

# SHARED INTEREST FOUNDATION

England & Wales · Charity number 1102375

## Details

|                |                                                         |
|----------------|---------------------------------------------------------|
| Status         | Registered                                              |
| Legal form     | Charitable company                                      |
| Company number | <a href="#">04833073</a>                                |
| Registered     | 2004-02-27                                              |
| Register       | <a href="#">View on the Charity Commission register</a> |

## Contact

|         |                                                                                                                   |
|---------|-------------------------------------------------------------------------------------------------------------------|
| Address | Shared Interest Foundation<br>Pearl Assurance House<br>7 New Bridge Street West<br>Newcastle Upon Tyne<br>NE1 8AQ |
| Phone   | 01912339100                                                                                                       |
| Email   | <a href="mailto:foundation@shared-interest.com">foundation@shared-interest.com</a>                                |
| Website | <a href="http://www.shared-interest.com">www.shared-interest.com</a>                                              |

## Activities

**Objects:** 3.1 TO ADVANCE EDUCATION AND TRAINING; AND3.2 TO RELIEVE POVERTY, SICKNESS AND DISTRESS;IN ALL PARTS OF THE WORLD IN ALL RESPECTS FOR THE BENEFIT OF THE PUBLIC IN ACCORDANCE WITH THE LAW OF CHARITY IN ENGLAND AND WALES.

**Activities:** Providing business support to make livelihoods and living standards better for disadvantaged communities in some of the world's poorest countries. A key ongoing project is the delivery of producer training.

## Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** Education/training, The Prevention Or Relief Of Poverty
- **Who:** Other Defined Groups

## Geography

- **Area of benefit:** NATIONAL AND OVERSEAS
- Burkina Faso
- Kenya
- Nicaragua
- Peru
- Rwanda
- Uganda

## Finances

| Period end | Income   | Expenditure | Assets   | Employees |
|------------|----------|-------------|----------|-----------|
| 2024-09-30 | £522,895 | £482,163    | £585,761 | 2         |
| 2023-09-30 | £535,992 | £351,082    | £545,029 | 2         |
| 2022-09-30 | £311,285 | £335,438    | -        | -         |
| 2021-09-30 | £362,595 | £304,149    | -        | -         |
| 2020-09-30 | £350,069 | £197,914    | -        | -         |

## Trustees

| Name                     | Role | Appointed  |
|--------------------------|------|------------|
| Charlotte Beacon         |      | 2026-03-27 |
| Dr Yvonne Gale           |      | 2019-12-18 |
| Jameson Miller           |      | 2022-12-14 |
| Johan Carl Paul Valentin |      | 2021-12-15 |
| Kerrey Baker             |      | 2025-07-01 |
| Melissa Duncan           |      | 2021-12-15 |
| Richard Anderson         |      | 2020-10-14 |

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# Accounts

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# TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED  
30 SEPTEMBER 2024

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Shared Interest Foundation is a  
charitable company limited by guarantee  
Registered Company Number: 4833073  
Registered Charity Number: 1102375

# SHARED INTEREST FOUNDATION

## ANNUAL REPORT 2024

### Contents

|                                      |    |
|--------------------------------------|----|
| Legal and Administrative Information | 3  |
| Trustees' Report                     | 4  |
| Independent Auditors' Report         | 8  |
| Statement of Financial Activities    | 10 |
| Balance Sheet                        | 12 |
| Notes to the Financial Statements    | 13 |

# LEGAL & ADMINISTRATIVE INFORMATION

## LEGAL STATUS

The organisation is a charitable company limited by guarantee (registered company number 4833073), incorporated on 15 July 2003 and registered as a charity on 27 February 2004 (registered charity number 1102375).

The company was established under a Memorandum of Association (15 July 2003) which sets out the objectives and powers of the charitable company and is governed under its Articles of Association (15 July 2003).

## DIRECTORS AND ADVISERS

### for the year ended 30 September 2024

The Directors of the company, who are also the Trustees of the charity, who were in office during the year were:

|                | Year appointed |
|----------------|----------------|
| DP Alexander   | 2006           |
| Y Gale (Chair) | 2019           |
| C Talens       | 2019           |
| R Anderson     | 2020           |
| MJF Duncan     | 2021           |
| JCP Valentin   | 2021           |
| J Miller       | 2022           |

### Company Secretary

TD Morgan

### Independent Auditors

Armstrong Watson LLP  
One Strawberry Lane  
Newcastle upon Tyne  
NE1 4BX

### Principal and Registered Office

Pearl Assurance House  
7 New Bridge Street West  
Newcastle upon Tyne  
NE1 8AQ

# TRUSTEES' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2024

The Trustees present their report and audited financial statements for the year. This report has been prepared in accordance with the special provisions relating to small companies within the Companies Act 2006.

## GOVERNING DOCUMENT AND ORGANISATION

The company is governed by its Memorandum and Articles of Association. It is also a registered charity. The day-to-day running of the company is overseen by the Board of Trustees.

## PRINCIPAL AIMS AND OBJECTIVES

The objectives of the Foundation are to:

- advance education and training; and
- to relieve poverty, sickness and distress in all parts of the world in all respects for the benefit of the public in accordance with the law of charity in England and Wales.

In order to deliver these objectives, we aim to improve livelihoods through the development of sustainable businesses and income generation initiatives across Africa and Latin America. Our projects provide business support to smallholder producer groups with a specific focus on empowering women and youth, and building climate resilience in remote communities. We believe that strong and well-managed businesses create employment opportunities and increase the income of producers and workers, resulting in an improvement in their quality of life.

Shared Interest Foundation is the legal subsidiary of Shared Interest Society (a registered society with registration number 27093R) and the organisations have a joint Theory of Change which describes how we aim to build resilient businesses that in turn provide benefits to local communities. This is explained in more detail in our social accounts available on the website <https://www.shared-interest.com/gb/invest/about-us/publications>

We have referred to the guidance from the Charity Commission on public benefit when reviewing our aims and objectives and in planning our future activities and believe that we comply with this. A summary report of the projects demonstrating this is given on page 5. The principal and registered office of the Foundation is shown on page 3.

## APPOINTMENT OF DIRECTORS

The Directors of the company who served during the financial year are listed on page 3. They are appointed to the Board by resolution of the member - that is, Shared Interest Society Ltd ("SIS"). Following election they receive induction training including review of documents and policies, meeting staff and receiving briefings from key personnel. As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force.

## OTHER EXTERNAL APPOINTMENTS

Below are shown the external directorships/trusteeships of the members of the Board of Directors and Senior Management Team. All below are Directors of Shared Interest Society Limited. Tim Morgan is the Company Secretary of the Foundation but is not a director. Kerrey Baker and Jo Powell are also only directors of the Society but not the Foundation.

|                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Patricia Alexander ** | St Oswald's Primary School, South Shields (Chair of Governors), Newcastle Business School Advisory Board                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Tim Morgan *          | Northern Dance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Yvonne Gale           | NEL Fund Managers Ltd, Director<br>(The appointments below in italics are dormant or semi-dormant entities linked to the above appointment).<br><i>NE Growth (ERDF) General Partner Ltd, Director</i><br><i>NE Growth (ERDF) Carried Interest Partner Ltd, NE Debt Fund Carried Interest Partner Limited, Director NE Debt Fund General Partner Limited, Director NE Smaller Loans Fund Carried interest Partner Limited, Director</i><br><i>NE Smaller Loans Fund General Partner Limited, Director</i><br><i>Director NE Small Loan (ERDF) General Partner Ltd, Director Northern Enterprise Limited, Director,</i><br>Institute of Chartered Accountants in England and Wales, Members and Commercial Board,<br>Northern Society of Chartered Accountants, Trustee<br>Millfield House Foundation, Trustee and Chair of Investment Committee,<br>North East England Chamber of Commerce, Director and Chair of Investment Committee,<br>Office of the Small Business Commissioner, Chair<br>Creative UK, Credit Committee Member<br>St Chad's College Durham, Director<br>Innovate UK Loans Limited, Audit and Risk Committee member |
| Cristina Talens       | Source Sustainable Supply Chains Ltd, Leek Gears Limited, Director of Business Risk Assessments at the Wilberforce Institute (University of Hull)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Richard Anderson      | Marston Legal Services Limited, Engage Services (ESL) Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Melissa Duncan        | Fairtrade International, Executive Director<br>Tallulah Love Limited, Director<br>Bondsteel Limited, Director                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Paul Valentin         | None                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Jamie Miller          | Chair, Board of Governors Sidcot School, Partner Konsortium LLC and Konsortium Partners LLP                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Kerrey Baker *        | Millin Trust                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Jo Powell *           | None                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

\*\* Member of Senior Management Team, Foundation Board and Society Board  
\* Member of Senior Management Team and Society Board

## TRUSTEES' REPORT

### CORPORATE GOVERNANCE

As noted above, the Board of Shared Interest Foundation has a large overlap with that of the member organisation, Shared Interest Society. Due to this fact a number of the committees of the Society Board are common to both organisations – notably the Audit, Nomination and Remuneration committees. The statutory accounts of the Society contain a detailed report of these committees and this has not been replicated here but is available in those accounts from the Publications section of the website <https://www.shared-interest.com/gb/invest/about-us/publications>. Alongside those there is also a report assessing compliance with the Charity Corporate Governance Code and this similarly applies to the Boards of both organisations.

### REVIEW OF THE YEAR AND FUTURE DEVELOPMENTS

The Foundation works with a joint mission with Shared Interest Society to provide financial services and business support to make livelihoods and living standards better for people as they trade their way out of poverty. The Society is a social lender and the Foundation undertakes a range of activities, all focused on the end goal of supporting and developing producer organisations. We primarily support businesses within the fair-trade movement, seeking to ensure that our activity leads to both financial and social benefits within communities. The outcomes of the projects detailed below demonstrate that we have continued to deliver on one of our key aims, to support more resilient businesses providing both a social and a financial return in their local communities. Further detail of our impact is contained in our joint social accounts available from the website (see link above).

This year, Shared Interest Foundation worked on 14 projects focused on improving the livelihoods of farmers and artisans through enterprise development, women and youth empowerment, and building climate resilience. Three were brought forward from last year and 11 are new.

Two existing projects continued in the year. The SEED Project: Sustainable Empowerment through Enterprise Development (Brian's Legacy), launched in September 2023, is an 18-month initiative supporting 200 female groundnut farmers in western Uganda. It aims to enhance their production capabilities and add value to crops by processing them into products like peanut butter, boosting income and strengthening household resilience. The Growing Fairer Futures Ivory Coast project, now in its fourth year, is a partnership with cocoa co-operative CAYAT and continues to support 50 young farmers in establishing new cocoa farms or expanding existing ones. These farmers receive ongoing support with farm maintenance activities, including fertiliser provision and additional labour for weeding and harvesting.

Seven new projects were launched this year.

In Burkina Faso, we extended "Improving livelihoods through agro-processing" to support a total of 90 female shea nut collectors, providing training and equipment for shea butter production. The extension, funded by Evan Cornish Foundation, began in March 2024.

A 12-month project entitled "Increasing the profitability and sustainability of producer groups through Technical Assistance" was launched in February 2024, focusing on building capacity for 21 co-operatives and producer groups across Africa and Latin America. This project aims to strengthen their governance structures, management systems, and financial capacity. To deliver the training in Africa we have partnered with COLEAD, a Belgian

organisation which designs management development programmes in the agriculture and food industry. In Latin America we are working with a Peruvian based consultant with extensive experience of supporting co-operatives.

Two "Bees for Business" projects were initiated in Uganda, supporting coffee farmers in diversifying into beekeeping. The Kabwohe project, launched in February 2024, assists 210 coffee farmers, while the Rwenzori project, launched in March 2024, supports 141 farmers. Both projects provide training in beekeeping and honey harvesting skills, as well as equipment such as modern beehives. In the Kabwohe project, farmers also received training in agroforestry skills and agroforestry trees to increase climate resilience.

In Peru in July 2024 we launched a 12-month project "Improving the resilience of young coffee farmers through the production and sale of dehydrated coffee pulp" which is helping 58 young coffee farmers produce and sell dehydrated coffee pulp. This project includes establishing a quality control centre at CACVI (a local coffee co-operative) and building their capacity for independent exporting.

August 2024 saw the start of a Soilless Farming project in Burkina Faso, supporting 75 economically vulnerable women with disabilities in sustainable, organic vegetable production using modern farming methods.

An innovative 18-month project which commenced in August 2024, entitled "Improving cocoa production in Ivory Coast through biological control of pests and diseases" began in Ivory Coast, developing a cost-effective biopesticide to protect cocoa trees from pests and diseases. This project, in partnership with Félix Houphouët-Boigny University and the Ivorian Fair Trade Network RICE, will train 200 farmers from four cocoa co-operatives in pest identification and biopesticide application.

In November 2023, we produced the end of project evaluations for three projects: Growing Fairer Futures Rwanda (Expansion), Solar Panel project supporting our Bees for Business project in Burkina Faso and the Passion fruit project in Uganda. As these projects were delivered in the previous financial year you can read more about them in the 22/23 Trustees Report.

Two further projects concluded in the year. In Rwanda, a two-year project strengthened 625 coffee farmers' resilience to climate change through training in good agricultural practices, organic compost making, and climate-smart agriculture. It also established two nurseries for coffee seedling production. In Uganda, a one-year agroforestry project supported 300 coffee farmers, providing training in eco-friendly farming practices and distributing 12,000 coffee seedlings and 4,300 agroforestry trees.

These diverse projects demonstrate Shared Interest Foundation's commitment to sustainable agriculture and improved livelihoods across Africa and Latin America. Through partnerships with local organisations and innovative approaches, we continue to make positive impacts in the lives of farmers and artisans.

## TRUSTEES' REPORT

### LIVELIHOOD SECURITY FUND

The Livelihood Security Fund was relaunched in 2020 to raise restricted funds to help producers in Africa and Latin America who are severely impacted by events outside of their control. A restricted fund sum of £7,806 (2023: £7,806) and a designated fund sum of £12,112 (2023: £12,112) was held in this fund at the financial year-end. This fund is held ready to deploy in appropriate emergencies and with no claims on it in the past year, has not changed in value.

### RESTRICTED INCOME FUNDS

We acknowledge the receipt of restricted funds totalling £172k (2023: £143k) in our financial statements and details are provided at notes 2 and 3. We are grateful to all the donors who have supported our work in the past year.

### UNRESTRICTED INCOME FUNDS

Unrestricted income for the year was £350k, down from £393k in the previous year, but £73k higher than our budget for the year. Much of this funding is provided by donations and legacies from members of the Shared Interest Society, for which the Trustees are very grateful. A number of the sums donated again came from accounts where we are aware, sadly, that the member of Shared Interest Society has died. We would like to extend our deepest sympathy to the families in question and assure you that we will seek to do the very best to honour your relative by putting their generous donation to good use in the Foundation.

The Foundation continues to hold a number of legacy nominations from the members of the Society and the Trustees of the Foundation are thankful to Society members who have indicated that they intend to support the charity by leaving a legacy in this manner.

Diversifying unrestricted income sources has continued to be challenging and we continue to seek new avenues to grow our income, recognising that we cannot only rely on donations from Society members.

Fundraising costs in the financial statements represent a proportion of staff time, small fees to sites such as JustGiving and, when these occur (nil this year), some small costs of fund-raising events. We are grateful to all those who support our work, individuals, trusts and grant making bodies.

Management costs as a percentage of charitable expenditure were 23.3% (2023: 31.6%); with the decrease as a result of similar management costs year-on-year against much higher expenditure on charitable activities of £464,483 (2023: £336,143).

Fundraising costs as a percentage of income were slightly higher at 3.4% (2023: 2.8%).

### RISK ASSESSMENT

The Trustees consider that the main risks facing the charity are as below. A variety of tools, systems and procedures are used to mitigate these risks where possible.

1. Dependence on key personnel, absence, loss or failure to recruit;
2. Major incident during staff travel; and
3. Political instability creating operational and/or security issues overseas, impacting income and/or staff safety;

### RESERVES AND GOING CONCERN STATUS

The Trustees have agreed that the reserves policy should be to keep, normally, the equivalent of three to six months unrestricted expenditure as free reserves to cover periods of uneven income or unexpected income shortfalls. The balance on the Unrestricted income fund at the year-end,

net of amounts designated for specific projects, represents about 6.5 months of forecast unrestricted expenditure, which is appropriate in the current very challenging operational and funding environment.

Based on the financial position at the 30th September and the Business Plan for the 2024/25 year and beyond, the Trustees believe that Shared Interest Foundation is a going concern and these financial statements have been prepared on that basis.

### STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Shared Interest Foundation for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the 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 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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. 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.

The Trustees are responsible for the maintenance and integrity of the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

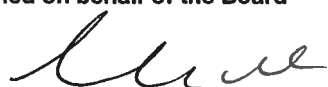
## STATEMENT OF DISCLOSURE OF INFORMATION TO THE AUDITORS

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

## INDEPENDENT AUDITORS

The charity only has one member, Shared Interest Society, and there is a high degree of overlap between the Boards of both organisations. The charity does not therefore hold an Annual General Meeting but the Board of the Society will re-appoint Armstrong Watson as auditors for the year which began on 1 Oct 2024.

Signed on behalf of the Board



Y Gale

Chair of Trustees

18 December 2024

# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF SHARED INTEREST FOUNDATION

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### Opinion

We have audited the financial statements of Shared Interest Foundation (the 'charitable company') for the year ended 30 September 2024 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2024 and 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.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the Trustees' Report other than the financial statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the

other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements

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

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- the charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company 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; or
- the Trustees' were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

#### Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 7, the Trustees (who are also the directors of the charitable company 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, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## INDEPENDENT AUDITORS' REPORT

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations and in particular, adherence to the Charities Act;
- we identified the laws and regulations applicable to the charitable company through discussions with Trustees and other management and review of appropriate industry knowledge;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures as a risk assessment tool to identify any unusual or unexpected relationships; and
- tested journal entries to identify unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit

in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Turner (Senior statutory auditor)

### Armstrong Watson Audit Limited

Chartered Accountants  
Statutory Auditors  
Newcastle upon Tyne

Date: 20 December 2024

# STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30 SEPTEMBER 2024

|                                                    | Note | Unrestricted funds | Restricted funds | Total funds    | Total funds    |
|----------------------------------------------------|------|--------------------|------------------|----------------|----------------|
|                                                    |      | 2024               | 2024             | 2024           | 2023           |
|                                                    |      | £                  | £                | £              | £              |
| <b>Income from:</b>                                |      |                    |                  |                |                |
| Donations and legacies                             | 2    | 334,660            | -                | 334,660        | 387,672        |
| Charitable activities                              | 3    | -                  | 172,414          | 172,414        | 142,451        |
| Investment income                                  | 4    | 15,821             | -                | 15,821         | 5,869          |
| <b>Total income</b>                                |      | <b>350,481</b>     | <b>172,414</b>   | <b>522,895</b> | <b>535,992</b> |
| <b>Expenditure on:</b>                             |      |                    |                  |                |                |
| Raising funds                                      | 7    | 17,680             | -                | 17,680         | 14,939         |
| Charitable activities                              | 5, 6 | 255,018            | 209,465          | 464,483        | 336,143        |
| <b>Total expenditure</b>                           |      | <b>272,698</b>     | <b>209,465</b>   | <b>482,163</b> | <b>351,082</b> |
| <b>Net income / (expenditure) before transfers</b> |      | <b>77,783</b>      | <b>(37,051)</b>  | <b>40,732</b>  | <b>184,910</b> |
| Transfers between funds                            |      | -                  | -                | -              | -              |
| <b>Net income / (expenditure)</b>                  |      | <b>77,783</b>      | <b>(37,051)</b>  | <b>40,732</b>  | <b>184,910</b> |
| <b>Net movement in funds</b>                       |      | <b>77,783</b>      | <b>(37,051)</b>  | <b>40,732</b>  | <b>184,910</b> |
| <b>Reconciliation of funds:</b>                    |      |                    |                  |                |                |
| Total funds at 1 October                           |      | 417,471            | 127,558          | 545,029        | 360,119        |
| <b>Total funds at 30 September</b>                 |      | <b>495,254</b>     | <b>90,507</b>    | <b>585,761</b> | <b>545,029</b> |

All activities relate to continuing operations.

The notes on pages 13 to 20 form part of these financial statements.

# STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30 SEPTEMBER 2023

| Previous Financial Year                          | Unrestricted funds | Restricted funds | Total funds    |
|--------------------------------------------------|--------------------|------------------|----------------|
|                                                  | 2023               | 2023             | 2023           |
| Income from:                                     | £                  | £                | £              |
| Donations and legacies                           | 387,202            | 470              | 387,672        |
| Charitable activities                            | -                  | 142,451          | 142,451        |
| Investment income                                | 5,869              | -                | 5,869          |
| <b>Total income</b>                              | <b>393,071</b>     | <b>142,921</b>   | <b>535,992</b> |
| <b>Expenditure on:</b>                           |                    |                  |                |
| Raising funds                                    | 14,939             | -                | 14,939         |
| Charitable activities                            | 216,921            | 119,222          | 336,143        |
| <b>Total expenditure</b>                         | <b>231,860</b>     | <b>119,222</b>   | <b>351,082</b> |
| <b>Net income/(expenditure) before transfers</b> | <b>161,211</b>     | <b>23,699</b>    | <b>184,910</b> |
| Transfers between funds                          | -                  | -                | -              |
| <b>Net income/(expenditure)</b>                  | <b>161,211</b>     | <b>23,699</b>    | <b>184,910</b> |
| <b>Net movement in funds</b>                     | <b>161,211</b>     | <b>29,826</b>    | <b>184,910</b> |
| <b>Reconciliation of funds:</b>                  |                    |                  |                |
| Total funds at 1 October                         | 256,260            | 103,859          | 360,119        |
| <b>Total funds at 30 September</b>               | <b>417,471</b>     | <b>127,558</b>   | <b>545,029</b> |

# BALANCE SHEET

AT 30 SEPTEMBER 2024

|                                                       | Note       | 2024<br>£       | 2023<br>£       |
|-------------------------------------------------------|------------|-----------------|-----------------|
| <b>Current assets</b>                                 |            |                 |                 |
| Debtors and prepayments                               | 11         | 5,247           | 2,877           |
| Cash at bank and in hand                              | 12         | 211,887         | 195,876         |
| Deposits with credit institutions                     | 13         | 384,746         | 369,076         |
| <b>Total current assets</b>                           |            | <b>601,880</b>  | <b>567,829</b>  |
| <b>Creditors: amounts falling due within one year</b> | 14         | <b>(16,119)</b> | <b>(22,800)</b> |
| <b>Net current assets</b>                             |            | <b>585,761</b>  | <b>545,029</b>  |
| <b>Net assets</b>                                     |            | <b>585,761</b>  | <b>545,029</b>  |
| <b>Charity funds</b>                                  |            |                 |                 |
| Restricted funds                                      | 15, 16, 17 | 90,507          | 127,558         |
| Unrestricted designated funds                         | 15, 17     | 387,264         | 322,153         |
| Unrestricted funds                                    | 15, 17     | 107,990         | 95,318          |
| <b>Total funds</b>                                    |            | <b>585,761</b>  | <b>545,029</b>  |

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A – small entities.

The financial statements were approved and authorised for issue by the Board on 18 December 2024.

Signed on behalf of the Board of Trustees

Y. Gale

Chair of Trustees



The notes on pages 13 to 20 form part of these financial statements.

Company registration number: 4833073

# NOTES TO THE FINANCIAL STATEMENTS

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### (1.1) Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £1. The financial statements are prepared on a going concern basis as the charity has sufficient funding and activity to take it through 2025.

Shared Interest Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

### (1.2) Company status

The company is limited by guarantee and has no share capital. In the event of a winding up every member undertakes to contribute such amount as may be required not exceeding the total of £1. There was one member at 30 September 2024, Shared Interest Society Ltd.

### (1.3) Fund accounting

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements. Investment income, gains and losses are allocated to the appropriate fund.

### (1.4) Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

### (1.5) Expenditure

Expenditure is recognised when there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and include attributable VAT which cannot be recovered. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Charitable expenditure includes those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.

### (1.6) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the bank.

### (1.7) Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount repaid net of any trade discounts due.

### (1.8) Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

### (1.9) Creditors and provisions

Creditors and provisions are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

### (1.10) Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

### (1.11) Cash flow statement

The Company has taken advantage of the exemption in FRS 102 from the requirement to prepare a cash flow statement on the grounds that it is a small company.

