31 March 2008 comprises:

	£
Managed funds	7,003,666
Cash deposits	5,655
	<hr/>
Historical cost at 31 March 2008	£ 7,009,321
	<hr/> <hr/>

The managed fund investments are held with Newton Investment Management Limited

11. DEBTORS

Prepayments and accrued income	£ 3,434,771
	<hr/> <hr/>

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

	£
Grants payable	241,887
Trade creditors	5,813
Taxation and social security	1,843
Accruals and deferred income	5,640
	<hr/>
	£ 255,183
	<hr/> <hr/>

THE WOOD FAMILY TRUST
NOTES ON THE ACCOUNTS – 31 MARCH 2008

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

Grants payable	<u>£ 332,021</u>
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14. MOVEMENT IN FUNDS

Net incoming resources for the period and at 31 March 2008	<u>£ 17,959,504</u>
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15. RELATED PARTY TRANSACTIONS

Control

Throughout the period the trust was controlled by the Board of Trustees.

Transactions

During the period the Trust had the following transactions with related parties:

Related party	Transaction	£	Balance at period end
Sir Ian Wood	Expenses reimbursement	1,025	£ Nil

The expenses reimbursed were incurred in connection with trustee activities.