### (1.12) Foreign currency transactions

Monetary assets and liabilities denominated in foreign currencies are stated in the balance sheet at the equivalent value in sterling at the exchange rate prevailing at the balance sheet date. Transactions during the year denominated in foreign currencies are stated at their equivalent value in sterling at the exchange rate prevailing at the date of the transaction.

### (1.13) Pensions

Employees of the Foundation are entitled to membership of the Shared Interest Group Personal Pension Plan. This is a defined contribution scheme with 9% of salary payable by the Charity and charged to the Income and Expenditure Account in the year relating to the salary cost.

## NOTES TO THE FINANCIAL STATEMENTS

### 2. INCOME FROM DONATIONS AND LEGACIES

|                      | Unrestricted<br>funds | Restricted<br>funds | Total<br>funds        | Total<br>funds |
|----------------------|-----------------------|---------------------|-----------------------|----------------|
|                      | 2024                  | 2024                | 2024                  | 2023           |
|                      | £                     | £                   | £                     | £              |
| Individuals          | 330,423               | -                   | <b>330,423</b>        | 383,293        |
| Trusts and corporate | 4,237                 | -                   | <b>4,237</b>          | 4,379          |
|                      | <u>334,660</u>        | <u>-</u>            | <u><b>334,660</b></u> | <u>387,672</u> |

In 2023, of the total income from donations and legacies, £387,202 related to unrestricted funds and £470 related to restricted funds.

### 3. INCOME FROM CHARITABLE ACTIVITIES

|                                                           | Unrestricted<br>funds | Restricted<br>funds | Total<br>funds        | Total<br>funds |
|-----------------------------------------------------------|-----------------------|---------------------|-----------------------|----------------|
|                                                           | 2024                  | 2024                | 2024                  | 2023           |
|                                                           | £                     | £                   | £                     | £              |
| Anonymous - Bees for Business Rwenzori                    | -                     | 40,000              | <b>40,000</b>         | -              |
| Brian Taylor Fund - Brian's Legacy SEED Project           | -                     | -                   | -                     | 120,000        |
| EA Foundation - Soiless Farming Burkina Faso              | -                     | 36,940              | <b>36,940</b>         | -              |
| Evan Cornish Foundation - The Shea Project                | -                     | 10,485              | <b>10,485</b>         | -              |
| Fitzer Lacy Trust - Bees for Business Kabwohe             | -                     | 80,000              | <b>80,000</b>         | -              |
| Guernsey Overseas Aid & Development - Seed to Stall (GOA) | -                     | 4,989               | <b>4,989</b>          | 22,451         |
|                                                           | <u>-</u>              | <u>172,414</u>      | <u><b>172,414</b></u> | <u>142,451</u> |

In 2023, of the total income from charitable activities, £142,451 related to restricted funds.

### 4. INVESTMENT INCOME

|                   | Unrestricted<br>funds | Restricted<br>funds | Total<br>funds       | Total<br>funds |
|-------------------|-----------------------|---------------------|----------------------|----------------|
|                   | 2024                  | 2024                | 2024                 | 2023           |
|                   | £                     | £                   | £                    | £              |
| Interest received | 15,821                | -                   | <b>15,821</b>        | 5,869          |
|                   | <u>15,821</u>         | <u>-</u>            | <u><b>15,821</b></u> | <u>5,869</u>   |

In 2023, of the total investment income, £5,869 related to unrestricted funds.

## NOTES TO THE FINANCIAL STATEMENTS

### 5. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

|                                               | Activities undertaken directly | Grant funding of activities | Support costs  | Total 2024     | Total 2023     |
|-----------------------------------------------|--------------------------------|-----------------------------|----------------|----------------|----------------|
|                                               | 2024                           | 2024                        | 2024           |                |                |
|                                               | £                              | £                           | £              | £              | £              |
| Agroforestry Project                          | 8,088                          | -                           | 2,454          | <b>10,542</b>  | 28,241         |
| Bees for Business Kabwohe                     | 368                            | 63,240                      | 20,286         | <b>83,894</b>  | -              |
| Bees for Business Rwenzori                    | 24,384                         | 22,986                      | 14,988         | <b>62,358</b>  | -              |
| Biopesticide Project                          | 20,086                         | -                           | 6,102          | <b>26,188</b>  | -              |
| Brian's Legacy SEED Project                   | 3,263                          | 86,515                      | 28,465         | <b>118,243</b> | 25,943         |
| Dehydrated Coffee Pulp                        | 29,645                         | -                           | 9,357          | <b>39,002</b>  | -              |
| Environmental Protection and Biodiversity     | -                              | -                           | -              | -              | 18,191         |
| Expansion of the Youth in Coffee              | 970                            | 1,056                       | 540            | <b>2,566</b>   | 21,657         |
| Growing Fairer Futures Rwanda                 | -                              | -                           | -              | -              | 5,984          |
| Improving Coffee Production in Peru           | -                              | -                           | -              | -              | 3,419          |
| Improving Livelihoods Through Agro-processing | -                              | -                           | -              | -              | 13,090         |
| Increasing the Resilience of Coffee Farmers   | 1,615                          | 1,526                       | 901            | <b>4,042</b>   | 21,754         |
| Livelihood Security Fund                      | -                              | -                           | -              | -              | 1,609          |
| New projects                                  | 9,301                          | -                           | 2,292          | <b>11,593</b>  | 10,109         |
| Seed to Stall ECF                             | -                              | -                           | -              | -              | 9,501          |
| Seed to Stall GOA                             | 2,066                          | 259                         | 565            | <b>2,890</b>   | 60,978         |
| Soilless Farming Burkina Faso                 | 2,735                          | 18,900                      | 6,481          | <b>28,116</b>  | -              |
| Soilless Farming - Drip Irrigation            | -                              | -                           | -              | -              | 9,280          |
| Solar Panel Project                           | 322                            | 1,213                       | 470            | <b>2,005</b>   | 28,747         |
| Strengthening Coffee Resilience Rwanda        | 8,453                          | -                           | 2,533          | <b>10,986</b>  | 32,552         |
| Technical Assistance Project                  | 30,791                         | -                           | 7,480          | <b>38,271</b>  | -              |
| The Shea Project                              | 2,833                          | 8,270                       | 3,344          | <b>14,447</b>  | -              |
| Women in Nicaragua Organic Sesame Farming     | -                              | -                           | -              | -              | 10,063         |
| Women in Soilless Farming Ghana               | -                              | -                           | -              | -              | 23,956         |
| Youth in Cocoa Ivory Coast                    | 1,664                          | 5,500                       | 2,176          | <b>9,340</b>   | 11,069         |
|                                               | <b>146,584</b>                 | <b>209,465</b>              | <b>108,434</b> | <b>464,483</b> | <b>336,143</b> |

**6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES**

|                                               | Unrestricted funds | Restricted funds | Total                 | Total          |
|-----------------------------------------------|--------------------|------------------|-----------------------|----------------|
|                                               | 2024               | 2024             | 2024                  | 2023           |
|                                               | £                  | £                | £                     | £              |
| Agroforestry Project                          | 10,542             | -                | <b>10,542</b>         | 28,241         |
| Bees for Business Kabwohe                     | 20,654             | 63,240           | <b>83,894</b>         | -              |
| Bees for Business Rwenzori                    | 39,372             | 22,986           | <b>62,358</b>         | -              |
| Biopesticide Project                          | 26,188             | -                | <b>26,188</b>         | -              |
| Brian's Legacy SEED Project                   | 31,728             | 86,515           | <b>118,243</b>        | 25,943         |
| Dehydrated Coffee Pulp                        | 39,002             | -                | <b>39,002</b>         | -              |
| Environmental Protection and Biodiversity     | -                  | -                | -                     | 18,191         |
| Expansion of the Youth in Coffee              | 1,510              | 1,056            | <b>2,566</b>          | 21,657         |
| Growing Fairer Futures Rwanda                 | -                  | -                | -                     | 5,984          |
| Improving Coffee Production in Peru           | -                  | -                | -                     | 3,419          |
| Improving Livelihoods Through Agro-processing | -                  | -                | -                     | 13,090         |
| Increasing the Resilience of Coffee Farmers   | 2,516              | 1,526            | <b>4,042</b>          | 21,754         |
| Livelihood Security Fund                      | -                  | -                | -                     | 1,609          |
| New projects                                  | 11,593             | -                | <b>11,593</b>         | 10,109         |
| Seed to Stall ECF                             | -                  | -                | -                     | 9,501          |
| Seed to Stall GOA                             | 2,631              | 259              | <b>2,890</b>          | 60,978         |
| Soilless Farming Burkina Faso                 | 9,216              | 18,900           | <b>28,116</b>         | -              |
| Soilless Farming - Drip Irrigation            | -                  | -                | -                     | 9,280          |
| Solar Panel Project                           | 792                | 1,213            | <b>2,005</b>          | 28,747         |
| Strengthening Coffee Resilience Rwanda        | 10,986             | -                | <b>10,986</b>         | 32,552         |
| Technical Assistance Project                  | 38,271             | -                | <b>38,271</b>         | -              |
| The Shea Project                              | 6,177              | 8,270            | <b>14,447</b>         | -              |
| Women in Nicaragua Organic Sesame Farming     | -                  | -                | -                     | 10,063         |
| Women in Soilless Farming Ghana               | -                  | -                | -                     | 23,956         |
| Youth in Cocoa Ivory Coast                    | 3,840              | 5,500            | <b>9,340</b>          | 11,069         |
|                                               | <u>255,018</u>     | <u>209,465</u>   | <u><b>464,483</b></u> | <u>336,143</u> |

In 2023, of the total expenditure, £216,921 was expenditure from unrestricted funds and £119,222 was expenditure from restricted funds.

## NOTES TO THE FINANCIAL STATEMENTS

### 7. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

|                                               | Staff costs    | Other costs    | Total          | Total          |
|-----------------------------------------------|----------------|----------------|----------------|----------------|
|                                               | 2024           | 2024           | 2024           | 2023           |
|                                               | £              | £              | £              | £              |
| <b>Expenditure on:</b>                        |                |                |                |                |
| <b>Raising funds</b>                          | <u>14,738</u>  | <u>2,942</u>   | <u>17,680</u>  | <u>14,939</u>  |
| <b>Charitable activities</b>                  |                |                |                |                |
| Agroforestry Project                          | 2,335          | 8,207          | 10,542         | 28,241         |
| Bees for Business Kabwohe                     | 7,313          | 76,581         | 83,894         | -              |
| Bees for Business Rwenzori                    | 6,776          | 55,582         | 62,358         | -              |
| Biopesticide Project                          | 5,705          | 20,483         | 26,188         | -              |
| Brian's Legacy SEED Project                   | 12,190         | 106,053        | 118,243        | 25,943         |
| Dehydrated Coffee Pulp                        | 4,490          | 34,512         | 39,002         | -              |
| Environmental Protection and Biodiversity     | 1,417          | 1,149          | 2,566          | 21,657         |
| Expansion of the Youth in Coffee              | -              | -              | -              | 18,191         |
| Growing Fairer Futures Rwanda                 | -              | -              | -              | 5,984          |
| Improving Coffee Production in Peru           | -              | -              | -              | 3,419          |
| Improving Livelihoods Through Agro-processing | -              | -              | -              | 13,090         |
| Increasing the Resilience of Coffee Farmers   | 1,492          | 2,550          | 4,042          | 21,754         |
| Livelihood Security Fund                      | -              | -              | -              | 1,609          |
| New projects                                  | 8,615          | 2,978          | 11,593         | 10,109         |
| Seed to Stall ECF                             | -              | -              | -              | 9,501          |
| Seed to Stall GOA                             | 2,248          | 642            | 2,890          | 60,978         |
| Soilless Farming Burkina Faso                 | 7,175          | 20,941         | 28,116         | -              |
| Soilless Farming - Drip Irrigation            | -              | -              | -              | 9,280          |
| Solar Panel Project                           | 404            | 1,601          | 2,005          | 28,747         |
| Strengthening Coffee Resilience Rwanda        | 2,793          | 8,193          | 10,986         | 32,552         |
| Technical Assistance Project                  | 29,717         | 8,554          | 38,271         | -              |
| The Shea Project                              | 3,482          | 10,965         | 14,447         | -              |
| Women in Nicaragua Organic Sesame Farming     | -              | -              | -              | 10,063         |
| Women in Soilless Farming Ghana               | -              | -              | -              | 23,956         |
| Youth in Cocoa Ivory Coast                    | <u>2,034</u>   | <u>7,306</u>   | <u>9,340</u>   | <u>11,069</u>  |
|                                               | <u>98,186</u>  | <u>366,297</u> | <u>464,483</u> | <u>336,143</u> |
|                                               | <u>112,924</u> | <u>369,239</u> | <u>482,163</u> | <u>351,082</u> |

## NOTES TO THE FINANCIAL STATEMENTS

### 8. SUPPORT COSTS

|                                                      | 2024           | 2023           |
|------------------------------------------------------|----------------|----------------|
|                                                      | £              | £              |
| Office costs including training                      | 20,630         | 22,726         |
| Wages and salaries                                   | 18,600         | 18,953         |
| Support services provided by Shared Interest Society | 50,420         | 49,250         |
| Marketing costs                                      | 15,184         | 11,733         |
| Governance costs                                     | 3,600          | 3,600          |
|                                                      | <u>108,434</u> | <u>106,262</u> |

### 9. NET INCOME / EXPENDITURE

This is stated after charging:

|                                         | 2024         | 2023         |
|-----------------------------------------|--------------|--------------|
|                                         | £            | £            |
| Auditors' remuneration (audit services) | <u>3,600</u> | <u>3,600</u> |

### 10. STAFF COSTS

|                                    |               |               |
|------------------------------------|---------------|---------------|
| Staff costs were as follows:       | 2024          | 2023          |
|                                    | £             | £             |
| Wages and salaries                 | 81,165        | 78,437        |
| Social security costs              | 3,036         | 2,857         |
| Defined contribution pension costs | 2,799         | 2,669         |
|                                    | <u>87,000</u> | <u>83,963</u> |

Average monthly number of employees (none of whom are Trustees) during the year was:

|                       | 2024     | 2023     |
|-----------------------|----------|----------|
|                       | Number   | Number   |
| Raising funds         | 1        | 1        |
| Charitable activities | 1        | 1        |
|                       | <u>2</u> | <u>2</u> |

No individual employee's emoluments exceeded £60,000 for either year shown. No pension contributions were payable by the Foundation in respect of the Trustees in either year shown.

The Trustees neither received nor waived any remuneration during the year (2023: £Nil).

### 11. DEBTORS AND PREPAYMENTS

|                | 2024         | 2023         |
|----------------|--------------|--------------|
|                | £            | £            |
| Prepayments    | 267          | 288          |
| Accrued income | 4,980        | 2,589        |
|                | <u>5,247</u> | <u>2,877</u> |

### 12. CASH AT BANK AND IN HAND

|                          | 2024           | 2023           |
|--------------------------|----------------|----------------|
|                          | £              | £              |
| Cash at bank and in hand | 211,887        | 195,876        |
|                          | <u>211,887</u> | <u>195,876</u> |

## NOTES TO THE FINANCIAL STATEMENTS

### 13. DEPOSITS WITH CREDIT INSTITUTIONS

|                                                  | 2024           | 2023           |
|--------------------------------------------------|----------------|----------------|
|                                                  | £              | £              |
| Deposits repayable in not more than three months | 124,407        | 120,015        |
| Deposits repayable in not more than one year     | 260,339        | 249,061        |
|                                                  | <b>384,746</b> | <b>369,076</b> |

### 14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                                    | 2024          | 2023          |
|------------------------------------|---------------|---------------|
|                                    | £             | £             |
| Amounts owed to group undertakings | 7,369         | 12,310        |
| Accruals                           | 8,750         | 10,490        |
| Trade creditors                    | -             | -             |
|                                    | <b>16,119</b> | <b>22,800</b> |

### 15. CHARITY FUNDS

|                     | Restricted funds | Unrestricted and designated funds | Total funds    | Total funds    |
|---------------------|------------------|-----------------------------------|----------------|----------------|
|                     | 2024             | 2024                              | 2024           | 2023           |
|                     | £                | £                                 | £              | £              |
| Current assets      | 90,507           | 511,373                           | 601,880        | 567,829        |
| Current liabilities | -                | (16,119)                          | (16,119)       | (22,800)       |
|                     | <b>90,507</b>    | <b>495,254</b>                    | <b>585,761</b> | <b>545,029</b> |

In 2023, of current assets £127,558 was restricted and £440,271 were unrestricted and designated funds and of current liabilities £22,800 was unrestricted and designated.

### 16. RESTRICTED FUNDS

Restricted income funds carried forward at the end of the financial year comprise:

|                                                           | 2024          | 2023           |
|-----------------------------------------------------------|---------------|----------------|
|                                                           | £             | £              |
| Bees for Business: Supporting Growth Through Solar Energy | -             | 1,212          |
| Bees for Business Kabwohe                                 | 16,760        | -              |
| Bees for Business Rwenzori                                | 17,014        | -              |
| Brian's Legacy SEED Project                               | 19,162        | 105,677        |
| Expansion of the Youth in Coffee                          | -             | 1,056          |
| Increasing the Resilience of Coffee Farmers               | 957           | 2,483          |
| Livelihood Security Fund                                  | 7,806         | 7,806          |
| Seed to Stall GOA                                         | -             | (4,730)        |
| Soilless Farming Burkina Faso                             | 18,040        | -              |
| The Shea Project                                          | 2,215         | -              |
| Youth in Cocoa Ivory Coast                                | 8,553         | 14,054         |
|                                                           | <b>90,507</b> | <b>127,558</b> |

In 2023, the negative balance on Seed to Stall GOA represented a final retention released by the funder, Guernsey Overseas Aid & Development, at the end of the project in October 2023.

## 17. MOVEMENT IN FUNDS

|                               | Balance at<br>1 October<br>2023 | Income         | Expenditure      | Transfer<br>between<br>funds | Designation<br>of funds | Balance at<br>30 September<br>2024 |
|-------------------------------|---------------------------------|----------------|------------------|------------------------------|-------------------------|------------------------------------|
|                               | £                               | £              | £                | £                            | £                       | £                                  |
| Unrestricted Income funds     | 95,318                          | 350,481        | (160,832)        | (15,146)                     | (161,831)               | 107,990                            |
| Unrestricted designated funds | 322,153                         | -              | (111,866)        | 15,146                       | 161,831                 | 387,264                            |
| Restricted Income funds       | 127,558                         | 172,414        | (209,465)        | -                            | -                       | 90,507                             |
|                               | <u>545,029</u>                  | <u>522,895</u> | <u>(482,163)</u> | <u>-</u>                     | <u>-</u>                | <u>585,761</u>                     |

In 2023 the Trustees designated a further £270,000 for a number of projects which are ongoing. The Trustees have designated a further sum of £161,831 at the year-end for other projects.

## 18. ULTIMATE PARENT COMPANY

The ultimate parent undertaking and controlling party of Shared Interest Foundation is Shared Interest Society Ltd (a Registered Society in the UK, registration number IP27093R) by virtue of Shared Interest Society Ltd being the only member of the Foundation. The financial statements of Shared Interest Society Ltd are available from the registered office of Shared Interest Foundation, as shown on page 3.

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# Accounts

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# **TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
30 SEPTEMBER 2023**

Shared Interest Foundation is a  
charitable company limited by guarantee

Registered Company Number: 4833073

Registered Charity Number: 1102375

# SHARED INTEREST FOUNDATION

## ANNUAL REPORT 2023

### Contents

|                                      |    |
|--------------------------------------|----|
| Legal and Administrative Information | 3  |
| Trustees' Report                     | 4  |
| Independent Auditors' Report         | 8  |
| Statement of Financial Activities    | 10 |
| Balance Sheet                        | 12 |
| Notes to the Financial Statements    | 13 |

# LEGAL & ADMINISTRATIVE INFORMATION

## LEGAL STATUS

The organisation is a charitable company limited by guarantee (registered company number 4833073), incorporated on 15 July 2003 and registered as a charity on 27 February 2004 (registered charity number 1102375).

The company was established under a Memorandum of Association (15 July 2003) which sets out the objectives and powers of the charitable company and is governed under its Articles of Association (15 July 2003).

## DIRECTORS AND ADVISERS

### for the year ended 30 September 2023

The Directors of the company, who are also the Trustees of the charity, who were in office during the year were:

|                                    | Year appointed |
|------------------------------------|----------------|
| DP Alexander                       | 2006           |
| M Coyle (Chair retired March 2023) | 2015           |
| Y Gale (Chair from March 2023)     | 2019           |
| C Talens                           | 2019           |
| R Anderson                         | 2020           |
| MJF Duncan                         | 2021           |
| JCP Valentin                       | 2021           |
| J Miller (appointed December 2022) | 2022           |

## Company Secretary

TD Morgan

## Independent Auditors

Armstrong Watson LLP  
One Strawberry Lane  
Newcastle upon Tyne  
NE1 4BX

## Principal and Registered Office

Pearl Assurance House  
7 New Bridge Street West  
Newcastle upon Tyne  
NE1 8AQ

# TRUSTEES' REPORT

## FOR THE YEAR ENDED 30 SEPTEMBER 2023

The Trustees present their report and audited financial statements for the year. This report has been prepared in accordance with the special provisions relating to small companies within the Companies Act 2006.

### GOVERNING DOCUMENT AND ORGANISATION

The company is governed by its Memorandum and Articles of Association. It is also a registered charity. The day-to-day running of the company is overseen by the Board of Trustees.

### PRINCIPAL AIMS AND OBJECTIVES

The objectives of the Foundation are to:

- advance education and training; and
- to relieve poverty, sickness and distress in all parts of the world in all respects for the benefit of the public in accordance with the law of charity in England and Wales.

In order to deliver these objectives, we aim to improve livelihoods through the development of sustainable businesses and income generation initiatives across Africa and Latin America. Our projects provide business support to smallholder producer groups with a specific focus on empowering women and youth, and building climate resilience in remote communities. We believe that strong and well-managed businesses create employment opportunities and increase the income of producers and workers, resulting in an improvement in their quality of life.

Our Shared Interest Theory of Change which is shared by the Society and Foundation, describes how we aim to build resilient businesses that in turn provide benefits to local communities. This is explained in more detail in our social accounts available on the website <https://www.shared-interest.com/gb/invest/about-us/publications>

We have referred to the guidance from the Charity Commission on public benefit when reviewing our aims and objectives and in planning our future activities and believe that we comply with this. A summary report of the projects demonstrating this is given on page 5. The principal and registered office of the Foundation is shown on page 3.

### APPOINTMENT OF DIRECTORS

The Directors of the company who served during the financial year are listed on page 3. They are appointed to the Board by resolution of the member - that is, Shared Interest Society Ltd ("SIS"). Following election they receive induction training including review of documents and policies, meeting staff and receiving briefings from key personnel. As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force.

### OTHER EXTERNAL APPOINTMENTS

Below are shown the external directorships/trusteeships of the members of the Board of Directors and Senior Management Team. All below are Directors of Shared Interest Society Limited. Tim Morgan is the Company Secretary of the Foundation but is not a director. Kerrey Baker is also only a director of the Society but not the Foundation.

|                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Patricia Alexander ** | Newcastle High School for Girls (Chair of Governors), St Oswald's Primary School, South Shields (Governor), Newcastle Business School Advisory Board                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Tim Morgan *          | Northern Dance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Yvonne Gale           | NEL Fund Managers Ltd (Director)<br>(The appointments below in italics are dormant or semi-dormant entities linked to the above appointment).<br><i>NE Growth (ERDF) General Partner Ltd (Director), NE Growth (ERDF) Carried Interest Partner Ltd (Director), NE Small Loan (ERDF) General Partner Ltd (Director), Northern Enterprise Limited (Director), Institute of Chartered Accountants in England and Wales, Members and Commercial Board (Member), Northern Society of Chartered Accountants (Past President), Millfield House Foundation (Trustee and Chair of Investment Committee), North East England Chamber of Commerce (Director and Chair of Investment Committee), Office of the Small Business Commissioner (Chair), Prompt Payment Code Compliance Board (Chair)</i> |
| Cristina Talens       | Source Sustainable Supply Chains Ltd, Leek Gears Limited, Director of Business Risk Assessments at the Wilberforce Institute (University of Hull)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Richard Anderson      | Marston Legal Services Limited, Engage Services (ESL) Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Melissa Duncan        | Fairtrade International (Executive Director), Tallulah Love Limited (Director), Bondsteel Limited (Director)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Paul Valentin         | None                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Jamie Miller          | Board of Governors Sidcot School (Chair), Partner Konsortium LLC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Kerrey Baker *        | Millin Trust                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |

\*\* Member of Senior Management Team and Foundation Board

\* Member of Senior Management Team and Society Board

## TRUSTEES' REPORT

### CORPORATE GOVERNANCE

As noted above, the Board of Shared Interest Foundation has a large overlap with that of the member organisation, Shared Interest Society. Due to this fact a number of the committees of the Society Board are common to both organisations – notably the Audit, Nomination and Remuneration committees. The statutory accounts of the Society contain a detailed report of these committees and this has not been replicated here but is available in those accounts from the Publications section of the website. Alongside those there is also a report assessing compliance with the Charity Corporate Governance Code and this similarly applies to the Boards of both organisations.

### REVIEW OF THE YEAR AND FUTURE DEVELOPMENTS

The Foundation works with a joint mission with Shared Interest Society to provide financial services and business support to make livelihoods and living standards better for people as they trade their way out of poverty. The Society is a social lender and the Foundation undertakes a range of activities, all focused on the end goal of supporting and developing producer organisations. We primarily support businesses within the fair trade movement, seeking to ensure that our activity leads to both financial and social benefits within communities. The outcomes of the projects detailed below demonstrate that we have continued to deliver on our aim to support more resilient businesses providing both a social and a financial return in their local communities. Further detail of our impact is contained in our joint social accounts available from the website (see link above).

This year we continued to deliver three projects:

1. **Growing Fairer Futures: Ivory Coast** launched in December 2020. This five-year project continues to support 50 young people (20% female) living in the communities close to cocoa co-operative, Cooperative Agricole de Yakasse Attobrou (CAYAT). The project will enable participants to establish their own cocoa farm, generate a sustainable source of income and contribute to the sustainability of cocoa production in the region. We are now in the third year of this project and the young farmers continue to receive inputs to maintain their farms. The extension officers at CAYAT continue to provide farmers with technical support and guidance to ensure effective management of their farms. The first harvest is expected to begin in November 2023.
2. **Increasing the Resilience of Coffee Farming Households in Rural Uganda** launched in April 2021. This two-year project is supporting 365 coffee farmers (40% women) to increase their household resilience by growing passion fruit and generate an additional source of income. All the participants were trained in Good Agricultural Practices (GAP), climate smart agriculture and organic fertiliser production enabling the farmers to implement farm management practices that improved their coffee yields. The project also extended its support to financial empowerment by delivering training in Village Savings and Loan Association (VSLA) Management. This resulted in the formation of 10 savings groups, with 151 active members (70% women). The main project activities concluded in March 2023 and an external evaluation was conducted in October 2023.
3. **Strengthening Coffee Producers' Resilience to Climate Change** delivered in partnership with Rwandan coffee co-operative, Tropic Coffee Ltd, this two-year project was launched in February 2022. This project is supporting 625 farmers (18% women) to increase their climate resilience and strengthen their coffee farming business. The farmers received training in GAP, climate smart agriculture and organic compost production. Following this, all beneficiary farmers are producing compost in groups, reducing their cost of production and improving coffee quality. In total, 86,050 coffee seedlings and 10,919 shade trees were distributed to the farmers. Currently, 70% of farmers are regularly saving in a SACCO (Savings and Credit Cooperative Organisation) opened by Tropic Coffee.

We launched four new projects during the year:

1. **Growing Fairer Futures Rwanda (Expansion)** launched in October 2022, and enabled us to scale up our pilot project working in partnership with coffee co-operative Kopakama in Rwanda. This one-year project supported 143 young farmers to establish their own sustainably managed coffee farm. In groups, they received tools and farm inputs including 30,000 coffee seedlings. They were trained in GAP, climate smart agriculture and agri-business skills and accessed additional training via the demonstration plots established as part of the pilot project.
2. **Bees for Business Solar Panels in Burkina Faso** was launched in November 2022 and provides additional support to the 50 members of the Benkadi de Dakoro women's group who we supported in 2018 through our Bees for Business project. To enable the group to process honey after dark when the bees are less active, solar panels were installed. Access to electricity has enabled the group to increase the volume of honey they process, thus increasing their income from this activity. They purchased a fridge and have diversified further into the production and sale of fruit juice. The solar panels are also supplying electricity to 20 households, benefitting 318 individuals including 201 children.
3. **Building Resilience of Coffee Farmers in Western Uganda through Agroforestry** launched in April 2023. Working with local coffee co-operative Banyankole Coffee Services (BCS), this project is supporting 300 of their members (26% women). To date, the farmers have been trained in agroforestry, climate resilience and eco-friendly farming practices in preparation for expanding their coffee farms. 12,000 disease and climate resistant coffee seedlings and 4,300 agro-forestry trees have also been distributed among the farmers.
4. **Brian's Legacy ~ SEED Project: Sustainable Empowerment through Enterprise Development in Uganda** launched in September 2023. This project will support 200 economically vulnerable women to grow and process groundnuts into oil, butter and roasted edible nuts to sell on the national market ensuring they receive a higher price for their product, and contributing towards a reduction in household poverty.

Finally, during the year we concluded seven projects:

1. **Growing Fairer Futures: Rwanda** was delivered in partnership with Kopakama, a coffee co-operative based in the Western province of Rwanda. Launched in February 2021, this two-year project supported 50 young farmers to establish a sustainable coffee farm. Each farmer was provided with tools and equipment and training in GAP, climate smart agriculture, and agri-business skills and 70,000 coffee seedlings were also distributed to the farmers. Two demonstration farms were established for the young farmers to receive practical training in coffee farming techniques.
2. **Increasing Economic Opportunities for Women through Soilless Farming, Ghana** launched in February

## TRUSTEES' REPORT

2021. This innovative project supported 60 female basket weavers to diversify their income through the production of vegetables using a soilless farming technique. In partnership with a local organisation, TradeAid Integrated, six farms were established. The participants were trained in soilless farming techniques with support from the Crop Science Department of the University of Ghana. Additional training in agri-business skills, rural entrepreneurship and nutritional education was also delivered. In addition, the project supported TradeAid to renovate a pack house for processing the vegetables after harvest. They were also assisted to purchase two chillers for vegetable storage and preservation. A borehole was dug, providing water for one of the farms, which did not have access to a water source.

3. **Soilless Farming Ghana (Drip Irrigation)** was an additional activity to strengthen the sustainability of our soilless farming project in Ghana. Drip irrigation systems were installed across each of the six farms supplying a timely and accurate volume of water directly to the vegetable plant roots. Shade nets were also purchased for the vegetable farmers to protect their crops from direct exposure to the hot sun.
4. **Ensuring Environmental Protection and Biodiversity Conservation through Income Diversification** launched in April 2022. Working in partnership with Inka Moss, a social enterprise based in the Andean highlands, this project supported 225 harvesters from five communities across the region of Huánuco to increase their income through the harvesting of sphagnum moss, whilst contributing towards the environmental protection and conservation of their region. As well as equipment and training, a winch system was installed to improve the efficiency of the harvesting process, which led to a rapid increase in the volume of moss harvested and the income of the harvesters. Due to interest in the project, the number of communities involved increased to 28 and over 1,000 harvesters received training in sustainable moss harvesting techniques and environmental conservation methods.
5. **Improving Livelihoods through Agro-processing** launched in Burkina Faso in April 2022 in partnership with the National Fair Trade Platform of Burkina Faso (PNCE-B). This value addition project supported 40 female shea nut collectors to increase their income through processing shea into soap and butter to sell on the local and export market. An additional ten women received training in processing néré beans into soumbala, a popular local spice with nutritional and medicinal values.
6. **Seed to Stall: Increasing Self-sustainability through Soilless Vegetable Farming** launched in September 2022 in Burkina Faso. To deliver this project we worked in partnership with PNCE-B and GAFREH, a women-led community organisation based in the city of Bobo-Dioulasso. Through the provision of training and farming equipment, this project supported 200 women to produce organic vegetables using a soilless farming technique. Two greenhouses were constructed and fitted with a solar powered drip irrigation watering system. Badoua Agro-business International, an organisation based in Ouagadougou, who specialises in soilless farm production provided the group with technical support in farm management. The group have grown tomato and chilli plants in the greenhouses and on the surrounding land (donated to this project by the local governor) and made good profit, which was reinvested to grow the

business sustainably.

7. **Seed to Stall: Increasing Self-sustainability through Domestic Soilless Vegetable Farming** launched in September 2022. This project was delivered alongside our other Seed to Stall project in Burkina Faso, and supported an additional 30 women to establish soilless vegetable gardens at their homes to increase household food security and financial resilience.

## LIVELIHOOD SECURITY FUND

The Livelihood Security Fund was relaunched in 2020 to raise restricted funds to help producers in Africa and Latin America who are severely impacted by events outside of their control. A sum of £7,806 (2022: £7,336) was held in this fund at the financial year-end, ready to deploy in appropriate emergencies.

## RESTRICTED INCOME FUNDS

We acknowledge the receipt of restricted funds totalling almost £143k (2022: £93.5k) in our financial statements and details are provided at notes 2 and 3. We are grateful to all the donors who have supported our work in the past year.

## UNRESTRICTED INCOME FUNDS

Unrestricted income for the year was £393k, up from £218k in the previous year, and £201k higher than our budget for the year. Much of this funding is provided by donations and legacies from members of the Shared Interest Society for which the Trustees are especially grateful. A number of the sums donated came from accounts where we are aware, sadly, that the member of Shared Interest Society has died. We would like to extend our deepest sympathy to the families in question and assure you that we will seek to do the very best to honour your relative by putting their generous donation to good use in the Foundation.

The Foundation continues to hold a number of legacy nominations from the members of the Society and the Trustees of the Foundation are thankful to Society members who have indicated that they intend to support the charity by leaving a legacy in this manner.

Diversifying unrestricted income sources has continued to be challenging but we were able to finish the year with an increase in free unrestricted reserves (that is, excluding funds designated to a number of specific projects). We continue to seek new avenues to grow our income, recognising that we cannot only rely on donations from Society' members.

Fundraising costs in the financial statements represent a proportion of staff time, small fees to sites such as JustGiving and, when these occur (nil this year), some small costs of fund-raising events. We are grateful to all those who support our work, individuals, trusts and grant making bodies.

Management costs as a percentage of charitable expenditure were 31.6% (2022: 28.9%) and fundraising costs as a percentage of income were 2.8% (2022: 3.8%). The increase in the first ratio reflects the impact of inflation. The second has fallen with a generous year of income, but does vary annually due to unevenness of income being received. Fund-raising efforts often take some time to come to fruition.

## RISK ASSESSMENT

The Trustees consider that the main risks facing the charity are as below. A variety of tools, systems and procedures are used to mitigate these risks where possible.

1. Major incident during staff travel;
2. Dependence on key personnel, absence, loss or failure to recruit; and

3. Political instability creating operational and/or security issues overseas, impacting income and/or staff safety;

In 2022/23, a full year of travel has been possible again since the pandemic, where necessary, and this has been important as it provides the fullest view of the progress of projects. As noted above, generous funding from a range of different donors this year has meant that the Foundation has been able to increase resources and approve expenditure on new projects for 2023/24.

## **RESERVES AND GOING CONCERN STATUS**

The Trustees have agreed that the reserves policy should be to keep, normally, the equivalent of three to six months unrestricted expenditure as free reserves to cover periods of uneven income or unexpected income shortfalls. The balance on the Unrestricted income fund at the year-end, net of amounts designated for specific projects, represents about six months of forecast unrestricted expenditure, the higher number being deemed appropriate in the current very challenging operational and funding environment.

Based on the financial position at the 30th September and the Business Plan for the 2023/24 year and beyond, the Trustees believe that Shared Interest Foundation is a going concern and these financial statements have been prepared on that basis.

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees (who are also directors of Shared Interest Foundation for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the 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 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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. 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.

The Trustees are responsible for the maintenance and integrity of the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## **STATEMENT OF DISCLOSURE OF INFORMATION TO THE AUDITORS**

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

## **INDEPENDENT AUDITORS**

The charity only has one member, Shared Interest Society, and there is a high degree of overlap between the Boards of both organisations. The charity does not therefore hold an Annual General Meeting but the Board of the Society will re-appoint Armstrong Watson as auditors for the year which began on 1 October 2023.

Signed on behalf of the Board



Y Gale

Chair of Trustees

13 December 2023

# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF SHARED INTEREST FOUNDATION

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### Opinion

We have audited the financial statements of Shared Interest Foundation (the 'charitable company') for the year ended 30 September 2023 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2023 and 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.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the Trustees' Report other than the financial statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the

other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements

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

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- the charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company 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; or
- the Trustees' were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

#### Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 7, the Trustees (who are also the directors of the charitable company 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, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## INDEPENDENT AUDITORS' REPORT

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations and in particular, adherence to the Charities Act;
- we identified the laws and regulations applicable to the charitable company through discussions with Trustees and other management and review of appropriate industry knowledge;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures as a risk assessment tool to identify any unusual or unexpected relationships; and
- tested journal entries to identify unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit

in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Turner (Senior statutory auditor)

### Armstrong Watson Audit Limited

Chartered Accountants  
Statutory Auditors  
Newcastle upon Tyne

Date: 14 December 2023

# STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30 SEPTEMBER 2023

|                                                    | Note | Unrestricted funds | Restricted funds | Total funds    | Total funds     |
|----------------------------------------------------|------|--------------------|------------------|----------------|-----------------|
|                                                    |      | 2023               | 2023             | 2023           | 2022            |
|                                                    |      | £                  | £                | £              | £               |
| <b>Income from:</b>                                |      |                    |                  |                |                 |
| Donations and legacies                             | 2    | 387,202            | 470              | <b>387,672</b> | 217,034         |
| Charitable activities                              | 3    | -                  | 142,451          | <b>142,451</b> | 93,496          |
| Investment income                                  | 4    | 5,869              | -                | <b>5,869</b>   | 755             |
| <b>Total income</b>                                |      | <b>393,071</b>     | <b>142,921</b>   | <b>535,992</b> | <b>311,285</b>  |
| <b>Expenditure on:</b>                             |      |                    |                  |                |                 |
| Raising funds                                      | 7    | 14,939             | -                | <b>14,939</b>  | 12,062          |
| Charitable activities                              | 5, 6 | 216,921            | 119,222          | <b>336,143</b> | 323,376         |
| <b>Total expenditure</b>                           |      | <b>231,860</b>     | <b>119,222</b>   | <b>351,082</b> | <b>335,438</b>  |
| <b>Net income / (expenditure) before transfers</b> |      | <b>161,211</b>     | <b>23,699</b>    | <b>184,910</b> | <b>(24,153)</b> |
| Transfers between funds                            |      | -                  | -                | -              | -               |
| <b>Net income / (expenditure)</b>                  |      | <b>161,211</b>     | <b>23,699</b>    | <b>184,910</b> | <b>(24,153)</b> |
| <b>Net movement in funds</b>                       |      | <b>161,211</b>     | <b>23,699</b>    | <b>184,910</b> | <b>(24,153)</b> |
| <b>Reconciliation of funds:</b>                    |      |                    |                  |                |                 |
| Total funds at 1 October                           |      | 256,260            | 103,859          | <b>360,119</b> | 384,272         |
| <b>Total funds at 30 September</b>                 |      | <b>417,471</b>     | <b>127,558</b>   | <b>545,029</b> | <b>360,119</b>  |

All activities relate to continuing operations.

The notes on pages 13 to 19 form part of these financial statements.

# STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30 SEPTEMBER 2022

| Previous Financial Year                          | Unrestricted funds | Restricted funds | Total funds     |
|--------------------------------------------------|--------------------|------------------|-----------------|
|                                                  | 2022               | 2022             | 2022            |
|                                                  | £                  | £                | £               |
| <b>Income from:</b>                              |                    |                  |                 |
| Donations and legacies                           | 217,034            | -                | 217,034         |
| Charitable activities                            | -                  | 93,496           | 93,496          |
| Investment income                                | 755                | -                | 755             |
| <b>Total income</b>                              | <b>217,789</b>     | <b>93,496</b>    | <b>311,285</b>  |
| <b>Expenditure on:</b>                           |                    |                  |                 |
| Raising funds                                    | 12,062             | -                | 12,062          |
| Charitable activities                            | 259,706            | 63,670           | 323,376         |
| <b>Total expenditure</b>                         | <b>271,768</b>     | <b>63,670</b>    | <b>335,438</b>  |
| <b>Net income/(expenditure) before transfers</b> | <b>(53,979)</b>    | <b>29,826</b>    | <b>(24,153)</b> |
| Transfers between funds                          | -                  | -                | -               |
| <b>Net income/(expenditure)</b>                  | <b>(53,979)</b>    | <b>29,826</b>    | <b>(24,153)</b> |
| <b>Net movement in funds</b>                     | <b>(53,979)</b>    | <b>29,826</b>    | <b>(24,153)</b> |
| <b>Reconciliation of funds:</b>                  |                    |                  |                 |
| Total funds at 1 October                         | 310,239            | 74,033           | 384,272         |
| <b>Total funds at 30 September</b>               | <b>256,260</b>     | <b>103,859</b>   | <b>360,119</b>  |

# BALANCE SHEET

AT 30 SEPTEMBER 2023

|                                                       | Note       | 2023<br>£       | 2022<br>£       |
|-------------------------------------------------------|------------|-----------------|-----------------|
| <b>Current assets</b>                                 |            |                 |                 |
| Debtors and prepayments                               | 11         | 2,877           | 10,211          |
| Cash at bank and in hand                              | 12         | 195,876         | 276,800         |
| Deposits with credit institutions                     | 13         | 369,076         | 109,265         |
| <b>Total current assets</b>                           |            | <b>567,829</b>  | <b>396,276</b>  |
| <b>Creditors: amounts falling due within one year</b> | 14         | <b>(22,800)</b> | <b>(36,157)</b> |
| <b>Net current assets</b>                             |            | <b>545,029</b>  | <b>360,119</b>  |
| <b>Net assets</b>                                     |            | <b>545,029</b>  | <b>360,119</b>  |
| <b>Charity funds</b>                                  |            |                 |                 |
| Restricted funds                                      | 15, 16, 17 | 127,558         | 103,859         |
| Unrestricted designated funds                         | 15, 17     | 322,153         | 121,615         |
| Unrestricted funds                                    | 15, 17     | 95,318          | 134,645         |
| <b>Total funds</b>                                    |            | <b>545,029</b>  | <b>360,119</b>  |

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A – small entities.

The financial statements were approved and authorised for issue by the Board on 13 December 2023.

Signed on behalf of the Board of Trustees

Y. Gale

Chair of Trustees



The notes on pages 13 to 19 form part of these financial statements.

Company registration number: 4833073

# NOTES TO THE FINANCIAL STATEMENTS

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### (1.1) Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £1. The financial statements are prepared on a going concern basis as the charity has sufficient funding and activity to take it through 2024.

Shared Interest Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

### (1.2) Company status

The company is limited by guarantee and has no share capital. In the event of a winding up every member undertakes to contribute such amount as may be required not exceeding the total of £1. There was one member at 30 September 2023, Shared Interest Society Ltd.

### (1.3) Fund accounting

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements. Investment income, gains and losses are allocated to the appropriate fund.

### (1.4) Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

### (1.5) Expenditure

Expenditure is recognised when there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and include attributable VAT which cannot be recovered. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Charitable expenditure includes those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.

### (1.6) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the bank.

### (1.7) Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount repaid net of any trade discounts due.

### (1.8) Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

### (1.9) Creditors and provisions

Creditors and provisions are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

### (1.10) Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

### (1.11) Cash flow statement

The Company has taken advantage of the exemption in FRS 102 from the requirement to prepare a cash flow statement on the grounds that it is a small company.

### (1.12) Foreign currency transactions

Monetary assets and liabilities denominated in foreign currencies are stated in the balance sheet at the equivalent value in sterling at the exchange rate prevailing at the balance sheet date. Transactions during the year denominated in foreign currencies are stated at their equivalent value in sterling at the exchange rate prevailing at the date of the transaction.

### (1.13) Pensions

Employees of the Foundation are entitled to membership of the Shared Interest Group Personal Pension Plan. This is a defined contribution scheme with 9% of salary payable by the Charity and charged to the Income and Expenditure Account in the year relating to the salary cost.

## NOTES TO THE FINANCIAL STATEMENTS

### 2. INCOME FROM DONATIONS AND LEGACIES

|                      | Unrestricted   | Restricted | Total          | Total          |
|----------------------|----------------|------------|----------------|----------------|
|                      | funds          | funds      | funds          | funds          |
|                      | 2023           | 2023       | 2023           | 2022           |
|                      | £              | £          | £              | £              |
| Individuals          | 382,823        | 470        | 383,293        | 213,074        |
| Trusts and corporate | 4,379          | -          | 4,379          | 3,960          |
|                      | <u>387,202</u> | <u>470</u> | <u>387,672</u> | <u>217,034</u> |

In 2022, of the total income from donations and legacies, £217,034 related to unrestricted funds and nil related to restricted funds.

### 3. INCOME FROM CHARITABLE ACTIVITIES

|                                                                               | Unrestricted | Restricted     | Total          | Total         |
|-------------------------------------------------------------------------------|--------------|----------------|----------------|---------------|
|                                                                               | funds        | funds          | funds          | funds         |
|                                                                               | 2023         | 2023           | 2023           | 2022          |
|                                                                               | £            | £              | £              | £             |
| Anonymous - Bees for Business: Supporting Growth Through Solar Energy         | -            | -              | -              | 20,000        |
| Brian Taylor Fund - Sustainable Empowerment Through Enterprise Development    | -            | 120,000        | 120,000        | -             |
| Charles Hayward Foundation - Expansion of Growing Fairer Futures Rwanda       | -            | -              | -              | 15,000        |
| Evan Cornish Foundation - Seed to Stall (ECF)                                 | -            | -              | -              | 8,000         |
| Guernsey Overseas Aid & Development - Seed to Stall (GOA)                     | -            | 22,451         | 22,451         | 22,451        |
| The Marr-Munning Trust - Coffee Farming Uganda                                | -            | -              | -              | 21,500        |
| The Peter Stebbings Memorial Charity - Ghana Soilless Farming Drip Irrigation | -            | -              | -              | 6,545         |
|                                                                               | <u>-</u>     | <u>142,451</u> | <u>142,451</u> | <u>93,496</u> |

In 2022, of the total income from charitable activities, £93,496 related to restricted funds.

### 4. INVESTMENT INCOME

|                   | Unrestricted | Restricted | Total        | Total      |
|-------------------|--------------|------------|--------------|------------|
|                   | funds        | funds      | funds        | funds      |
|                   | 2023         | 2023       | 2023         | 2022       |
|                   | £            | £          | £            | £          |
| Interest received | 5,869        | -          | 5,869        | 755        |
|                   | <u>5,869</u> | <u>-</u>   | <u>5,869</u> | <u>755</u> |

In 2022, of the total investment income, £755 related to unrestricted funds.

## 5. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

|                                                             | Activities undertaken directly | Grant funding of activities | Support costs  | Total 2023            | Total 2022     |
|-------------------------------------------------------------|--------------------------------|-----------------------------|----------------|-----------------------|----------------|
|                                                             | £                              | £                           | £              | £                     | £              |
| Bees for Business Supporting Growth Through Solar Energy    | 660                            | 18,787                      | 9,300          | <b>28,747</b>         | -              |
| Building Resilience of Coffee Farmers Through Agroforestry  | 19,232                         | -                           | 9,009          | <b>28,241</b>         | -              |
| Coffee Farming Uganda                                       | 2,309                          | 12,593                      | 6,852          | <b>21,754</b>         | 44,922         |
| Dakoro Warehouse                                            | -                              | -                           | -              | -                     | 3,505          |
| Environmental Protection and Biodiversity                   | 12,394                         | -                           | 5,797          | <b>18,191</b>         | 48,380         |
| Expansion of Growing Fairer Futures Rwanda                  | 713                            | 13,944                      | 7,000          | <b>21,657</b>         | -              |
| Growing Fairer Futures Cote d'Ivoire                        | 1,723                          | 5,907                       | 3,439          | <b>11,069</b>         | 25,690         |
| Growing Fairer Futures Rwanda                               | 4,201                          | -                           | 1,783          | <b>5,984</b>          | 18,371         |
| Improving Coffee Production in Peru                         | 2,497                          | -                           | 922            | <b>3,419</b>          | 24,992         |
| Improving Livelihoods Through Agro-processing               | 8,944                          | -                           | 4,146          | <b>13,090</b>         | 33,994         |
| Livelihood Security Fund                                    | 1,191                          | -                           | 418            | <b>1,609</b>          | -              |
| New projects                                                | 7,216                          | -                           | 2,893          | <b>10,109</b>         | 6,263          |
| Seed to Stall ECF                                           | 1,440                          | 5,154                       | 2,907          | <b>9,501</b>          | 8,550          |
| Seed to Stall GOA                                           | 4,269                          | 37,199                      | 19,510         | <b>60,978</b>         | 26,655         |
| Soilless Farming - Drip Irrigation                          | 2,466                          | 3,992                       | 2,822          | <b>9,280</b>          | 7,509          |
| Strengthening Coffee Producers Resilience to Climate Change | 22,167                         | -                           | 10,385         | <b>32,552</b>         | 27,244         |
| Sustainable Empowerment Through Enterprise Development      | 3,433                          | 14,323                      | 8,187          | <b>25,943</b>         | -              |
| Women in Nicaragua Organic Sesame Farming                   | (492)                          | 7,323                       | 3,232          | <b>10,063</b>         | 13,944         |
| Women in Soilless Farming Ghana                             | 16,296                         | -                           | 7,660          | <b>23,956</b>         | 33,357         |
|                                                             | <u>110,659</u>                 | <u>119,222</u>              | <u>106,262</u> | <u><b>336,143</b></u> | <u>323,376</u> |

## NOTES TO THE FINANCIAL STATEMENTS

### 6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

|                                                             | Unrestricted funds | Restricted funds | Total                 | Total          |
|-------------------------------------------------------------|--------------------|------------------|-----------------------|----------------|
|                                                             | 2023               | 2023             | 2023                  | 2022           |
|                                                             | £                  | £                | £                     | £              |
| Bees for Business Supporting Growth Through Solar Energy    | 9,960              | 18,787           | <b>28,747</b>         | -              |
| Building Resilience of Coffee Farmers Through Agroforestry  | 28,241             | -                | <b>28,241</b>         | -              |
| Coffee Farming Uganda                                       | 9,161              | 12,593           | <b>21,754</b>         | 44,922         |
| Dakoro Warehouse                                            | -                  | -                | -                     | 3,505          |
| Environmental Protection and Biodiversity                   | 18,191             | -                | <b>18,191</b>         | 48,380         |
| Expansion of Growing Fairer Futures Rwanda                  | 7,713              | 13,944           | <b>21,657</b>         | -              |
| Growing Fairer Futures Cote d'Ivoire                        | 5,162              | 5,907            | <b>11,069</b>         | 25,690         |
| Growing Fairer Futures Rwanda                               | 5,984              | -                | <b>5,984</b>          | 18,371         |
| Improving Coffee Production in Peru                         | 3,419              | -                | <b>3,419</b>          | 24,992         |
| Improving Livelihoods Through Agro-processing               | 13,090             | -                | <b>13,090</b>         | 33,994         |
| Livelihood Security Fund                                    | 1,609              | -                | <b>1,609</b>          | -              |
| New projects                                                | 10,109             | -                | <b>10,109</b>         | 6,263          |
| Seed to Stall ECF                                           | 4,347              | 5,154            | <b>9,501</b>          | 8,550          |
| Seed to Stall GOA                                           | 23,779             | 37,199           | <b>60,978</b>         | 26,655         |
| Soilless Farming - Drip Irrigation                          | 5,288              | 3,992            | <b>9,280</b>          | 7,509          |
| Strengthening Coffee Producers Resilience to Climate Change | 32,552             | -                | <b>32,552</b>         | 27,244         |
| Sustainable Empowerment Through Enterprise Development      | 11,620             | 14,323           | <b>25,943</b>         | -              |
| Women in Nicaragua Organic Sesame Farming                   | 2,740              | 7,323            | <b>10,063</b>         | 13,944         |
| Women in Soilless Farming Ghana                             | 23,956             | -                | <b>23,956</b>         | 33,357         |
|                                                             | <u>216,921</u>     | <u>119,222</u>   | <u><b>336,143</b></u> | <u>323,376</u> |

In 2022, of the total expenditure, £259,706 was expenditure from unrestricted funds and £63,670 was expenditure from restricted funds.

## NOTES TO THE FINANCIAL STATEMENTS

### 7. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

|                                                             | Staff costs   | Other costs    | Total          | Total          |
|-------------------------------------------------------------|---------------|----------------|----------------|----------------|
|                                                             | 2023          | 2023           | 2023           | 2022           |
|                                                             | £             | £              | £              | £              |
| <b>Expenditure on:</b>                                      |               |                |                |                |
| <b>Raising funds</b>                                        | <u>14,076</u> | <u>863</u>     | <u>14,939</u>  | <u>12,062</u>  |
| <b>Charitable activities</b>                                |               |                |                |                |
| Bees for Business Supporting Growth Through Solar Energy    | 3,511         | 25,236         | 28,747         | -              |
| Building Resilience of Coffee Farmers Through Agroforestry  | 4,680         | 23,561         | 28,241         | -              |
| Coffee Farming Uganda                                       | 4,451         | 17,303         | 21,754         | 44,922         |
| Dakoro Warehouse                                            | -             | -              | -              | 3,505          |
| Environmental Protection and Biodiversity                   | 3,070         | 15,121         | 18,191         | 48,380         |
| Expansion of Growing Fairer Futures Rwanda                  | 2,703         | 18,954         | 21,657         | -              |
| Growing Fairer Futures Cote d'Ivoire                        | 2,731         | 8,338          | 11,069         | 25,690         |
| Growing Fairer Futures Rwanda                               | 2,209         | 3,775          | 5,984          | 18,371         |
| Improving Coffee Production in Peru                         | 2,201         | 1,218          | 3,419          | 24,992         |
| Improving Livelihoods Through Agro-processing               | 2,462         | 10,628         | 13,090         | 33,994         |
| Livelihood Security Fund                                    | 1,191         | 418            | 1,609          | -              |
| New projects                                                | 4,896         | 5,213          | 10,109         | 6,263          |
| Seed to Stall ECF                                           | 2,777         | 6,724          | 9,501          | 8,550          |
| Seed to Stall GOA                                           | 9,546         | 51,432         | 60,978         | 26,655         |
| Soilless Farming - Drip Irrigation                          | 2,871         | 6,409          | 9,280          | 7,509          |
| Strengthening Coffee Producers Resilience to Climate Change | 5,388         | 27,164         | 32,552         | 27,244         |
| Sustainable Empowerment Through Enterprise Development      | 5,160         | 20,783         | 25,943         | -              |
| Women in Nicaragua Organic Sesame Farming                   | 1,458         | 8,605          | 10,063         | 13,944         |
| Women in Soilless Farming Ghana                             | 3,790         | 20,166         | 23,956         | 33,357         |
|                                                             | <u>65,095</u> | <u>271,048</u> | <u>336,143</u> | <u>323,376</u> |
|                                                             | <u>79,171</u> | <u>271,911</u> | <u>351,082</u> | <u>335,438</u> |

### 8. SUPPORT COSTS

|                                                      | 2023           | 2022          |
|------------------------------------------------------|----------------|---------------|
|                                                      | £              | £             |
| Office costs including training                      | 22,726         | 20,710        |
| Wages and salaries                                   | 18,953         | 6,690         |
| Support services provided by Shared Interest Society | 49,250         | 49,718        |
| Marketing costs                                      | 11,733         | 12,590        |
| Governance costs                                     | 3,600          | 3,600         |
|                                                      | <u>106,262</u> | <u>93,308</u> |

### 9. NET INCOME / EXPENDITURE

This is stated after charging:

|                                         | 2023         | 2022         |
|-----------------------------------------|--------------|--------------|
|                                         | £            | £            |
| Auditors' remuneration (audit services) | <u>3,600</u> | <u>3,600</u> |

## NOTES TO THE FINANCIAL STATEMENTS

### 10. STAFF COSTS

|                                                                                      |               |               |
|--------------------------------------------------------------------------------------|---------------|---------------|
| Staff costs were as follows:                                                         | <b>2023</b>   | <b>2022</b>   |
|                                                                                      | <b>£</b>      | <b>£</b>      |
| Wages and salaries                                                                   | <b>78,437</b> | 75,110        |
| Social security costs                                                                | <b>2,857</b>  | 2,612         |
| Defined contribution pension costs                                                   | <b>2,669</b>  | 2,557         |
|                                                                                      | <b>83,963</b> | <b>80,279</b> |
| Average monthly number of employees (none of whom are Trustees) during the year was: | <b>2023</b>   | <b>2022</b>   |
|                                                                                      | <b>Number</b> | <b>Number</b> |
| Raising funds                                                                        | <b>1</b>      | 1             |
| Charitable activities                                                                | <b>1</b>      | 1             |
|                                                                                      | <b>2</b>      | <b>2</b>      |

No individual employee's emoluments exceeded £60,000 for either year shown. No pension contributions were payable by the Foundation in respect of the Trustees in either year shown.

The Trustees neither received nor waived any remuneration during the year (2022: £Nil). The Trustees did not have any expenses reimbursed during the year (2022: £Nil).

### 11. DEBTORS AND PREPAYMENTS

|                |              |               |
|----------------|--------------|---------------|
|                | <b>2023</b>  | <b>2022</b>   |
|                | <b>£</b>     | <b>£</b>      |
| Prepayments    | <b>288</b>   | 525           |
| Accrued income | <b>2,589</b> | 9,686         |
|                | <b>2,877</b> | <b>10,211</b> |

### 12. CASH AT BANK AND IN HAND

|                          |                |                |
|--------------------------|----------------|----------------|
|                          | <b>2023</b>    | <b>2022</b>    |
|                          | <b>£</b>       | <b>£</b>       |
| Cash at bank and in hand | <b>195,876</b> | 276,800        |
|                          | <b>195,876</b> | <b>276,800</b> |

### 13. DEPOSITS WITH CREDIT INSTITUTIONS

|                                                  |                |                |
|--------------------------------------------------|----------------|----------------|
|                                                  | <b>2023</b>    | <b>2022</b>    |
|                                                  | <b>£</b>       | <b>£</b>       |
| Deposits repayable in not more than three months | <b>256,475</b> | 27             |
| Deposits repayable in not more than one year     | <b>112,601</b> | 109,238        |
|                                                  | <b>369,076</b> | <b>109,265</b> |

### 14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                                    |               |               |
|------------------------------------|---------------|---------------|
|                                    | <b>2023</b>   | <b>2022</b>   |
|                                    | <b>£</b>      | <b>£</b>      |
| Amounts owed to group undertakings | <b>12,310</b> | 25,985        |
| Accruals                           | <b>10,490</b> | 8,273         |
| Trade creditors                    | -             | 1,899         |
|                                    | <b>22,800</b> | <b>36,157</b> |

## NOTES TO THE FINANCIAL STATEMENTS

### 15. CHARITY FUNDS

|                     | Restricted funds | Unrestricted and designated funds | Total funds    | Total funds    |
|---------------------|------------------|-----------------------------------|----------------|----------------|
|                     | 2023             | 2023                              | 2023           | 2022           |
|                     | £                | £                                 | £              | £              |
| Current assets      | 127,558          | 440,271                           | 567,829        | 396,276        |
| Current liabilities | -                | (22,800)                          | (22,800)       | (36,157)       |
|                     | <u>127,558</u>   | <u>417,471</u>                    | <u>545,029</u> | <u>360,119</u> |

In 2022, of current assets £103,859 was restricted and £292,417 were unrestricted and designated funds and of current liabilities £36,157 was unrestricted and designated.

### 16. RESTRICTED FUNDS

Restricted income funds carried forward at the end of the financial year comprise:

|                                                           | 2023           | 2022           |
|-----------------------------------------------------------|----------------|----------------|
|                                                           | £              | £              |
| Bees for Business: Supporting Growth Through Solar Energy | 1,212          | 20,000         |
| Coffee Farming Uganda                                     | 2,483          | 15,076         |
| Expansion of Growing Fairer Futures Rwanda                | 1,056          | 15,000         |
| Growing Fairer Futures Cote d'Ivoire                      | 14,054         | 19,961         |
| Livelihood Security Fund                                  | 7,806          | 7,336          |
| Seed to Stall ECF                                         | -              | 5,154          |
| Seed to Stall GOA                                         | (4,730)        | 10,018         |
| Soilless Farming - Drip Irrigation                        | -              | 3,992          |
| Sustainable Empowerment Through Enterprise Development    | 105,677        | -              |
| Women in Nicaragua Organic Sesame Farming                 | -              | 7,322          |
|                                                           | <u>127,558</u> | <u>103,859</u> |

The negative balance on Seed to Stall GOA represents a final retention released by the funder, Guernsey Overseas Aid & Development, at the end of the project in October 2023.

### 17. MOVEMENT IN FUNDS

|                               | Balance at 1 October 2022 | Income         | Expenditure      | Transfer between funds | Designation of funds | Balance at 30 September 2023 |
|-------------------------------|---------------------------|----------------|------------------|------------------------|----------------------|------------------------------|
|                               | £                         | £              | £                | £                      | £                    | £                            |
| Unrestricted Income funds     | 134,645                   | 393,071        | (162,398)        | -                      | (270,000)            | 95,318                       |
| Unrestricted designated funds | 121,615                   | -              | (69,462)         | -                      | 270,000              | 322,153                      |
| Restricted Income funds       | 103,859                   | 142,921        | (119,222)        | -                      | -                    | 127,558                      |
|                               | <u>360,119</u>            | <u>535,992</u> | <u>(351,082)</u> | <u>-</u>               | <u>-</u>             | <u>545,029</u>               |

In 2022 the Trustees designated a further £42,374 to a project which is ongoing. The Trustees have designated a further sum of £270,000 at the year-end for other projects.

### 18. ULTIMATE PARENT COMPANY

The ultimate parent undertaking and controlling party of Shared Interest Foundation is Shared Interest Society Ltd (a Registered Society in the UK, registration number IP27093R) by virtue of Shared Interest Society Ltd being the only member of the Foundation. The financial statements of Shared Interest Society Ltd are available from the registered office of Shared Interest Foundation, as shown on page 3.



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# Accounts

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# **TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
30 SEPTEMBER 2022**

Shared Interest Foundation is a  
charitable company limited by guarantee  
Registered Company Number: 4833073  
Registered Charity Number: 1102375

# SHARED INTEREST FOUNDATION

## ANNUAL REPORT 2022

### Contents

|                                      |    |
|--------------------------------------|----|
| Legal and Administrative Information | 3  |
| Trustees' Report                     | 4  |
| Independent Auditors' Report         | 8  |
| Statement of Financial Activities    | 10 |
| Balance Sheet                        | 12 |
| Notes to the Financial Statements    | 13 |

# LEGAL & ADMINISTRATIVE INFORMATION

## LEGAL STATUS

The organisation is a charitable company limited by guarantee (registered company number 4833073), incorporated on 15 July 2003 and registered as a charity on 27 February 2004 (registered charity number 1102375).

The company was established under a Memorandum of Association (15 July 2003) which sets out the objectives and powers of the charitable company and is governed under its Articles of Association (15 July 2003).

## DIRECTORS AND ADVISERS

### for the year ended 30 September 2022

The Directors of the company, who are also the Trustees of the charity, who were in office during the year were:

|                                        | Year appointed |
|----------------------------------------|----------------|
| M Coyle (Chair)                        | 2015           |
| DP Alexander                           | 2006           |
| R Anderson (appointed October 2020)    | 2020           |
| PG Chandler (retired March 2022)       | 2013           |
| MP Kyndt (retired March 2022)          | 2012           |
| Y Gale                                 | 2019           |
| C Talens                               | 2019           |
| MJF Duncan (appointed December 2021)   | 2021           |
| JCP Valentin (appointed December 2021) | 2021           |

## Company Secretary

TD Morgan

## Independent Auditors

Armstrong Watson Audit Limited

Suite 15 & 17

11 Waterloo Street

Newcastle upon Tyne

NE1 4DP

## Principal and Registered Office

Pearl Assurance House

7 New Bridge Street West

Newcastle upon Tyne

NE1 8AQ

# TRUSTEES' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2022

The Trustees present their report and audited financial statements for the year. This report has been prepared in accordance with the special provisions relating to small companies within the Companies Act 2006.

## GOVERNING DOCUMENT AND ORGANISATION

The company is governed by its Memorandum and Articles of Association. It is also a registered charity. The day-to-day running of the company is overseen by the Board of Trustees.

## PRINCIPAL AIMS AND OBJECTIVES

The objectives of the Foundation are to:

- advance education and training; and
- to relieve poverty, sickness and distress in all parts of the world in all respects for the benefit of the public in accordance with the law of charity in England and Wales.

In order to deliver these objectives, we aim to improve livelihoods through the development of sustainable businesses and income generation initiatives across Africa and Latin America. We deliver social impact projects and provide business support to smallholder producer groups. We believe that strong and well-managed businesses create employment opportunities and increase the income of producers and workers, resulting in an improvement in their quality of life.

Our Shared Interest Theory of Change which is shared by the Society and Foundation, describes how we aim to build resilient businesses that in turn provide benefits to local communities. This is explained in more detail in our social accounts available on the website <https://www.shared-interest.com/gb/invest/about-us/publications>

We have referred to the guidance from the Charity Commission on public benefit when reviewing our aims and objectives and in planning our future activities and believe that we comply with this. A summary report of the projects demonstrating this is given on page 5. The principal and registered office of the Foundation is shown on page 3.

## APPOINTMENT OF DIRECTORS

The Directors of the company who served during the financial year are listed on page 3. They are appointed to the Board by resolution of the member - that is, Shared Interest Society Ltd ("SIS"). Following election they receive induction training including review of documents and policies, meeting staff and receiving briefings from key personnel. As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force.

## OTHER EXTERNAL APPOINTMENTS

Below are shown the external directorships/trusteeships of the members of the Board of Directors and Senior Management Team.

All below, except Kerrey Baker, are Directors of Shared Interest Society Limited. Tim Morgan is the Company Secretary of the Foundation but is not a director.

|                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Patricia Alexander ** | Newcastle High School for Girls (Chair of Governors), St Oswald's Primary School, South Shields (Governor), Newcastle Business School Advisory Board                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Tim Morgan **         | Ecology Building Society, Northern Dance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Mary Coyle            | Newcastle University Retirement Benefits Plan, Northumbrian Water Forum (member)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Martin Kyndt          | Fitzroy Support, Sussex Wildlife Trust                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Yvonne Gale           | NEL Fund Managers Ltd (Director)<br>(The appointments below in italics are dormant or semi-dormant entities linked to the above appointment).<br><i>NE Growth (ERDF) General Partner Ltd (Director), NE Growth (ERDF) Carried Interest Partner Ltd (Director), NE Small Loan (ERDF) General Partner Ltd (Director), NEGF General Partner Ltd (Director), NEL EOT Ltd (Director), Northern Enterprise Limited (Director), NEGF Carried interest LLP (Designated Member)</i><br>Institute of Chartered Accountants in England and Wales, Members and Commercial Board (Member), Northern Society of Chartered Accountants (President), Millfield House Foundation (Trustee and Chair of Investment Committee), North East England Chamber of Commerce (Director and Chair of Investment Committee), North East Local Enterprise Partnership - Business Growth Board (Member), Durham University MBA Advisory Board (Member), Office of the Small Business Commissioner (Chair), Prompt Payment Code Compliance Board (Chair) |
| Cristina Talens       | Source Sustainable Supply Chains Ltd, Leek Gears Limited,<br>Director of Business Risk Assessments at the Wilberforce Institute (University of Hull)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Richard Anderson      | Marston Legal Services Limited, Engage Services (ESL) Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Melissa Duncan        | Fairtrade International, Executive Director<br>Talullah Love Limited, Director<br>Bondsteel Limited, Director                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Paul Valentin         | None                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Kerrey Baker *        | Millin Trust                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

\*\* Member of Senior Management Team and Board

\* Member of Senior Management Team

### CORPORATE GOVERNANCE

As noted above, the Board of Shared Interest Foundation has a large overlap with that of the member organisation, Shared Interest Society. Due to this fact a number of the committees of the Society Board are common to both organisations – notably the Audit, Nomination and Remuneration committees. The statutory accounts of the Society contain a detailed report of these committees and this has not been replicated here but is available in those accounts from the Publications section of the website. Alongside those there is also a report assessing compliance with the Charity Corporate Governance Code and this similarly applies to the Boards of both organisations.

### REVIEW OF THE YEAR AND FUTURE DEVELOPMENTS

The Foundation works with a joint mission with Shared Interest Society to provide financial services and business support to make livelihoods and living standards better for people as they trade their way out of poverty. The Society is a social lender and the Foundation undertakes a range of activities, all focused on the end goal of supporting and developing producer organisations. We primarily support businesses within the fair trade movement, seeking to ensure that our activity leads to both financial and social benefits within communities. The outcomes of the projects detailed below demonstrate that we have continued to deliver on our aim to support more resilient businesses providing both a social and a financial return in their local communities. Further detail of our impact is contained in our joint social accounts available from the website (see link above).

This year we continued to deliver five projects:

1. **Growing Fairer Futures: Ivory Coast** launched in December 2020. This five-year project is supporting 50 young people (20% female) living in the communities close to cocoa co-operative, Cooperative Agricole de Yakasse Attobrou (CAYAT). The project will enable participants to establish their own cocoa farm, generate a sustainable source of income and contribute to the sustainability of cocoa production in the region. Each farmer was provided with 750 cocoa trees and a selection of farming tools. They also received training in Good Agricultural Practices, Climate Smart Agriculture (CSA) and Agri-business skills. The farmers are continuing with regular farm maintenance activities to support the growth of their coffee trees and their first harvest is expected in 2024.
2. **Growing Fairer Futures: Rwanda** is delivered in partnership with Kopakama, a coffee co-operative based in the Western province of Rwanda. Launched in February 2021, this two-year project is supporting 50 young farmers to establish a sustainable coffee farm. Each farmer was provided with tools and equipment and training in Good Agricultural Practices, Climate Smart Agriculture, and Agri-business skills. Six nurseries were established and planted with a total of 70,000 coffee seedlings. Two demonstration plots were also established.
3. **Increasing the Resilience of Coffee Farming Households in Rural Uganda** launched in April 2021. This two-year project is supporting 365 coffee farmers (40% women) to increase their household resilience by growing passion fruit, to generate a second source of income. In partnership with Bukonzo Organic Coffee Co-operative farmers have improved their coffee production through training in Good Agricultural Practices and Climate Smart Agriculture. The farmers are now working

in small groups of 20 to continue the production of organic compost.

4. **Increasing Economic Opportunities for Women through Soilless Farming, Ghana** launched in February 2021. This innovative project supports female basket weavers to diversify their income through the production of vegetables using a soilless farming technique. Working in partnership with a local organisation, TradeAID Integrated, we have enabled the refurbishment of a warehouse for vegetables and helped establish six vegetable farms. Sixty basket weavers were trained in rural entrepreneurship and soilless farming techniques. To increase TradeAID Integrated's technical capacity in this new farming method, we also collaborated with the University of Ghana Crop Science Department.
5. **Building Sustainable Livelihoods for Women in rural Nicaragua through Organic Sesame Farming** launched in April 2021. Working in partnership with local sesame co-operative, Coproexnic, we supported 40 women living in rural Nicaragua to grow organic sesame to achieve a sustainable source of income. Training in Good Agricultural Practices was delivered by a representative from the Agricultural Protection and Health Institute and practical demonstrations in organic fertiliser production were delivered by a consultant from the Food Safety Office. The group had their first sesame harvest in January 2022. In total, 16.7 tonnes of sesame was harvested with a value of over 24,000 USD.

We also launched six new projects during the year:

- a. **Ensuring Environmental Protection and Biodiversity Conservation through Income Diversification** launched in April 2022. Working in partnership with Inka Moss, a social enterprise based in the Andean highlands, we are supporting 1,125 potato farmers to also harvest moss in five communities to earn extra income. We have provided tools and equipment, followed by training in sustainable moss harvesting techniques. Winches were also installed to transport the moss sacks across the valleys to the villages, when previously they would have been carried on the back of the harvester. Next year, training will be delivered in environmental awareness and conservation.
- b. **Strengthening Coffee Producers' Resilience to Climate Change** is being delivered in partnership with Rwandan coffee co-operative, Tropic Coffee. Launched in February 2022 this project is supporting 625 farmers to increase their climate resilience and strengthen their coffee farming business. Training was delivered in Good Agricultural Practices, Climate Smart Agriculture and organic fertiliser production. Demonstration plots were also established for practical training in sustainable farming skills. Nursery beds were planted with 40,000 coffee seedlings and 41,500 fruit and shade trees. These trees will be distributed in November 2023 and planted on the farms to increase soil stability and reduce erosion.
- c. **Improving Livelihoods through Agro-processing** launched in Burkina Faso in April 2022 in partnership with the National Fair Trade Platform of Burkina Faso (PNCE-B). This project is supporting 40 female shea nut collectors to increase their income through agro-processing. Following training in shea soap and butter production, the women were provided with production kits and with support from local shea co-operative COPRONOS, they are selling locally and internationally. A further ten women received training in processing néré beans into soumbala, a popular local spice.
- d. **Seed to Stall: Increasing Self-sustainability through Soilless Vegetable Farming** launched in September 2022 in Burkina Faso. To deliver this project we are working

## TRUSTEES' REPORT

in partnership with PNCE-B and GAFREH, a women-led community organisation based in the city of Bobo-Dioulasso, who provide support to over 6,000 women through enterprise development and the creation of employment opportunities. The project will establish an organic vegetable business. This project is supporting 200 women living in the semi-urban areas around Bobo-Dioulasso.

**e. Seed to Stall: Increasing Self-sustainability through Domestic Soilless Vegetable Farming** launched in September 2022. This project is being delivered alongside our other Seed to Stall project in Burkina Faso (see above), and is supporting a further 30 women in the domestic production of organic vegetables using the soilless farming technique. The vegetables will provide food for the women and their families, with the surplus sold on the local market for additional income.

**f. Soilless Farming Ghana (Drip Irrigation)** is an additional activity to strengthen the sustainability of our soilless farming project (4 in Ghana). Funding was secured to install drip irrigation systems across each farm supplying a timely and accurate volume of water directly to the vegetable plant roots. This activity began in September 2022, helping to maintain year-round production and achieve a more reliable food supply.

Finally, during the year we concluded one project:

**Improving Organic Coffee Production in Peru** launched in March 2021 and supported coffee co-operative CECAFE, in the Amazonas region of northern Peru, to implement eco-friendly methods for managing the coffee borer beetle, which had increased in prevalence due to the impact of climate change. The project also helped establish infrastructure for the production of organic compost, which was sold in 50kg bags to the farmers at low cost. Throughout this project, 247 tonnes of compost was produced and 4,941 50kg bags were sold to 386 farmers and applied to 494 hectares of land.

### LIVELIHOOD SECURITY FUND

The Livelihood Security Fund was relaunched in 2020 to raise restricted funds to help producers in Africa and Latin America to meet their basic needs and support income levels during and beyond the Covid-19 crisis. A sum of £7,336 was held in this fund at the financial year-end, ready to deploy in appropriate emergency situations. Through our Facebook and Twitter pages, we seek to raise awareness of the appeal, and encourage donations through our JustGiving fundraising page.

### RESTRICTED INCOME FUNDS

We acknowledge the receipt of restricted funds totalling almost £93.5k (2021: £75k) in our financial statements and details are provided at notes 2 and 3. We are grateful to all the donors who have supported our work in the past year.

### UNRESTRICTED INCOME FUNDS

Unrestricted income for the year was £218k, down from £288k in the previous year, but £9k higher than our budget for the year. Much of this funding is provided by donations and legacies from members of the Shared Interest Society for which the Trustees are especially grateful. A number of the sums donated came from accounts where we are aware, sadly, that the member of Shared Interest Society has died. We would like to extend our deepest sympathy to the families in question and assure you that we will seek to do the very best to honour your relative by putting their generous donation to good use in the Foundation.

The Foundation continues to hold a number of legacy nominations from the members of the Society and the

Trustees of the Foundation are grateful to Society members who have indicated that they intend to support the charity by leaving a legacy in this manner.

Diversifying unrestricted income sources has continued to be challenging but we were able to finish the year with an increase in free unrestricted reserves (that is, excluding funds designated to a number of specific projects). We continue to seek new avenues to grow our income, recognising that we cannot only rely on donations from Society members.

Fundraising costs in the financial statements represent a proportion of staff time, small fees to sites such as JustGiving and, when these occur (nil this year), some small costs of fund-raising events. We are grateful to all those who support our work, individuals, trusts and grant making bodies.

Management costs as a percentage of charitable expenditure were 28.9% (2021: 24%) and fundraising costs as a percentage of income were 3.8% (2021: 3%). The increase in the first ratio reflects the fact that rather more support was provided by the Society to the Foundation in this financial year and the second has increased due to the unevenness of income being received. Fund-raising efforts often take some time to come to fruition.

### RISK ASSESSMENT

The Trustees consider that the main risks facing the charity are as below. A variety of tools, systems and procedures are used to mitigate these risks where possible.

- Major incident during staff travel;
- Dependence on key personnel, absence, loss or failure to recruit; and
- Political instability creating operational and/or security issues overseas, impacting income and/or staff safety;

In addition to the above risks the Foundation faced the global risk caused by the Covid-19 pandemic. Remote working meant that the Foundation could continue to operate, managing live projects virtually and seeking funding for future ones. This year travel has been able to recommence and this has been important as it provides the fullest view of the progress of projects. As noted above, generous funding from a range of different donors this year has meant that the Foundation has been able to increase resources and approve expenditure on a new project for 2022/23.

### RESERVES AND GOING CONCERN STATUS

The Trustees have agreed that the reserves policy should be to keep the equivalent of three to six months unrestricted expenditure as free reserves to cover periods of uneven income or unexpected income shortfalls. The balance on the Unrestricted income fund at the year-end, after a further designation of just over £42k to a specific project, represents almost 10 months of budgeted unrestricted expenditure, the higher number being deemed appropriate in the current very challenging operational and funding environment.

Based on the financial position at the 30th September and the Business Plan for the 2022/23 year and beyond, the Trustees believe that Shared Interest Foundation is a going concern and these financial statements have been prepared on that basis.

### STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Shared Interest Foundation for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the 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 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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. 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.

The Trustees are responsible for the maintenance and integrity of the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

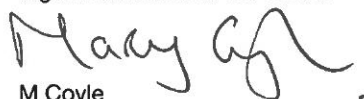
## **STATEMENT OF DISCLOSURE OF INFORMATION TO THE AUDITORS**

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

## **INDEPENDENT AUDITORS**

The charity only has one member, Shared Interest Society, and there is a high degree of overlap between the Boards of both organisations. The charity does not therefore hold an Annual General Meeting but the Board of the Society will re-appoint Armstrong Watson as auditors for the year which began on 1 October 2022.

Signed on behalf of the Board



M Coyle

Chair of Trustees

14 December 2022

# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF SHARED INTEREST FOUNDATION

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### Opinion

We have audited the financial statements of Shared Interest Foundation (the 'charitable company') for the year ended 30 September 2022 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2022 and 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.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the Trustees' Report other than the financial statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the

other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements

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

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- the charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company 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; or
- the Trustees' were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

#### Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 6, the Trustees (who are also the directors of the charitable company 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, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## INDEPENDENT AUDITORS' REPORT

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations and in particular, adherence to the Charities Act;
- we identified the laws and regulations applicable to the charitable company through discussions with Trustees and other management and review of appropriate industry knowledge;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures as a risk assessment tool to identify any unusual or unexpected relationships; and
- tested journal entries to identify unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims.

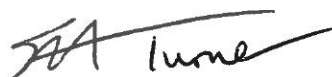
Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit

in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Turner (Senior statutory auditor)

### Armstrong Watson Audit Limited

Chartered Accountants  
Statutory Auditors  
Newcastle upon Tyne

Date: 15 - 12 - 2022

# STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30 SEPTEMBER 2022

|                                                    | Note | Unrestricted funds | Restricted funds | Total funds     | Total funds    |
|----------------------------------------------------|------|--------------------|------------------|-----------------|----------------|
|                                                    |      | 2022               | 2022             | 2022            | 2021           |
|                                                    |      | £                  | £                | £               | £              |
| <b>Income from:</b>                                |      |                    |                  |                 |                |
| Donations and legacies                             | 2    | 217,034            | -                | 217,034         | 290,387        |
| Charitable activities                              | 3    | -                  | 93,496           | 93,496          | 71,625         |
| Investment income                                  | 4    | 755                | -                | 755             | 583            |
| <b>Total income</b>                                |      | <b>217,789</b>     | <b>93,496</b>    | <b>311,285</b>  | <b>362,595</b> |
| <b>Expenditure on:</b>                             |      |                    |                  |                 |                |
| Raising funds                                      | 7    | 12,062             | -                | 12,062          | 11,044         |
| Charitable activities                              | 5, 6 | 259,706            | 63,670           | 323,376         | 293,105        |
| <b>Total expenditure</b>                           |      | <b>271,768</b>     | <b>63,670</b>    | <b>335,438</b>  | <b>304,149</b> |
| <b>Net income / (expenditure) before transfers</b> |      | <b>(53,979)</b>    | <b>29,826</b>    | <b>(24,153)</b> | <b>58,446</b>  |
| Transfers between funds                            |      | -                  | -                | -               | -              |
| <b>Net income / (expenditure)</b>                  |      | <b>(53,979)</b>    | <b>29,826</b>    | <b>(24,153)</b> | <b>58,446</b>  |
| <b>Net movement in funds</b>                       |      | <b>(53,979)</b>    | <b>29,826</b>    | <b>(24,153)</b> | <b>58,446</b>  |
| <b>Reconciliation of funds:</b>                    |      |                    |                  |                 |                |
| Total funds at 1 October                           |      | 310,239            | 74,033           | 384,272         | 325,826        |
| <b>Total funds at 30 September</b>                 |      | <b>256,260</b>     | <b>103,859</b>   | <b>360,119</b>  | <b>384,272</b> |

All activities relate to continuing operations.

The notes on pages 13 to 18 form part of these financial statements.

# STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30 SEPTEMBER 2021

| Previous Financial Year            | Unrestricted funds | Restricted funds | Total funds    |
|------------------------------------|--------------------|------------------|----------------|
|                                    | 2021               | 2021             | 2021           |
|                                    | £                  | £                | £              |
| <b>Income from:</b>                |                    |                  |                |
| Donations and legacies             | 287,374            | 3,013            | 290,387        |
| Charitable activities              | -                  | 71,625           | 71,625         |
| Investment income                  | 583                | -                | 583            |
| <b>Total income</b>                | <b>287,957</b>     | <b>74,638</b>    | <b>362,595</b> |
| <b>Expenditure on:</b>             |                    |                  |                |
| Raising funds                      | 11,044             | -                | 11,044         |
| Charitable activities              | 185,689            | 107,416          | 293,105        |
| <b>Total expenditure</b>           | <b>196,733</b>     | <b>107,416</b>   | <b>304,149</b> |
| <b>Net income before transfers</b> | <b>91,224</b>      | <b>(32,778)</b>  | <b>58,446</b>  |
| Transfers between funds            | -                  | -                | -              |
| <b>Net income</b>                  | <b>91,224</b>      | <b>(32,778)</b>  | <b>58,446</b>  |
| <b>Net movement in funds</b>       | <b>91,224</b>      | <b>(32,778)</b>  | <b>58,446</b>  |
| <b>Reconciliation of funds:</b>    |                    |                  |                |
| Total funds at 1 October           | 219,015            | 106,811          | 325,826        |
| <b>Total funds at 30 September</b> | <b>310,239</b>     | <b>74,033</b>    | <b>384,272</b> |

# BALANCE SHEET

## AT 30 SEPTEMBER 2022

|                                                       | Note       | 2022<br>£       | 2021<br>£      |
|-------------------------------------------------------|------------|-----------------|----------------|
| <b>Current assets</b>                                 |            |                 |                |
| Debtors and prepayments                               | 11         | 10,211          | 14,108         |
| Cash at bank and in hand                              | 12         | 276,800         | 268,511        |
| Deposits with credit institutions                     | 13         | 109,265         | 108,573        |
| <b>Total current assets</b>                           |            | <b>396,276</b>  | <b>391,192</b> |
| <b>Creditors: amounts falling due within one year</b> | 14         | <b>(36,157)</b> | <b>(6,920)</b> |
| <b>Net current assets</b>                             |            | <b>360,119</b>  | <b>384,272</b> |
| <b>Net assets</b>                                     |            | <b>360,119</b>  | <b>384,272</b> |
| <b>Charity funds</b>                                  |            |                 |                |
| Restricted funds                                      | 15, 16, 17 | 103,859         | 74,033         |
| Unrestricted designated funds                         | 15, 17     | 121,615         | 193,498        |
| Unrestricted funds                                    | 15, 17     | 134,645         | 116,741        |
| <b>Total funds</b>                                    |            | <b>360,119</b>  | <b>384,272</b> |

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A – small entities.

The financial statements were approved and authorised for issue by the Board on 14 December 2022.

Signed on behalf of the Board of Trustees

M Coyle

Chair of Trustees



The notes on pages 13 to 18 form part of these financial statements.

Company registration number: 4833073

# NOTES TO THE FINANCIAL STATEMENTS

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### (1.1) Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £1. The financial statements are prepared on a going concern basis as the charity has sufficient funding and activity to take it through 2023.

Shared Interest Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

### (1.2) Company status

The company is limited by guarantee and has no share capital. In the event of a winding up every member undertakes to contribute such amount as may be required not exceeding the total of £1. There was one member at 30 September 2022, Shared Interest Society Ltd.

### (1.3) Fund accounting

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements. Investment income, gains and losses are allocated to the appropriate fund.

### (1.4) Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

### (1.5) Expenditure

Expenditure is recognised when there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and include attributable VAT which cannot be recovered. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Charitable expenditure includes those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.

### (1.6) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the bank.

### (1.7) Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount repaid net of any trade discounts due.

### (1.8) Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

### (1.9) Creditors and provisions

Creditors and provisions are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

### (1.10) Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

### (1.11) Cash flow statement

The Company has taken advantage of the exemption in FRS 102 from the requirement to prepare a cash flow statement on the grounds that it is a small company.

### (1.12) Foreign currency transactions

Monetary assets and liabilities denominated in foreign currencies are stated in the balance sheet at the equivalent value in sterling at the exchange rate prevailing at the balance sheet date. Transactions during the year denominated in foreign currencies are stated at their equivalent value in sterling at the exchange rate prevailing at the date of the transaction.

### (1.13) Pensions

Employees of the Foundation are entitled to membership of the Shared Interest Group Personal Pension Plan. This is a defined contribution scheme with 9% of salary payable by the Charity and charged to the Income and Expenditure Account in the year relating to the salary cost.

## NOTES TO THE FINANCIAL STATEMENTS

### 2. INCOME FROM DONATIONS AND LEGACIES

|                      | Unrestricted   | Restricted | Total          | Total          |
|----------------------|----------------|------------|----------------|----------------|
|                      | funds          | funds      | funds          | funds          |
|                      | 2022           | 2022       | 2022           | 2021           |
|                      | £              | £          | £              | £              |
| Individuals          | 213,074        | -          | 213,074        | 285,943        |
| Trusts and corporate | 3,960          | -          | 3,960          | 4,444          |
|                      | <u>217,034</u> | <u>-</u>   | <u>217,034</u> | <u>290,387</u> |

In 2021, of the total income from donations and legacies, £287,374 related to unrestricted funds and £3,013 related to restricted funds.

### 3. INCOME FROM CHARITABLE ACTIVITIES

|                                                                               | Unrestricted | Restricted    | Total         | Total         |
|-------------------------------------------------------------------------------|--------------|---------------|---------------|---------------|
|                                                                               | funds        | funds         | funds         | funds         |
|                                                                               | 2022         | 2022          | 2022          | 2021          |
|                                                                               | £            | £             | £             | £             |
| Anonymous - Bees for Business: Supporting Growth Through Solar Energy         | -            | 20,000        | 20,000        | -             |
| Anonymous - Nicaragua Sesame Farming                                          | -            | -             | -             | 20,000        |
| Charles Hayward Foundation - Expansion of Growing Fairer Futures Rwanda       | -            | 15,000        | 15,000        | -             |
| Evan Cornish Foundation - Seed to Stall (ECF)                                 | -            | 8,000         | 8,000         | -             |
| Guernsey Overseas Aid & Development - Bees For Business (Sideradougou)        | -            | -             | -             | 22,450        |
| Guernsey Overseas Aid & Development - Seed to Stall (GOA)                     | -            | 22,451        | 22,451        | -             |
| Mr TM Dickerty - Dakoro Well Construction                                     | -            | -             | -             | 500           |
| The Marr-Munning Trust - Coffee Farming Uganda                                | -            | 21,500        | 21,500        | 28,675        |
| The Peter Stebbings Memorial Charity - Ghana Soilless Farming Drip Irrigation | -            | 6,545         | 6,545         | -             |
|                                                                               | <u>-</u>     | <u>93,496</u> | <u>93,496</u> | <u>71,625</u> |

In 2021, of the total income from charitable activities, £71,625 related to restricted funds.

### 4. INVESTMENT INCOME

|                   | Unrestricted | Restricted | Total      | Total      |
|-------------------|--------------|------------|------------|------------|
|                   | funds        | funds      | funds      | funds      |
|                   | 2022         | 2022       | 2022       | 2021       |
|                   | £            | £          | £          | £          |
| Interest received | 755          | -          | 755        | 583        |
|                   | <u>755</u>   | <u>-</u>   | <u>755</u> | <u>583</u> |

In 2021, of the total investment income, £583 related to unrestricted funds.

## NOTES TO THE FINANCIAL STATEMENTS

### 5. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

|                                                             | Activities undertaken directly | Grant funding of activities | Support costs | Total 2022            | Total 2021     |
|-------------------------------------------------------------|--------------------------------|-----------------------------|---------------|-----------------------|----------------|
|                                                             | £                              | £                           | £             | £                     | £              |
| Bees for Business Part 2 (Burkina Faso)                     | -                              | -                           | -             | -                     | 10,358         |
| Bees for Business Sideradougou                              | -                              | -                           | -             | -                     | 61,847         |
| Coffee Farming Uganda                                       | 5,414                          | 26,492                      | 13,016        | <b>44,922</b>         | 19,011         |
| Dakoro Warehouse                                            | 2,038                          | 500                         | 967           | <b>3,505</b>          | 2,418          |
| Environmental Protection and Biodiversity                   | 34,268                         | -                           | 14,112        | <b>48,380</b>         | -              |
| Growing Fairer Futures                                      | -                              | -                           | -             | -                     | 7,229          |
| Growing Fairer Futures Cote d'Ivoire                        | 4,296                          | 13,993                      | 7,401         | <b>25,690</b>         | 59,756         |
| Growing Fairer Futures Rwanda                               | 13,153                         | -                           | 5,218         | <b>18,371</b>         | 27,699         |
| Improving Coffee Production in Peru                         | 17,745                         | -                           | 7,247         | <b>24,992</b>         | 46,077         |
| Improving Livelihoods Through Agro-processing               | 24,146                         | -                           | 9,848         | <b>33,994</b>         | -              |
| New projects                                                | 4,564                          | -                           | 1,699         | <b>6,263</b>          | 5,414          |
| Seed to Stall ECF                                           | 3,276                          | 2,846                       | 2,428         | <b>8,550</b>          | -              |
| Seed to Stall GOA                                           | 6,567                          | 12,433                      | 7,655         | <b>26,655</b>         | -              |
| Soilless Farming - Drip Irrigation                          | 2,836                          | 2,553                       | 2,120         | <b>7,509</b>          | -              |
| Strengthening Coffee Producers Resilience to Climate Change | 19,323                         | -                           | 7,921         | <b>27,244</b>         | -              |
| Women in Nicaragua Organic Sesame Farming                   | 5,049                          | 4,853                       | 4,042         | <b>13,944</b>         | 25,987         |
| Women in Soilless Farming Ghana                             | 23,723                         | -                           | 9,634         | <b>33,357</b>         | 27,309         |
|                                                             | <u>166,398</u>                 | <u>63,670</u>               | <u>93,308</u> | <u><b>323,376</b></u> | <u>293,105</u> |

### 6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

|                                                             | Unrestricted funds | Restricted funds | Total funds           | Total          |
|-------------------------------------------------------------|--------------------|------------------|-----------------------|----------------|
|                                                             | 2022               | 2022             | 2022                  | 2021           |
|                                                             | £                  | £                | £                     | £              |
| Bees for Business Part 2 (Burkina Faso)                     | -                  | -                | -                     | 10,358         |
| Bees for Business Sideradougou                              | -                  | -                | -                     | 61,847         |
| Coffee Farming Uganda                                       | 18,430             | 26,492           | <b>44,922</b>         | 19,011         |
| Dakoro Warehouse                                            | 3,005              | 500              | <b>3,505</b>          | 2,418          |
| Environmental Protection and Biodiversity                   | 48,380             | -                | <b>48,380</b>         | -              |
| Growing Fairer Futures                                      | -                  | -                | -                     | 7,229          |
| Growing Fairer Futures Cote d'Ivoire                        | 11,697             | 13,993           | <b>25,690</b>         | 59,756         |
| Growing Fairer Futures Rwanda                               | 18,371             | -                | <b>18,371</b>         | 27,699         |
| Improving Coffee Production in Peru                         | 24,992             | -                | <b>24,992</b>         | 46,077         |
| Improving Livelihoods Through Agro-processing               | 33,994             | -                | <b>33,994</b>         | -              |
| New projects                                                | 6,263              | -                | <b>6,263</b>          | 5,414          |
| Seed to Stall ECF                                           | 5,704              | 2,846            | <b>8,550</b>          | -              |
| Seed to Stall GOA                                           | 14,222             | 12,433           | <b>26,655</b>         | -              |
| Soilless Farming - Drip Irrigation                          | 4,956              | 2,553            | <b>7,509</b>          | -              |
| Strengthening Coffee Producers Resilience to Climate Change | 27,244             | -                | <b>27,244</b>         | -              |
| Women in Nicaragua Organic Sesame Farming                   | 9,091              | 4,853            | <b>13,944</b>         | 25,987         |
| Women in Soilless Farming Ghana                             | 33,357             | -                | <b>33,357</b>         | 27,309         |
|                                                             | <u>259,706</u>     | <u>63,670</u>    | <u><b>323,376</b></u> | <u>293,105</u> |

In 2021, of the total expenditure, £185,689 was expenditure from unrestricted funds and £107,416 was expenditure from restricted funds.

## NOTES TO THE FINANCIAL STATEMENTS

### 7. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

|                                                             | Staff costs   | Other costs    | Total                 | Total          |
|-------------------------------------------------------------|---------------|----------------|-----------------------|----------------|
|                                                             | 2022          | 2022           | 2022                  | 2021           |
|                                                             | £             | £              | £                     | £              |
| <b>Expenditure on:</b>                                      |               |                |                       |                |
| <b>Raising funds</b>                                        | <u>10,738</u> | <u>1,324</u>   | <u>12,062</u>         | <u>11,044</u>  |
| <b>Charitable activities</b>                                |               |                |                       |                |
| Bees for Business Part 2 (Burkina Faso)                     | -             | -              | -                     | 10,358         |
| Bees for Business Sideradougou                              | -             | -              | -                     | 61,847         |
| Coffee Farming Uganda                                       | 7,713         | 37,209         | <b>44,922</b>         | 19,011         |
| Dakoro Warehouse                                            | 2,085         | 1,420          | <b>3,505</b>          | 2,418          |
| Environmental Protection and Biodiversity                   | 5,467         | 42,913         | <b>48,380</b>         | -              |
| Growing Fairer Futures                                      | -             | -              | -                     | 7,229          |
| Growing Fairer Futures Cote d'Ivoire                        | 5,715         | 19,975         | <b>25,690</b>         | 59,756         |
| Growing Fairer Futures Rwanda                               | 6,316         | 12,055         | <b>18,371</b>         | 27,699         |
| Improving Coffee Production in Peru                         | 4,144         | 20,848         | <b>24,992</b>         | 46,077         |
| Improving Livelihoods Through Agro-processing               | 5,909         | 28,085         | <b>33,994</b>         | -              |
| New projects                                                | 4,564         | 1,699          | <b>6,263</b>          | 5,415          |
| Seed to Stall ECF                                           | 2,980         | 5,570          | <b>8,550</b>          | -              |
| Seed to Stall GOA                                           | 6,656         | 19,999         | <b>26,655</b>         | -              |
| Soilless Farming - Drip Irrigation                          | 2,956         | 4,553          | <b>7,509</b>          | -              |
| Strengthening Coffee Producers Resilience to Climate Change | 3,866         | 23,378         | <b>27,244</b>         | -              |
| Women in Nicaragua Organic Sesame Farming                   | 2,327         | 11,617         | <b>13,944</b>         | 25,986         |
| Women in Soilless Farming Ghana                             | 6,667         | 26,690         | <b>33,357</b>         | 27,309         |
|                                                             | <u>67,365</u> | <u>256,011</u> | <u><b>323,376</b></u> | <u>293,105</u> |
|                                                             | <u>78,103</u> | <u>257,335</u> | <u><b>335,438</b></u> | <u>304,149</u> |

### 8. SUPPORT COSTS

|                                                      | 2022                 | 2021          |
|------------------------------------------------------|----------------------|---------------|
|                                                      | £                    | £             |
| Office costs including training                      | <b>20,710</b>        | 22,983        |
| Wages and salaries                                   | <b>6,690</b>         | 5,505         |
| Support services provided by Shared Interest Society | <b>49,718</b>        | 31,697        |
| Marketing costs                                      | <b>12,590</b>        | 5,931         |
| Governance costs                                     | <b>3,600</b>         | 3,600         |
|                                                      | <u><b>93,308</b></u> | <u>69,716</u> |

### 9. NET INCOME / EXPENDITURE

This is stated after charging:

|                                         | 2022                | 2021         |
|-----------------------------------------|---------------------|--------------|
|                                         | £                   | £            |
| Auditors' remuneration (audit services) | <u><b>3,600</b></u> | <u>3,600</u> |

## NOTES TO THE FINANCIAL STATEMENTS

### 10. STAFF COSTS

Staff costs were as follows:

|                                    | 2022          | 2021          |
|------------------------------------|---------------|---------------|
|                                    | £             | £             |
| Wages and salaries                 | 75,110        | 68,805        |
| Social security costs              | 2,612         | 2,384         |
| Defined contribution pension costs | 2,557         | 2,453         |
|                                    | <u>80,279</u> | <u>73,642</u> |

Average monthly number of employees (none of whom are Trustees) during the year was:

|                       | 2022     | 2021     |
|-----------------------|----------|----------|
|                       | Number   | Number   |
| Raising funds         | 1        | 1        |
| Charitable activities | 1        | 1        |
|                       | <u>2</u> | <u>2</u> |

No individual employee's emoluments exceeded £60,000 for either year shown. No pension contributions were payable by the Foundation in respect of the Trustees in either year shown.

The Trustees neither received nor waived any remuneration during the year (2021: £Nil). The Trustees did not have any expenses reimbursed during the year (2021: £Nil).

### 11. DEBTORS AND PREPAYMENTS

|                                      | 2022          | 2021          |
|--------------------------------------|---------------|---------------|
|                                      | £             | £             |
| Prepayments                          | 525           | 1,933         |
| Accrued income                       | 9,686         | 6,163         |
| Amounts owed from group undertakings | -             | 6,012         |
|                                      | <u>10,211</u> | <u>14,108</u> |

Amounts owed to group undertakings for the previous year were repaid in full post year-end.

### 12. CASH AT BANK AND IN HAND

|                          | 2022           | 2021           |
|--------------------------|----------------|----------------|
|                          | £              | £              |
| Cash at bank and in hand | 276,800        | 268,511        |
|                          | <u>276,800</u> | <u>268,511</u> |

### 13. DEPOSITS WITH CREDIT INSTITUTIONS

|                                                  | 2022           | 2021           |
|--------------------------------------------------|----------------|----------------|
|                                                  | £              | £              |
| Deposits repayable in not more than three months | 27             | 27             |
| Deposits repayable in not more than one year     | 109,238        | 108,546        |
|                                                  | <u>109,265</u> | <u>108,573</u> |

### 14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                                    | 2022          | 2021         |
|------------------------------------|---------------|--------------|
|                                    | £             | £            |
| Amounts owed to group undertakings | 25,985        | -            |
| Accruals                           | 8,273         | 6,920        |
| Trade creditors                    | 1,899         | -            |
|                                    | <u>36,157</u> | <u>6,920</u> |

## NOTES TO THE FINANCIAL STATEMENTS

### 15. CHARITY FUNDS

|                     | Restricted funds | Unrestricted and designated funds | Total funds    | Total funds    |
|---------------------|------------------|-----------------------------------|----------------|----------------|
|                     | 2022             | 2022                              | 2022           | 2021           |
|                     | £                | £                                 | £              | £              |
| Current assets      | 103,859          | 292,417                           | 396,276        | 391,192        |
| Current liabilities | -                | (36,157)                          | (36,157)       | (6,920)        |
|                     | <u>103,859</u>   | <u>256,260</u>                    | <u>360,119</u> | <u>384,272</u> |

In 2021, of current assets £74,033 was restricted and £317,159 was unrestricted and designated funds and of current liabilities £6,920 was unrestricted and designated.

### 16. RESTRICTED FUNDS

Restricted income funds carried forward at the end of the financial year comprise:

|                                                           | 2022           | 2021          |
|-----------------------------------------------------------|----------------|---------------|
|                                                           | £              | £             |
| Bees for Business: Supporting Growth Through Solar Energy | 20,000         | -             |
| Coffee Farming Uganda                                     | 15,076         | 20,067        |
| Dakoro Warehouse                                          | -              | 500           |
| Expansion of Growing Fairer Futures Rwanda                | 15,000         | -             |
| Growing Fairer Futures Cote d'Ivoire                      | 19,961         | 33,954        |
| Livelihood Security Fund                                  | 7,336          | 7,336         |
| Seed to Stall ECF                                         | 5,154          | -             |
| Seed to Stall GOA                                         | 10,018         | -             |
| Soilless Farming - Drip Irrigation                        | 3,992          | -             |
| Women in Nicaragua Organic Sesame Farming                 | 7,322          | 12,176        |
|                                                           | <u>103,859</u> | <u>74,033</u> |

### 17. MOVEMENT IN FUNDS

|                               | Balance at 1 October 2021 | Income         | Expenditure      | Transfer between funds | Designation of funds | Balance at 30 September 2022 |
|-------------------------------|---------------------------|----------------|------------------|------------------------|----------------------|------------------------------|
|                               | £                         | £              | £                | £                      | £                    | £                            |
| Unrestricted Income funds     | 116,741                   | 217,789        | (157,511)        | -                      | (42,374)             | 134,645                      |
| Unrestricted designated funds | 193,498                   | -              | (114,257)        | -                      | 42,374               | 121,615                      |
| Restricted Income funds       | 74,033                    | 93,496         | (63,670)         | -                      | -                    | 103,859                      |
|                               | <u>384,272</u>            | <u>311,285</u> | <u>(335,438)</u> | <u>-</u>               | <u>-</u>             | <u>360,119</u>               |

In 2021 the Trustees designated a further £114,596 to three projects which are ongoing. The Trustees have designated a further sum of £42,374 at the year-end for another project.

### 18. ULTIMATE PARENT COMPANY

The ultimate parent undertaking and controlling party of Shared Interest Foundation is Shared Interest Society Ltd (a Registered Society in the UK, registration number IP27093R) by virtue of Shared Interest Society Ltd being the only member of the Foundation. The financial statements of Shared Interest Society Ltd are available from the registered office of Shared Interest Foundation, as shown on page 3.

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# Accounts

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# **TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
30 SEPTEMBER 2021**

Shared Interest Foundation is a  
charitable company limited by guarantee

Registered Company Number: 4833073

Registered Charity Number: 1102375

# SHARED INTEREST FOUNDATION

## ANNUAL REPORT 2021

### Contents

|                                      |    |
|--------------------------------------|----|
| Legal and Administrative Information | 3  |
| Trustees' Report                     | 4  |
| Independent Auditors' Report         | 8  |
| Statement of Financial Activities    | 10 |
| Balance Sheet                        | 12 |
| Notes to the Financial Statements    | 13 |

# LEGAL & ADMINISTRATIVE INFORMATION

## LEGAL STATUS

The organisation is a charitable company limited by guarantee (registered company number 4833073), incorporated on 15 July 2003 and registered as a charity on 27 February 2004 (registered charity number 1102375).

The company was established under a Memorandum of Association (15 July 2003) which sets out the objectives and powers of the charitable company and is governed under its Articles of Association (15 July 2003).

## DIRECTORS AND ADVISERS

### for the year ended 30 September 2021

The Directors of the company, who are also the Trustees of the charity, who were in office during the year were:

|                                     | Year appointed |
|-------------------------------------|----------------|
| M Coyle (Chair)                     | 2015           |
| DP Alexander                        | 2006           |
| R Anderson (appointed October 2020) | 2020           |
| D Bowman (retired December 2020)    | 2012           |
| PG Chandler                         | 2013           |
| MP Kyndt                            | 2012           |
| Y Gale                              | 2019           |
| C Talens                            | 2019           |

## Company Secretary

TD Morgan

## Independent Auditors

Armstrong Watson Audit Limited

Suite 15 & 17

11 Waterloo Street

Newcastle upon Tyne

NE1 4DP

## Principal and Registered Office

Pearl Assurance House

7 New Bridge Street West

Newcastle upon Tyne

NE1 8AQ

# TRUSTEES' REPORT

## FOR THE YEAR ENDED 30 SEPTEMBER 2021

The Trustees present their report and audited financial statements for the year. This report has been prepared in accordance with the special provisions relating to small companies within the Companies Act 2006.

### GOVERNING DOCUMENT AND ORGANISATION

The company is governed by its Memorandum and Articles of Association. It is also a registered charity. The day-to-day running of the company is overseen by the Board of Trustees.

### PRINCIPAL AIMS AND OBJECTIVES

The objectives of the Foundation are to:

- advance education and training; and
- to relieve poverty, sickness and distress in all parts of the world in all respects for the benefit of the public in accordance with the law of charity in England and Wales.

In order to deliver these objectives, we engage in three principal activities:

- Business development of organisations in the developing world
- Providing financial management training – on topics such as maintaining good financial records and accessing finance for business growth. Our training courses are tailored to suit their audience from small-scale artisans to large fair trade co-operatives.
- A livelihood security fund – which seeks to support businesses that suffer an external shock such as natural disaster, to enable them to continue trading.

These activities form the contribution of the Foundation to the overall Shared Interest Theory of Change, which describes how we aim to build resilient businesses that in turn provide benefits to local communities. This is explained in more detail in our joint social accounts available on the website ([www.shared-interest.com](http://www.shared-interest.com)).

We have referred to the guidance from the Charity Commission on public benefit when reviewing our aims and objectives and in planning our future activities and believe that we comply with this. A summary report of the projects demonstrating this is given on page 5. The principal and registered office of the Foundation is shown on page 3.

### APPOINTMENT OF DIRECTORS

The Directors of the company who served during the financial year are listed on page 3. They are appointed to the Board by resolution of the member – that is, Shared Interest Society Ltd ("SIS"). Following election they receive induction training including review of documents and policies, meeting staff and receiving briefings from key personnel. As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force.

### OTHER EXTERNAL APPOINTMENTS

Below are shown the external directorships/trusteeships of the members of the Board of Directors and Senior Management Team.

All below, except Kerrey Baker, are Directors of Shared Interest Society Limited. Tim Morgan is the Company Secretary of the Foundation but is not a director.

|                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Patricia Alexander ** | Newcastle High School for Girls (Chair of Governors), St Oswald's Primary School, South Shields (Governor), Newcastle Business School Advisory Board                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Tim Morgan **         | Ecology Building Society, Northern Dance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Martin Kyndt          | Fitzroy Support, Sussex Wildlife Trust                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Paul Chandler         | The Co-operative Group, CBF Funds Trustee Ltd, Durham Cathedral Council (Chair), County Durham Community Foundation (Vice Chair), Bible Society, St Chad's College Durham (Vice Chair), Fair Trade Advocacy Office, North East Ambulance Service                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Mary Coyle            | North Tyneside CCG, Newcastle University Retirement Benefits Plan, Northumbrian Water Forum (member)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Yvonne Gale           | NEL Fund Managers Ltd (Director)<br>(The appointments below in italics are dormant or semi-dormant entities linked to the above appointment).<br><i>NE Growth (ERDF) General Partner Ltd (Director), NE Growth (ERDF) Carried Interest Partner Ltd (Director), NE Small Loan (ERDF) General Partner Ltd (Director), NEGF General Partner Ltd (Director), NEL EOT Ltd (Director), Northern Enterprise Limited (Director), NEGF Carried interest LLP (Designated Member)</i><br>Northern Society of Chartered Accountants (Deputy President), Millfield House Foundation (Trustee and Chair of Investment Committee), North East Local Enterprise Partnership - Business Growth Board (Member), Durham University MBA Advisory Board (Member), Office of the Small Business Commissioner (Non-Executive Director) |
| Cristina Talens       | Source Sustainable Supply Chains Ltd, Leek Gears Limited, Director of Business Risk Assessments at the Wilberforce Institute (University of Hull)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Richard Anderson      | Marston (Holdings) Limited,<br>(The following appointments in italics are all linked to the main role above)<br><i>Marston Legal Services Limited, Moreton Smith Receivables Limited, Rossendales Collect Limited, Rossendales Limited, Swift Credit Services Limited, Task Enforcement Limited, Collectica Limited, Field Services Investment Limited, Gasworks UK Ltd, Future Energy Metering Limited, Smartworks Metering Limited, Engage Services (ESL) Limited</i>                                                                                                                                                                                                                                                                                                                                         |
| Kerrey Baker *        | Millin Trust                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

\*\* Member of Senior Management Team and Board

\* Member of Senior Management Team

### CORPORATE GOVERNANCE

As noted above, the Board of Shared Interest Foundation has a large overlap with that of the member organisation, Shared Interest Society. Due to this fact a number of the committees of the Society Board are common to both organisations – notably the Audit, Nomination and Remuneration committees. The statutory accounts of the Society contain a detailed report of these committees and this has not been replicated here but is available in those accounts from the Publications section of the website. Alongside those there is also a report assessing compliance with the Charity Corporate Governance Code and this similarly applies to the Boards of both organisations.

### REVIEW OF THE YEAR AND FUTURE DEVELOPMENTS

The Foundation works with a joint mission with Shared Interest Society to provide financial services and business support to make livelihoods and living standards better for people as they trade their way out of poverty. The Society is a social lender and the Foundation undertakes a range of activities, all focused on the end goal of supporting and developing producer organisations. We primarily support businesses within the fair trade movement, seeking to ensure that our activity leads to both financial and social benefits within communities. The outcomes of the projects detailed below demonstrate that we have continued to deliver on our aim to support more resilient businesses providing both a social and a financial return in their local communities. Further detail of our impact is contained in our joint social accounts available from the website.

This year we launched six new projects:

- 1. Building Sustainable Livelihoods for Women in Rural Nicaragua through Organic Sesame Farming** is supporting 40 women to become organic sesame farmers. Despite having access to farmland, many women do not have the necessary finance or farming experience to purchase seeds or prepare the land for planting. Working in partnership with organic sesame seeds exporter, Coproexnic, we are providing Good Agricultural Practice (GAP), organic fertiliser production, and agri-business skills training. The group also receive equipment and materials to enable them to make sesame candy to sell locally to produce another income source for the women.
- 2. Growing Fairer Futures (Ivory Coast)** launched in December 2020. This project supports 50 young people (20% female) living close to cocoa co-operative, Cooperative Agricole de Yakasse Attobrou, to establish their own cocoa farms and to generate a sustainable source of income enabling them to meet their needs whilst also contributing to the sustainability of cocoa production in the region.
- 3. Growing Fairer Futures (Rwanda)** supports 50 young people in western Rwanda to establish their own coffee farms. Working in partnership with local coffee co-operative KOPAKAMA, we provide training in topics such as Climate Smart Agriculture techniques and materials such as disease resistant coffee seedlings, as well as farming tools, and equipment. In November 2021, over 70,000 coffee seedlings were planted by the young farmers.
- 4. Improving Organic Coffee Production in Peru** supports coffee farmers to increase their resilience to the coffee borer beetle. Due to the impact of climate change, the tiny insect is thriving in warmer temperatures, which

poses increasing challenges for Peruvian farmers. Working in partnership with coffee co-operative CECAFE a combative fungus known as *Beauveria Bassiana* is being produced and distributed to 200 farmers, helping them to protect the ecosystem and increase coffee yields. The project will also support CECAFE to produce organic fertiliser.

- 5. Increasing Economic Opportunities for Women through Soilless Farming in Ghana** is providing 120 basket weavers with the skills and tools needed to diversify into soilless vegetable farming. Our in-country partner, TradeAid Integrated, is supporting the women to use locally available products such as poultry manure and rice husks in place of soil. A warehouse has also been refurbished so that the vegetables can be washed, sorted, packed and stored before being sold to local businesses, including schools and hotels.
- 6. Increasing the Resilience of Coffee Farming Households through Income Diversification in Uganda** is working in partnership with Bukonzo Organic Farmers Co-operative Union. The project supports 365 smallholder coffee farmers in Uganda to improve their coffee crop and diversify into passion fruit production to generate an additional source of income. The farmers also receive training in Good Agricultural Practices (GAP), Climate Smart Agriculture and organic compost production. Over 18,000 passion fruit seedlings have been provided, and 3,650 trees have been planted to protect against soil erosion and provide shade.

During the year we concluded three projects:

- 1. Bees for Business Project (Burkina Faso)**, launched in August 2020 this project supported 75 women in rural Sideradougou, Burkina Faso to become beekeepers and provide a sustainable source of income for their families and their community. We worked in partnership with Plateforme Nationale du Commerce Equitable du Burkina (PNCEB), the national network of Fairtrade organisations in Burkina Faso and the group received 300 modern beehives, built in the nearby town of Niangoloko. The participants completed a three-week training programme in modern beekeeping techniques delivered by experienced beekeepers from the neighbouring DJIGUIYA beekeeper co-operative, supported by the National Institute of Apiculture. The training programme included practical instruction on honey harvesting, beehive management, hive maintenance, and bee wax extraction. Additional activities included the construction of a well, providing a permanent source of water for the bees, a motorbike and trailer to transport the honey from the hives, and the planting of 1,000 trees to increase biodiversity and boost honey production.
- 2. Bees for Business Phase 2 (Burkina Faso)**, supported 50 members of the Benkadi de Dakoro women's group in rural Burkina Faso from August 2020, to establish a beekeeping enterprise with the aim of increasing income levels. To improve their financial resilience further we supported the women to diversify into sesame farming with training in Good Agricultural Practices and Climate Smart Agriculture. One hectare of land was prepared and planted in October 2020 and the sesame farm was certified organic by ECOCERT, an internationally recognised certification body. Sesame production has contributed to an increase in the household income for all the participants and a new Village Savings and Loan Association (VSLA) has enabled the group to save and provide small loans to members of their community to help them meet urgent needs. In April 2021, ten leaders

## TRUSTEES' REPORT

elected by the group attended a two-day workshop in Agricultural Entrepreneurship and Leadership, delivered by an officer from the Regional Directorate of Agriculture. The aim of the workshop was to strengthen the capacity and skills of the leaders, supporting the Benkadi Women's Co-operative to manage their honey and sesame businesses both sustainably and profitably.

- 3. Growing Fairer Futures (Ghana)** was launched in January 2020, supporting young cocoa farmers in the Osino region of eastern Ghana. Working in partnership with a local Fairtrade cocoa co-operative Fanteakwa, this project supported 50 young people (32% female) aged between 18-35 to establish their own cocoa farm and build it into a robust and sustainable business. We collaborated with specialists from the Ghana Cocoa Health and Extension Division (CHED) to deliver training in Good Agricultural Practices and Climate Smart Agriculture, which introduced farmers to the causes, effects, and impact of climate change and demonstrated adaptation strategies in order to increase their resilience, alongside agri-business training. The young farmers were provided with farming tools and equipment to enable them to prepare their land, then plant and maintain their cocoa farms. Each farmer received 450 disease and climate resistant cocoa seedlings together with plantain and maize shoots. These crops provided shade to young cocoa trees, supporting their growth. Surplus crops were sold locally, providing the farmers with an additional source of income.

### LIVELIHOOD SECURITY FUND

The Livelihood Security Fund was relaunched in the previous year to raise restricted funds to help producers in Africa and Latin America to meet their basic needs and support income levels during and beyond the Covid-19 crisis. A sum of £7,336 was in this fund at the financial year-end, ready to deploy in appropriate emergency situations. Through our Facebook and Twitter pages, we seek to raise awareness of the appeal, and encourage donations through our JustGiving fundraising page.

### RESTRICTED INCOME FUNDS

We acknowledge the receipt of restricted funds totalling almost £75k (2020: £130k) in our financial statements and details are provided at notes 2 and 3. We are grateful to all the donors who have supported our work in the past year.

### UNRESTRICTED INCOME FUNDS

Unrestricted income for the year was £288k, up from £220k in the previous year, and almost 150% of our target for the year. Much of this funding is provided by donations and legacies from members of the Shared Interest Society for which the Trustees are especially grateful. A number of the sums donated came from accounts where we are aware, sadly, that the member of Shared Interest Society has died and in many cases due to the Covid-19 pandemic. We would like to extend our deepest sympathy to the families in question and assure you that we will seek to do the very best to honour your relative by putting their generous donation to good use in the Foundation.

The Foundation continues to hold a number of legacy nominations from the members of the Society and the Trustees of the Foundation are grateful to Society members who have indicated that they intend to support the charity by leaving a legacy in this manner.

Diversifying unrestricted income sources has continued to be challenging but we were able to finish the year with an

increase in unrestricted reserves of £91k (before designation of funds to a number of specific projects). We continue to seek new avenues to grow our income, recognising that we cannot only rely on donations from Society' members.

Fundraising costs in the financial statements represent a proportion of staff time, small fees to sites such as JustGiving and, when these occur (nil this year), some small costs of fund-raising events. We are grateful to all those who support our work, individuals, trusts and grant making bodies.

### RISK ASSESSMENT

The Trustees consider that the main risks facing the charity are as below. A variety of tools, systems and procedures are used to mitigate these risks where possible.

- Major incident during staff travel;
- Dependence on key personnel, absence, loss or failure to recruit; and
- Political instability creating operational and/or security issues overseas, impacting income and/or staff safety;

In addition to the above risks the Foundation has faced the global risk caused by the Covid-19 pandemic. Remote working has meant that the Foundation could continue to operate, managing live projects and seeking funding for future ones. As noted above, generous funding from a range of different donors this year has meant that the Foundation has been able to increase resources and approve expenditure on a number of new projects for 2021/22 and beyond.

### RESERVES AND GOING CONCERN STATUS

The Trustees have agreed that the reserves policy should be to keep the equivalent of three to six months unrestricted expenditure as free reserves to cover periods of uneven income or unexpected income shortfalls. The balance on the Unrestricted income fund at the year-end, after remaining designation of £115k to three specific projects, represents about 8.4 months of budgeted unrestricted expenditure, the higher number being deemed appropriate in the current very challenging operational and funding environment.

Based on the financial position at the 30th September and the Business Plan for the 2021/22 year and beyond, the Trustees believe that Shared Interest Foundation is a going concern and these financial statements have been prepared on that basis.

### STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Shared Interest Foundation for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the 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 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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. 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.

The Trustees are responsible for the maintenance and integrity of the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## **STATEMENT OF DISCLOSURE OF INFORMATION TO THE AUDITORS**

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

## **INDEPENDENT AUDITORS**

The charity only has one member, Shared Interest Society, and there is a high degree of overlap between the Boards of both organisations. The charity does not therefore hold an Annual General Meeting but the Board of the Society will re-appoint Armstrong Watson Audit Limited as auditors for the year which began on 1 October 2021.

Signed on behalf of the Board

M Coyle  
Chair of Trustees  
15 December 2021

# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF SHARED INTEREST FOUNDATION

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### Opinion

We have audited the financial statements of Shared Interest Foundation (the 'charitable company') for the year ended 30 September 2021 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2021 and 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.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the Trustees' Report other than the financial statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the

other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements

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

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- the charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company 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; or
- the Trustees' were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

#### Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 6, the Trustees (who are also the directors of the charitable company 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, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## INDEPENDENT AUDITORS' REPORT

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations and in particular, adherence to the Charities Act;
- we identified the laws and regulations applicable to the charitable company through discussions with trustees and other management and review of appropriate industry knowledge;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures as a risk assessment tool to identify any unusual or unexpected relationships; and
- tested journal entries to identify unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit

in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Simon Turner (Senior statutory auditor)

### Armstrong Watson Audit Limited

Chartered Accountants  
Statutory Auditors

Suite 15 & 17  
11 Waterloo Street  
Newcastle upon Tyne  
NE1 4DP

Date: 15 December 2021

# STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30 SEPTEMBER 2021

|                                                    | <b>Note</b> | <b>Unrestricted funds</b> | <b>Restricted funds</b> | <b>Total funds</b> | <b>Total funds</b> |
|----------------------------------------------------|-------------|---------------------------|-------------------------|--------------------|--------------------|
|                                                    |             | 2021                      | 2021                    | 2021               | 2020               |
| <b>Income from:</b>                                |             | £                         | £                       | £                  | £                  |
| Donations and legacies                             | 2           | 287,374                   | 3,013                   | <b>290,387</b>     | 223,678            |
| Charitable activities                              | 3           | -                         | 71,625                  | <b>71,625</b>      | 125,450            |
| Investment income                                  | 4           | 583                       | -                       | <b>583</b>         | 941                |
| <b>Total income</b>                                |             | <b>287,957</b>            | <b>74,638</b>           | <b>362,595</b>     | <b>350,069</b>     |
| <b>Expenditure on:</b>                             |             |                           |                         |                    |                    |
| Raising funds                                      | 7           | 11,044                    | -                       | <b>11,044</b>      | 12,652             |
| Charitable activities                              | 5, 6        | 185,689                   | 107,416                 | <b>293,105</b>     | 185,262            |
| <b>Total expenditure</b>                           |             | <b>196,733</b>            | <b>107,416</b>          | <b>304,149</b>     | <b>197,914</b>     |
| <b>Net income / (expenditure) before transfers</b> |             | <b>91,224</b>             | <b>(32,778)</b>         | <b>58,446</b>      | <b>152,155</b>     |
| Transfers between funds                            |             | -                         | -                       | -                  | -                  |
| <b>Net income / (expenditure)</b>                  |             | <b>91,224</b>             | <b>(32,778)</b>         | <b>58,446</b>      | <b>152,155</b>     |
| <b>Net movement in funds</b>                       |             | <b>91,224</b>             | <b>(32,778)</b>         | <b>58,446</b>      | <b>152,155</b>     |
| <b>Reconciliation of funds:</b>                    |             |                           |                         |                    |                    |
| Total funds at 1 October                           |             | 219,015                   | 106,811                 | <b>325,826</b>     | 173,671            |
| <b>Total funds at 30 September</b>                 |             | <b>310,239</b>            | <b>74,033</b>           | <b>384,272</b>     | <b>325,826</b>     |

All activities relate to continuing operations.

The notes on pages 13 to 18 form part of these financial statements.

# STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30 SEPTEMBER 2020

| Previous Financial Year            | Unrestricted funds | Restricted funds | Total funds    |
|------------------------------------|--------------------|------------------|----------------|
|                                    | 2020               | 2020             | 2020           |
| Income from:                       | £                  | £                | £              |
| Donations and legacies             | 219,355            | 4,323            | 223,678        |
| Charitable activities              | -                  | 125,450          | 125,450        |
| Investment income                  | 941                | -                | 941            |
| <b>Total income</b>                | <b>220,296</b>     | <b>129,773</b>   | <b>350,069</b> |
| <b>Expenditure on:</b>             |                    |                  |                |
| Raising funds                      | 12,652             | -                | 12,652         |
| Charitable activities              | 155,243            | 30,019           | 185,262        |
| <b>Total expenditure</b>           | <b>167,895</b>     | <b>30,019</b>    | <b>197,914</b> |
| <b>Net income before transfers</b> | <b>52,401</b>      | <b>99,754</b>    | <b>152,155</b> |
| Transfers between funds            | -                  | -                | -              |
| <b>Net income</b>                  | <b>52,401</b>      | <b>99,754</b>    | <b>152,155</b> |
| <b>Net movement in funds</b>       | <b>52,401</b>      | <b>99,754</b>    | <b>152,155</b> |
| <b>Reconciliation of funds:</b>    |                    |                  |                |
| Total funds at 1 October           | 166,614            | 7,057            | 173,671        |
| <b>Total funds at 30 September</b> | <b>219,015</b>     | <b>106,811</b>   | <b>325,826</b> |

# BALANCE SHEET

AT 30 SEPTEMBER 2021

|                                                       | Note       | 2021<br>£      | 2020<br>£      |
|-------------------------------------------------------|------------|----------------|----------------|
| <b>Current assets</b>                                 |            |                |                |
| Debtors and prepayments                               | 11         | 14,108         | 27,120         |
| Cash at bank and in hand                              | 12         | 268,511        | 197,036        |
| Deposits with credit institutions                     | 13         | 108,573        | 107,970        |
| <b>Total current assets</b>                           |            | <b>391,192</b> | <b>332,126</b> |
| <b>Creditors: amounts falling due within one year</b> | 14         | <b>(6,920)</b> | <b>(6,300)</b> |
| <b>Net current assets</b>                             |            | <b>384,272</b> | <b>325,826</b> |
| <b>Net assets</b>                                     |            | <b>384,272</b> | <b>325,826</b> |
| <b>Charity funds</b>                                  |            |                |                |
| Restricted funds                                      | 15, 16, 17 | 74,033         | 106,811        |
| Designated funds                                      | 15, 17     | 193,498        | 149,697        |
| Unrestricted funds                                    | 15, 17     | 116,741        | 69,318         |
| <b>Total funds</b>                                    |            | <b>384,272</b> | <b>325,826</b> |

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A – small entities.

The financial statements were approved and authorised for issue by the Board on 15 December 2021.

Signed on behalf of the Board of Trustees

M Coyle

**Chair of Trustees**

The notes on pages 13 to 18 form part of these financial statements.

Company registration number: 4833073

# NOTES TO THE FINANCIAL STATEMENTS

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### (1.1) Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £1. The financial statements are prepared on a going concern basis as the charity has sufficient funding and activity to take it through 2022.

Shared Interest Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

### (1.2) Company status

The company is limited by guarantee and has no share capital. In the event of a winding up every member undertakes to contribute such amount as may be required not exceeding the total of £1. There was one member at 30 September 2021, Shared Interest Society Ltd.

### (1.3) Fund accounting

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements. Investment income, gains and losses are allocated to the appropriate fund.

### (1.4) Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

### (1.5) Expenditure

Expenditure is recognised when there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and include attributable VAT which cannot be recovered. All expenses including support costs and governance costs are allocated to the applicable expenditure headings. Charitable

expenditure includes those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.

### (1.6) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the bank.

### (1.7) Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount repaid net of any trade discounts due.

### (1.8) Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

### (1.9) Creditors and provisions

Creditors and provisions are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

### (1.10) Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

### (1.11) Cash flow statement

The Company has taken advantage of the exemption in FRS 102 from the requirement to prepare a cash flow statement on the grounds that it is a small company.

### (1.12) Foreign currency transactions

Monetary assets and liabilities denominated in foreign currencies are stated in the balance sheet at the equivalent value in sterling at the exchange rate prevailing at the balance sheet date. Transactions during the year denominated in foreign currencies are stated at their equivalent value in sterling at the exchange rate prevailing at the date of the transaction.

### (1.13) Pensions

Employees of the Foundation are entitled to membership of the Shared Interest Group Personal Pension Plan. This is a defined contribution scheme with 9% of salary payable by the Charity and charged to the Income and Expenditure Account in the year relating to the salary cost.

## 2. INCOME FROM DONATIONS AND LEGACIES

|                      | Unrestricted   | Restricted   | Total          | Total          |
|----------------------|----------------|--------------|----------------|----------------|
|                      | funds          | funds        | funds          | funds          |
|                      | 2021           | 2021         | 2021           | 2020           |
|                      | £              | £            | £              | £              |
| Individuals          | 282,930        | 3,013        | 285,943        | 221,178        |
| Trusts and corporate | 4,444          | -            | 4,444          | 2,500          |
|                      | <u>287,374</u> | <u>3,013</u> | <u>290,387</u> | <u>223,678</u> |

In 2020, of the total income from donations and legacies, £219,355 related to unrestricted funds and £4,323 related to restricted funds.

## 3. INCOME FROM CHARITABLE ACTIVITIES

|                                                                        | Unrestricted | Restricted    | Total         | Total          |
|------------------------------------------------------------------------|--------------|---------------|---------------|----------------|
|                                                                        | funds        | funds         | funds         | funds          |
|                                                                        | 2021         | 2021          | 2021          | 2020           |
|                                                                        | £            | £             | £             | £              |
| Allan & Nesta Ferguson Charitable Trust - Growing Fairer Futures       | -            | -             | -             | 20,000         |
| Evan Cornish Foundation - Bees For Business Part 2 (Burkina Faso)      | -            | -             | -             | 8,000          |
| Anonymous - Growing Fairer Futures Cote d'Ivoire                       | -            | -             | -             | 75,000         |
| Anonymous - Nicaragua Sesame Farming                                   | -            | 20,000        | 20,000        | -              |
| Marr-Munning Trust - Coffee Farming Uganda                             | -            | 28,675        | 28,675        | -              |
| Guernsey Overseas Aid & Development - Bees For Business (Sideradougou) | -            | 22,450        | 22,450        | 22,450         |
| Mr TM Dickerty - Dakoro Well Construction                              | -            | 500           | 500           | -              |
|                                                                        | <u>-</u>     | <u>71,625</u> | <u>71,625</u> | <u>125,450</u> |

In 2020, of the total income from charitable activities, £125,450 related to restricted funds.

## 4. INVESTMENT INCOME

|                   | Unrestricted | Restricted | Total      | Total      |
|-------------------|--------------|------------|------------|------------|
|                   | funds        | funds      | funds      | funds      |
|                   | 2021         | 2021       | 2021       | 2020       |
|                   | £            | £          | £          | £          |
| Interest received | 583          | -          | 583        | 941        |
|                   | <u>583</u>   | <u>-</u>   | <u>583</u> | <u>941</u> |

In 2020, of the total investment income, £941 related to unrestricted funds.

## 5. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

|                                                      | Activities undertaken directly | Grant funding of activities | Support costs | Total 2021     | Total 2020     |
|------------------------------------------------------|--------------------------------|-----------------------------|---------------|----------------|----------------|
|                                                      | £                              | £                           | £             | £              | £              |
| Bees for Business                                    | -                              | -                           | -             | -              | 111            |
| Bees for Business Part 2 (Burkina Faso)              | 3,324                          | 4,616                       | 2,418         | <b>10,358</b>  | 12,088         |
| Bees for Business Sideradougou                       | 3,627                          | 43,255                      | 14,965        | <b>61,847</b>  | 9,316          |
| Coffee Farming Uganda                                | 5,992                          | 8,608                       | 4,411         | <b>19,011</b>  | -              |
| Coffee Production in Peru                            | 35,001                         | -                           | 11,076        | <b>46,077</b>  | -              |
| Crafting Fairer Futures                              | -                              | -                           | -             | -              | 297            |
| Dakoro Warehouse Project                             | 1,888                          | -                           | 530           | <b>2,418</b>   | -              |
| East Africa Governance and Finance Training          | -                              | -                           | -             | -              | 21,880         |
| Environmental Sustainability Nicaragua               | -                              | -                           | -             | -              | 2,658          |
| Ghana Soiless Farming                                | 20,876                         | -                           | 6,433         | <b>27,309</b>  | -              |
| Growing Fairer Futures                               | 3,484                          | 2,066                       | 1,679         | <b>7,229</b>   | 72,255         |
| Growing Fairer Futures Cote d'Ivoire                 | 4,370                          | 41,046                      | 14,340        | <b>59,756</b>  | -              |
| Growing Fairer Futures Rwanda                        | 21,171                         | -                           | 6,528         | <b>27,699</b>  | -              |
| Livelihood Security Fund                             | -                              | -                           | -             | -              | 37,635         |
| New projects                                         | 4,228                          | -                           | 1,186         | <b>5,414</b>   | 10,523         |
| Nicaragua Sesame Farming                             | 12,012                         | 7,825                       | 6,150         | <b>25,987</b>  | -              |
| Providing Sustainable Solutions to Poverty in Malawi | -                              | -                           | -             | -              | 18,499         |
|                                                      | <b>115,973</b>                 | <b>107,416</b>              | <b>69,716</b> | <b>293,105</b> | <b>185,262</b> |

## 6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

|                                                      | Unrestricted funds | Restricted funds | Total funds    | Total funds    |
|------------------------------------------------------|--------------------|------------------|----------------|----------------|
|                                                      | 2021               | 2021             | 2021           | 2020           |
|                                                      | £                  | £                | £              | £              |
| Bees for Business                                    | -                  | -                | -              | 111            |
| Bees for Business Part 2 (Burkina Faso)              | 5,742              | 4,616            | <b>10,358</b>  | 12,088         |
| Bees for Business Sideradougou                       | 18,592             | 43,255           | <b>61,847</b>  | 9,316          |
| Coffee Farming Uganda                                | 10,403             | 8,608            | <b>19,011</b>  | -              |
| Coffee Production in Peru                            | 46,077             | -                | <b>46,077</b>  | -              |
| Crafting Fairer Futures                              | -                  | -                | -              | 297            |
| Dakoro Warehouse Project                             | 2,418              | -                | <b>2,418</b>   | -              |
| East Africa Governance and Finance Training          | -                  | -                | -              | 21,880         |
| Environmental Sustainability Nicaragua               | -                  | -                | -              | 2,658          |
| Ghana Soiless Farming                                | 27,309             | -                | <b>27,309</b>  | -              |
| Growing Fairer Futures                               | 5,163              | 2,066            | <b>7,229</b>   | 72,255         |
| Growing Fairer Futures Cote d'Ivoire                 | 18,710             | 41,046           | <b>59,756</b>  | -              |
| Growing Fairer Futures Rwanda                        | 27,699             | -                | <b>27,699</b>  | -              |
| Livelihood Security Fund                             | -                  | -                | -              | 37,635         |
| New Projects                                         | 5,414              | -                | <b>5,414</b>   | 10,523         |
| Nicaragua Sesame Farming                             | 18,162             | 7,825            | <b>25,987</b>  | -              |
| Providing Sustainable Solutions to Poverty in Malawi | -                  | -                | -              | 18,499         |
|                                                      | <b>185,689</b>     | <b>107,416</b>   | <b>293,105</b> | <b>185,262</b> |

In 2020, of the total expenditure, £155,243 was expenditure from unrestricted funds and £30,019 was expenditure from restricted funds.

## 7. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

|                                                      | Staff costs | Other costs | Total   | Total   |
|------------------------------------------------------|-------------|-------------|---------|---------|
|                                                      | 2021        | 2021        | 2021    | 2020    |
|                                                      | £           | £           | £       | £       |
| <b>Expenditure on:</b>                               |             |             |         |         |
| <b>Raising funds</b>                                 | 10,454      | 590         | 11,044  | 12,652  |
| <b>Charitable activities</b>                         |             |             |         |         |
| Bees for Business                                    | -           | -           | -       | 111     |
| Bees for Business Part 2 (Burkina Faso)              | 3,508       | 6,850       | 10,358  | 12,088  |
| Bees for Business Sideradougou                       | 4,782       | 57,065      | 61,847  | 9,316   |
| Coffee Farming Uganda                                | 7,288       | 11,723      | 19,011  | -       |
| Coffee Production in Peru                            | 5,815       | 40,262      | 46,077  | -       |
| Crafting Fairer Futures                              | -           | -           | -       | 297     |
| Dakoro Warehouse Project                             | 1,888       | 530         | 2,418   | -       |
| East Africa Governance and Finance Training          | -           | -           | -       | 21,880  |
| Environmental Sustainability Nicaragua               | -           | -           | -       | 2,658   |
| Ghana Soiless Farming                                | 7,493       | 19,816      | 27,309  | -       |
| Growing Fairer Futures                               | 2,719       | 4,510       | 7,229   | 72,255  |
| Growing Fairer Futures Cote d'Ivoire                 | 8,294       | 51,462      | 59,756  | -       |
| Growing Fairer Futures Rwanda                        | 7,501       | 20,198      | 27,699  | -       |
| Livelihood Security Fund                             | -           | -           | -       | 37,635  |
| New projects                                         | 4,229       | 1,186       | 5,415   | 10,523  |
| Nicaragua Sesame Farming                             | 6,248       | 19,738      | 25,986  | -       |
| Providing Sustainable Solutions to Poverty in Malawi | -           | -           | -       | 18,499  |
|                                                      | 59,765      | 233,340     | 293,105 | 185,262 |
|                                                      | 70,219      | 233,930     | 304,149 | 197,914 |

## 8. SUPPORT COSTS

|                                                      | 2021   | 2020   |
|------------------------------------------------------|--------|--------|
|                                                      | £      | £      |
| Office costs including training                      | 22,983 | 23,478 |
| Wages and salaries                                   | 5,505  | 5,606  |
| Support services provided by Shared Interest Society | 31,697 | 33,022 |
| Marketing costs                                      | 5,931  | 4,952  |
| Governance costs                                     | 3,600  | 3,300  |
|                                                      | 69,716 | 70,358 |

## 9. NET INCOME / EXPENDITURE

This is stated after charging:

|                                         | 2021  | 2020  |
|-----------------------------------------|-------|-------|
|                                         | £     | £     |
| Auditors' remuneration (audit services) | 3,600 | 3,300 |

## NOTES TO THE FINANCIAL STATEMENTS

### 10. STAFF COSTS

| Staff costs were as follows:       | 2021          | 2020          |
|------------------------------------|---------------|---------------|
|                                    | £             | £             |
| Wages and salaries                 | 68,805        | 69,242        |
| Social security costs              | 2,384         | 2,402         |
| Defined contribution pension costs | 2,453         | 2,349         |
|                                    | <u>73,642</u> | <u>73,993</u> |

Average monthly number of employees (none of whom are Trustees) during the year was:

|                       | 2021     | 2020     |
|-----------------------|----------|----------|
|                       | Number   | Number   |
| Raising funds         | 1        | 1        |
| Charitable activities | 1        | 1        |
|                       | <u>2</u> | <u>2</u> |

No individual employee's emoluments exceeded £60,000 for either year shown. No pension contributions were payable by the Foundation in respect of the Trustees in either year shown.

The Trustees neither received nor waived any remuneration during the year (2020: £Nil). The Trustees did not have any expenses reimbursed during the year (2020: £Nil).

### 11. DEBTORS AND PREPAYMENTS

|                                      | 2021          | 2020          |
|--------------------------------------|---------------|---------------|
|                                      | £             | £             |
| Prepayments                          | 1,933         | 3,053         |
| Accrued income                       | 6,163         | 15,473        |
| Amounts owed from group undertakings | 6,012         | 8,594         |
|                                      | <u>14,108</u> | <u>27,120</u> |

Amounts owed to group undertakings were repaid in full post year-end and are settled on a monthly basis.

### 12. CASH AT BANK AND IN HAND

|                          | 2021           | 2020           |
|--------------------------|----------------|----------------|
|                          | £              | £              |
| Cash at bank and in hand | 268,511        | 197,036        |
|                          | <u>268,511</u> | <u>197,036</u> |

### 13. DEPOSITS WITH CREDIT INSTITUTIONS

|                                                  | 2021           | 2020           |
|--------------------------------------------------|----------------|----------------|
|                                                  | £              | £              |
| Deposits repayable in not more than three months | 27             | 27             |
| Deposits repayable in not more than one year     | 108,546        | 107,943        |
|                                                  | <u>108,573</u> | <u>107,970</u> |

### 14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|          | 2021         | 2020         |
|----------|--------------|--------------|
|          | £            | £            |
| Accruals | 6,920        | 6,300        |
|          | <u>6,920</u> | <u>6,300</u> |

## NOTES TO THE FINANCIAL STATEMENTS

### 15. CHARITY FUNDS

|                     | Restricted<br>funds<br>2021<br>£ | Unrestricted and<br>designated funds<br>2021<br>£ | Total<br>funds<br>2021<br>£ | Total<br>funds<br>2020<br>£ |
|---------------------|----------------------------------|---------------------------------------------------|-----------------------------|-----------------------------|
| Current assets      | 74,033                           | 317,159                                           | <b>391,192</b>              | 332,126                     |
| Current liabilities | -                                | (6,920)                                           | <b>(6,920)</b>              | (6,300)                     |
|                     | <u>74,033</u>                    | <u>310,239</u>                                    | <u><b>384,272</b></u>       | <u>325,826</u>              |

In 2020, of current assets £106,811 was restricted and £225,315 was unrestricted and designated funds and of current liabilities £6,300 was unrestricted and designated.

### 16. RESTRICTED FUNDS

Restricted income funds carried forward at the end of the financial year comprise:

|                                         | 2021<br>£            | 2020<br>£      |
|-----------------------------------------|----------------------|----------------|
| Bees For Business Part 2 (Burkina Faso) | -                    | 4,616          |
| Bees for Business-Sideradougou          | -                    | 20,805         |
| Coffee Farming Uganda                   | <b>20,067</b>        | -              |
| Dakoro Warehouse Project                | <b>500</b>           | -              |
| Growing Fairer Futures                  | -                    | 2,067          |
| Growing Fairer Futures Cote d'Ivoire    | <b>33,954</b>        | 75,000         |
| Livelihood Security Fund                | <b>7,336</b>         | 4,323          |
| Nicaragua Sesame Farming                | <b>12,176</b>        | -              |
|                                         | <u><b>74,033</b></u> | <u>106,811</u> |

### 17. MOVEMENT IN FUNDS

|                    | Balance at 1<br>October 2020<br>£ | Income<br>£    | Expenditure<br>£ | Transfer<br>between<br>funds<br>£ | Designation<br>of funds<br>£ | Balance at<br>30 September<br>2021<br>£ |
|--------------------|-----------------------------------|----------------|------------------|-----------------------------------|------------------------------|-----------------------------------------|
| Unrestricted funds | 69,318                            | 287,957        | (125,938)        | -                                 | (114,596)                    | <b>116,741</b>                          |
| Designated funds   | 149,697                           | -              | (70,795)         | -                                 | 114,596                      | <b>193,498</b>                          |
| Restricted funds   | 106,811                           | 74,638         | (107,416)        | -                                 | -                            | <b>74,033</b>                           |
|                    | <u>325,826</u>                    | <u>362,595</u> | <u>(304,149)</u> | <u>-</u>                          | <u>-</u>                     | <u><b>384,272</b></u>                   |

In 2020 the Trustees designated £128k to three projects which are ongoing. The Trustees have designated a further sum of £115k at the year-end for another three projects.

### 18. ULTIMATE PARENT COMPANY

The ultimate parent undertaking and controlling party of Shared Interest Foundation is Shared Interest Society Ltd (a Registered Society in the UK, registration number IP27093R) by virtue of Shared Interest Society Ltd being the only member of the Foundation. The financial statements of Shared Interest Society Ltd are available from the registered office of Shared Interest Foundation, as shown on page 3.

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# Accounts

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# **TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
30 SEPTEMBER 2020**

Shared Interest Foundation is a  
charitable company limited by guarantee  
Registered Company Number: 04833073  
Registered Charity Number: 1102375

# SHARED INTEREST FOUNDATION

## ANNUAL REPORT 2020

### Contents

|                                      |    |
|--------------------------------------|----|
| Legal and Administrative Information | 3  |
| Trustees' Report                     | 4  |
| Independent Auditors' Report         | 8  |
| Statement of Financial Activities    | 10 |
| Balance Sheet                        | 11 |
| Notes to the Financial Statements    | 12 |

# LEGAL & ADMINISTRATIVE INFORMATION

## LEGAL STATUS

The organisation is a charitable company limited by guarantee (registered company number 04833073), incorporated on 15 July 2003 and registered as a charity on 27 February 2004 (registered charity number 1102375).

The company was established under a Memorandum of Association (15 July 2003) which sets out the objectives and powers of the charitable company and is governed under its Articles of Association (15 July 2003).

## DIRECTORS AND ADVISERS

### for the year ended 30 September 2020

The Directors of the company, who are also the Trustees of the charity, who were in office during the year and up to the date of signing the financial statements were:

|                                          | Year appointed |
|------------------------------------------|----------------|
| Mary Coyle (Chair)                       | 2015           |
| Patricia Alexander                       | 2006           |
| Richard Anderson (appointed Oct 2020)*   | 2020           |
| David Bowman                             | 2012           |
| Paul Chandler                            | 2013           |
| Martin Kyndt                             | 2012           |
| Yvonne Gale (appointed Dec 2019)         | 2019           |
| Pauline Radcliffe (retired AGM Mar 2020) | 2011           |
| Keith Sadler (retired AGM Mar 2020)      | 2012           |
| Cristina Talens (appointed Dec 2019)     | 2019           |

\* Richard Anderson is replacing David Bowman who retires after eight years on the Board in December 2020.

## Company Secretary

Tim Morgan

## Independent Auditors

PricewaterhouseCoopers LLP

Central Square South

Orchard Street

Newcastle upon Tyne

NE1 3AZ

## Principal and Registered Office

Pearl Assurance House

7 New Bridge Street West

Newcastle upon Tyne

NE1 8AQ

# TRUSTEES' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2020

The Trustees present their report and audited financial statements for the year. This report has been prepared in accordance with the special provisions relating to small companies within the Companies Act 2006.

## GOVERNING DOCUMENT AND ORGANISATION

The company is governed by its Memorandum and Articles of Association. It is also a registered charity. The day-to-day running of the company is overseen by the Board of Trustees.

## PRINCIPAL AIMS AND OBJECTIVES

The objectives of the Foundation are to:

- advance education and training; and to
- relieve poverty, sickness and distress in all parts of the world in all respects for the benefit of the public in accordance with the law of charity in England and Wales.

In order to deliver these objectives, we engage in three principal activities:

- Building Business Support Networks – providing local assistance to fair trade businesses which helps them to grow, increasing incomes and employment opportunities.
- Providing financial management training – on topics such as maintaining good financial records and accessing finance for business growth. Our training courses are tailored to suit their audience from small-scale artisans to large fair trade co-operatives.
- A livelihood security fund – which seeks to support businesses that suffer an external shock such as natural disaster, to enable them to continue trading.

These activities form the contribution of the Foundation to the overall Shared Interest Theory of Change, which describes how we aim to build resilient businesses that in turn provide benefits to local communities. This is explained in more detail in our joint social accounts available on the website.

We have referred to the guidance from the Charity Commission on public benefit when reviewing our aims and objectives and in planning our future activities and believe that we comply with this. A summary report of the projects demonstrating this is given on page 5. The principal and registered office of the Foundation is shown on page 3.

## APPOINTMENT OF DIRECTORS

The Directors of the company who served during the financial year are listed on page 3, together with Richard Anderson who was appointed in October 2020. They are appointed to the Board by resolution of the member - that is, Shared Interest Society Limited ("SIS"). Following election they receive induction training including review of documents and policies, meeting staff and receiving briefings from key personnel. As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force.

## OTHER EXTERNAL APPOINTMENTS

Below are shown the external directorships/Trusteeships of the members of the Board of Trustees and Senior Management Team. All below, except Kerrey Baker, are Directors of Shared Interest Society Limited.

|                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-----------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Patricia Alexander **                         | Newcastle High School for Girls (Chair of Governors), St Oswald's Primary School, South Shields (Governor), Newcastle Business School Advisory Board                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Tim Morgan **                                 | Ecology Building Society, Northern Dance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Martin Kyndt                                  | Fitzroy Support (Chair), Sussex Wildlife Trust                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| David Bowman                                  | Corporate Responsibility (CORE) Coalition Limited, Director of Finance Mulberry Bush Organisation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Paul Chandler                                 | The Co-operative Group, CBF Funds Trustee Ltd, Durham Cathedral Council (Chair), County Durham Community Foundation (Vice Chair), Bible Society, St Chad's College Durham (Vice Chair), Fair Trade Advocacy Office                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Mary Coyle                                    | North Tyneside CCG, Newcastle University Retirement Benefits Plan, Northumbrian Water Forum (member)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Yvonne Gale                                   | NEL Fund Managers Ltd, Director (The appointments below in italics are dormant or semi-dormant entities linked to the above appointment). <i>NE Growth (ERDF) General Partner Ltd, Director; NE Growth (ERDF) Carried Interest Partner Ltd, Director; NE Small Loan (ERDF) General Partner Ltd, Director; NEGF General Partner Ltd, Director; NEL EOT Ltd, Director; Northern Enterprise Limited, Director; NEGF Carried Interest LLP, Designated Member; Northern Society of Chartered Accountants, Deputy President; Millfield House Foundation, Trustee and Chair of Investment Committee; North East Local Enterprise Partnership, Business Growth Board, Member; Durham University MBA Advisory Board, Member; Office of the Small Business Commissioner, Non-Executive Director</i> |
| Cristina Talens                               | Source Sustainable Supply Chains Ltd, Leek Gears Limited, Director of Business Risk Assessments at the Wilberforce Institute (University of Hull)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Richard Anderson                              | Marston (Holdings) Limited (The following appointments in italics are all linked to the main role above) <i>Marston Legal Services Limited, Marston Regulated Services Limited, Moreton Smith Receivables Limited, Rossendales Collect Limited, Rossendales Limited, Swift Credit Services Limited, Task Enforcement Limited, Collectica Limited, Field Services Investment Limited, Magenta Bidco Limited</i>                                                                                                                                                                                                                                                                                                                                                                            |
| Kerrey Baker *                                | Millin Trust                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| ** Member of Senior Management Team and Board |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| * Member of Senior Management Team            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |

### REVIEW OF THE YEAR AND FUTURE DEVELOPMENTS

The Foundation works with a joint mission with Shared Interest Society to provide financial services and business support to make livelihoods and living standards better for people as they trade their way out of poverty. The Society is a social lender and the Foundation undertakes a range of activities, all focused on the end goal of supporting and developing producer organisations. We primarily support businesses within the fair trade movement, seeking to ensure that our activity leads to both financial and social benefits within communities. This year, Shared Interest Foundation carried out a Strategic Review to provide a new direction for the next five years. As part of this process, we sent a survey to 640 donors and we received 185 anonymous responses. Board, staff and Shared Interest Council members were also consulted. The analysis of the survey results revealed that:

- 68% of respondents feel familiar or very familiar with our mission
- 92% of respondents felt the process of donating was easy and transparent
- 97% felt we explained well or very well how their donation would be spent
- 78% of respondents would recommend the charity to a friend
- 'No Poverty' (Sustainable Development Goal (SDG) 1) and 'Climate Action' (SDG 13) were the two SDG's rated of most importance to our donor base

We also conducted external interviews with our partners, funders, and supporters. These included COCO (Comrades of Children Overseas), Comic Relief, Fairtrade International, Global Partnerships, Incofin, the Commonwealth Foundation, the Marr-Munning Trust, Trade for Development Centre (TDC), Traidcraft Exchange, World Fair Trade Organisation (WFTO). Outcomes of these interviews informed the development of our new strategic plan. The key decisions from the review can be summarised as follows:

- Developing our fundraising potential
- Expanding the scope of our projects to include elements of climate change, gender equity and empowerment of women
- Scaling up our work in Africa and Latin America
- Developing a separate volunteer role for the Foundation
- Developing strategic partnerships
- Maintaining existing governance structure but adapting our reserves policy (see below)
- Developing new roles to support the strategy

The outcomes of the projects detailed below demonstrate that we have continued to deliver on our aim to support more resilient businesses providing both a social and a financial return in their local communities. We continue to believe that helping to build strong businesses is a sustainable and respectful way to fight poverty.

Further detail of our impact is contained in our joint social accounts.

#### Project 1: Strengthening Governance and Financial Capacity of Producer Groups in East Africa

Part-funded by KMF Maxwell Stuart Charitable Trust, the main objective of this project was to build the governance and financial capacity of 20 producer groups in Kenya and Uganda, to increase their sustainability and access to financial support. We worked with two delivery partners,

Profile International based in Uganda and Upward Bounds based in Kenya. In Year One, we focused on strengthening governance, training the Board of Directors and Management Team of each co-operative on roles and responsibilities, strategic planning, policy development, and leadership skills. This was followed by mentoring and remote support to assist participants to implement this learning at their respective co-operatives. In Year Two, we focused on building financial awareness in areas such as record-keeping, statement analysis, budgeting, and debt management. After the training, mentoring was provided to help prepare documents such as cash flow statements, end of year accounts, and business plans and put in place effective financial management systems. As a result of this project:

- 80% of the co-operatives developed an organisational strategic plan against 20% before training took place
  - 70% of co-operatives reported an increase in knowledge of the roles and responsibilities of Board members
  - 90% of co-operatives have put in place new organisational policies around topics such as HR, gender equity, finance and risk management – enabling them to meet the requirements of finance providers
  - Two organisations developed a Youth Leadership Development Programme to engage young people in the management of the co-operatives and prepare for the future
- The confidence level of Board of Directors and Management in the financial capacity within the co-operatives increased from a rating of 50% (average) at the beginning, to 70% (good) by the end of the project

#### Project 2: Malawi Sustainable Solutions to Poverty

In March 2020, we concluded our three-year project in Malawi, which was funded by the Marr-Munning Trust. The project was designed to improve the income of five co-operatives through the implementation of agricultural training, business support, and a mentoring programme. Working in partnership with Malawi Fairtrade Network (MFTN), we supported producers to increase yield and improve the management of their farming business. MFTN collaborated with the Ministry of Agriculture to deliver practical training to farmers in land preparation, planting, weed control and harvesting followed by one-to-one mentoring sessions. The co-operative members were trained in strategy and business planning, performance measurement and financial skills. Through our mentoring programme, each co-operative received support to develop a business plan.

The training and mentoring on good agricultural practices enabled the co-operatives to increase their production and sales. Since the launch of the project, tea production has increased by 33% and total sales have increased by 114%.

Following the training on Good Agricultural Practices (GAP):

- 92% of farmers said the GAP training had improved their farming practices
- 100% of farmers told us that they agree or strongly agree that their crops have improved following the adoption of good agricultural practices

Following Business Planning training:

- 100% of farmers said the training they received had a positive impact in their farming business
- 75% of farmers have plans to expand their farms
- 100% told us that the training enabled them to identify potential risks in their business, mitigate these risks and support business growth

## TRUSTEES' REPORT

100% of farmers told us that their household income had increased as a result of the training they received in GAP, leading to an improvement in their livelihood. Unfortunately some of the farmers' properties and crops were severely damaged in the flooding that hit Malawi shortly afterwards.

### Project 3: Growing Fairer Futures

Part-funded by the Allan & Nesta Ferguson Charitable Trust, our Growing Fairer Futures project is supporting 50 young people to become cocoa farmers. Aging cocoa trees, use of traditional farming techniques, and the increasing effects of climate change mean that many farmers struggle to make a living from this activity and young people choose to migrate to urban areas in search of alternative employment.

We partnered with the Cocoa Health and Extension Division (CHED) of the Ghana Cocoa Board to work with ten communities in the Osino District of eastern Ghana. We launched the project in January this year, and have since worked with these in-country experts to deliver training in Good Agricultural Practices (GAP) and Climate Smart Agriculture.

After distributing farming tools and equipment, 22,500 cocoa seedlings were planted, along with plantain and maize seedlings. These plant food crops will provide important shade to the cocoa trees and food for farmers' families, with the surplus sold for additional income. In October, the young farmers will be trained in business and finance skills to help them run their new business profitably and sustainably.

Although this project is ongoing, the young cocoa farmers have already recorded an improvement in their livelihoods. The maize and plantain they planted amongst their cocoa tree seedlings have been harvested and the farmers were able to feed their family, whilst also having a proportion available to sell at the local market. They have also gained new skills in cocoa farming, which we hope will lead to increased yields.

When asked about the new skills taught during the GAP training, one participant told us: "Some skills gained throughout the workshop is not burning the farm land when cleared and particularly not cutting down of trees. Instead when the land was cleared I left the debris to decay"

### Project 4: Environmental Sustainability

In August this year we concluded this 12 month project, which was supported by our Carbon Offset Fund. We worked closely with a Nicaraguan coffee co-operative over the course of a year, to help farmers reduce their environmental impact.

The project supported 84 farmers from UCA SJRC, to learn how to manage the wastewater created by coffee production and their own households.

As well as impacting upon the health of farmers, the wastewater was damaging soil and disrupting the growth of their coffee.

Together with UCA SJRC, we provided materials to construct water treatment filters on the farmers' land to prevent the contamination of soil and water sources from wastewater. Farmers were also supplied with 3,000 tree seedlings. Once established, these trees will not only encourage reforestation, increase soil fertility, and reduce erosion but will also provide important shade to coffee plants and subsequently increase yield. This project was funded through our carbon offset Fund.

The project beneficiaries have reported improvements in their coffee farming. Over time we expect these changes to lead to improved yield and increased household income from the sale of coffee.

## Livelihood Security Fund

This year, we relaunched the Livelihood Security Fund to raise restricted funds to help producers in Africa and Latin America to meet their basic needs and support income levels during and beyond the Covid-19 crisis. A sum of £4,323 had been raised by the financial year-end. Prior to this the Foundation used its own existing unrestricted funds to enable us to support Bukonzo Organic Farmers Co-operative Union (BOCU), a producer group based in Uganda in East Africa. Through our Facebook and Twitter pages, we were able to raise awareness of the appeal, and encourage donations through our JustGiving fundraising page.

### New Projects

In July and August 2020, we launched two new projects in Burkina Faso. Following the success of our pilot Bees for Business project in Dakoro last year, we secured funding from The Guernsey Overseas Aid & Development Commission to replicate this project in a nearby community called Sideradougou. In this community, many families rely on the dangerous and precarious task of gold mining as their only source of income. This project is supporting 75 women to become beekeepers as a safe and sustainable way to support their families.

Furthermore, with funding from the Evan Cornish Foundation, we are supporting the now fully established beekeeping group in Dakoro with additional training to develop their honey business and helping them to diversify into sesame farming. We look forward to reporting fully on the impact of these projects in next year's financial and social accounts.

## RESTRICTED INCOME FUNDS

We acknowledge the receipt of restricted grants totalling £130k (2019: £9k) in our financial statements and details are provided at Note 3. We are grateful to all the donors who have supported our work in the past year.

## UNRESTRICTED INCOME FUNDS

Unrestricted income for the year was £220k, up from £135k in the previous year, and about 130% of our target for the year. Much of this funding is provided by donations and legacies from members of the Shared Interest Society for which the Trustees are especially grateful. A number of the sums donated came from accounts where we are aware that the member of Shared Interest Society has died and in many cases due to the Covid-19 pandemic. We would like to extend our deepest sympathy to the families in question and assure you that we will seek to do the very best to honour your relative by putting their generous donation to good use in the Foundation.

The Foundation continues to hold a number of legacy nominations from the members of the Society and the Trustees of the Foundation are grateful to Society members who have indicated that they intend to support the charity by leaving a legacy in this manner.

Diversifying unrestricted income sources has continued to be challenging but we were able to finish the year with an increase in unrestricted reserves of £52k (before designation of funds to a number of specific projects). We continue to seek new avenues to grow our income, recognising that we cannot only rely on donations from Society members.

Fundraising costs in the financial statements represent a proportion of staff time and some small costs of fund-raising events. We are grateful to all those who support our work, individuals, trusts and grant making bodies.

## TRUSTEES' REPORT

### RISK ASSESSMENT

The Trustees consider that the main risks facing the charity are as below. A variety of tools, systems and procedures are used to mitigate these risks where possible.

1. Major incident during staff travel;
2. Dependence on key personnel, absence, loss or failure to recruit;
3. Political instability creating operational and/or security issues overseas, impacting income and/or staff safety; and
4. Inability to raise sufficient Unrestricted Funding.

In addition to the above risks the Foundation has faced the global risk caused by the Covid-19 pandemic. Remote working has meant that the Foundation could continue to operate, managing live projects and seeking funding for future ones. As noted above, generous funding from a range of different donors this year has meant that the Foundation has been able to increase resources and approve expenditure on a number of new projects for 2020/21 and beyond. During the last year the major impact of the pandemic was to cause a delay in a number of projects where it was not possible to commence activity at the height of movement restrictions. These have now started to progress but going forward this risk remains as it is unclear at this time how long it will take for the pandemic to be fully resolved.

### RESERVES AND GOING CONCERN STATUS

The Trustees have agreed that the reserves policy should be to keep the equivalent of three to six months unrestricted expenditure as free reserves to cover periods of uneven income or unexpected income shortfalls. (This represents a change from the previous policy which linked reserves to total expenditure). The balance on the Unrestricted income fund at the year-end, after remaining designation of £150k to four specific projects, one co-funded, represents about 5.5 months of budgeted unrestricted expenditure.

Based on the financial position at 30 September 2020 and the Business Plan for the 20/21 year and beyond, the Trustees believe that Shared Interest Foundation is a going concern and these financial statements have been prepared on that basis.

### STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also Directors of Shared Interest Foundation for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the 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 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;

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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. 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.

The Trustees are responsible for the maintenance and integrity of the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### STATEMENT OF DISCLOSURE OF INFORMATION TO THE AUDITORS

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

### INDEPENDENT AUDITORS

A resolution to reappoint PricewaterhouseCoopers LLP as auditors will be put to the members at the Annual General Meeting.

Signed on behalf of the Board

Mary Coyle

Chair of Trustees

16 December 2020

# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF SHARED INTEREST FOUNDATION

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### Opinion

In our opinion, Shared Interest Foundation's financial statements (the "financial statements"):

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2020 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 (United Kingdom Accounting Standards, comprising FRS 102 Section 1A "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Trustees' Annual Report and financial statements (the "Annual Report"), which comprise: the balance sheet as at 30 September 2020; the statement of financial activities for the year then ended; and the notes to the financial statements.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Independence

We remained independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

#### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the charitable company's ability to continue as a going concern.

#### Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

#### Trustees' Report

In our opinion, based on the work undertaken in the course of the audit the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and the Trustees' Report has been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Trustees' Report. We have nothing to report in this respect.

#### Responsibilities for the financial statements and the audit

##### Responsibilities of the Trustees for the financial statements

As explained more fully in the Statement of Trustees' Responsibilities set out on page 7, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Trustees are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## INDEPENDENT AUDITORS' REPORT

### **Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

### **Use of this report**

This report, including the opinions, has been prepared for and only for the charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## OTHER REQUIRED REPORTING

### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

### **Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the Trustees were not entitled to: prepare financial statements in accordance with the small companies' regime; and take advantage of the small companies exemption from preparing a Strategic Report. We have no exceptions to report arising from this responsibility.

### **Martin Cross (Senior Statutory Auditor)**

for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Newcastle upon Tyne

16 December 2020

# STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30 SEPTEMBER 2020

|                                                        | <b>Note</b> | Unrestricted<br>funds | Restricted<br>funds | <b>Total<br/>funds</b> | Total<br>funds   |
|--------------------------------------------------------|-------------|-----------------------|---------------------|------------------------|------------------|
|                                                        |             | 2020                  | 2020                | 2020                   | 2019             |
| <b>Income from:</b>                                    |             | £                     | £                   | £                      | £                |
| Donations and legacies                                 | 2           | 219,355               | 4,323               | <b>223,678</b>         | 133,548          |
| Charitable activities                                  | 3           | -                     | 125,450             | <b>125,450</b>         | 8,823            |
| Investment income                                      | 4           | 941                   | -                   | <b>941</b>             | 1,435            |
| <b>Total income</b>                                    |             | <u>220,296</u>        | <u>129,773</u>      | <u><b>350,069</b></u>  | <u>143,806</u>   |
| <b>Expenditure on:</b>                                 |             |                       |                     |                        |                  |
| Raising funds                                          | 7           | 12,652                | -                   | <b>12,652</b>          | 13,045           |
| Charitable activities                                  | 5, 6        | 155,243               | 30,019              | <b>185,262</b>         | 242,427          |
| <b>Total expenditure</b>                               |             | <u>167,895</u>        | <u>30,019</u>       | <u><b>197,914</b></u>  | <u>255,472</u>   |
| <b>Net income / (expenditure)<br/>before transfers</b> |             | 52,401                | 99,754              | <b>152,155</b>         | (111,666)        |
| Transfers between funds                                |             | -                     | -                   | -                      | -                |
| <b>Net income / (expenditure)</b>                      |             | <u>52,401</u>         | <u>99,754</u>       | <u><b>152,155</b></u>  | <u>(111,666)</u> |
| <b>Net movement in funds</b>                           |             | 52,401                | 99,754              | <b>152,155</b>         | (111,666)        |
| <b>Reconciliation of funds:</b>                        |             |                       |                     |                        |                  |
| Total funds at 1 October                               |             | 166,614               | 7,057               | <b>173,671</b>         | 285,337          |
| <b>Total funds at 30 September</b>                     |             | <u>219,015</u>        | <u>106,811</u>      | <u><b>325,826</b></u>  | <u>173,671</u>   |

All activities relate to continuing operations.

The notes on pages 12 to 17 form part of these financial statements.

# BALANCE SHEET

AT 30 SEPTEMBER 2020

|                                                       | Note       | 2020<br>£      | 2019<br>£      |
|-------------------------------------------------------|------------|----------------|----------------|
| <b>Current assets</b>                                 |            |                |                |
| Debtors and prepayments                               | 11         | 27,120         | 3,218          |
| Cash at bank and in hand                              | 12         | 197,036        | 54,370         |
| Deposits with credit institutions                     | 13         | 107,970        | 127,382        |
| <b>Total current assets</b>                           |            | <u>332,126</u> | <u>184,970</u> |
| <b>Creditors: amounts falling due within one year</b> | 14         | (6,300)        | (11,299)       |
| <b>Net current assets</b>                             |            | <u>325,826</u> | <u>173,671</u> |
| <b>Net assets</b>                                     |            | <u>325,826</u> | <u>173,671</u> |
| <b>Charity funds</b>                                  |            |                |                |
| Restricted funds                                      | 15, 16, 17 | 106,811        | 7,057          |
| Designated funds                                      | 15, 17     | 149,697        | 40,000         |
| Unrestricted funds                                    | 15, 17     | 69,318         | 126,614        |
| <b>Total funds</b>                                    |            | <u>325,826</u> | <u>173,671</u> |

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A – small entities.

The financial statements were approved and authorised for issue by the Board on 16 December 2020.

Signed on behalf of the Board of Trustees

Mary Coyle

**Chair of Trustees**

The notes on pages 12 to 17 form part of these financial statements.

Company registration number: 04833073

# NOTES TO THE FINANCIAL STATEMENTS

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### (1.1) Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £1. The financial statements are prepared on a going concern basis as the charity has sufficient funding and activity to take it through 2021.

Shared Interest Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

### (1.2) Company status

The company is limited by guarantee and has no share capital. In the event of a winding up every member undertakes to contribute such amount as may be required not exceeding the total of £1. There was one member at 30 September 2020, Shared Interest Society Limited.

### (1.3) Fund accounting

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements. Investment income, gains and losses are allocated to the appropriate fund.

### (1.4) Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

### (1.5) Expenditure

Expenditure is recognised when there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and include attributable VAT which cannot be recovered. All expenses including support costs and governance costs

are allocated to the Charitable expenditure includes those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.

### (1.6) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the bank.

### (1.7) Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount repaid net of any trade discounts due.

### (1.8) Cash at Bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

### (1.9) Creditors and provisions

Creditors and provisions are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

### (1.10) Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

### (1.11) Cash flow statement

The Company has taken advantage of the exemption in FRS 102 from the requirement to prepare a cash flow statement on the grounds that it is a small company.

### (1.12) Foreign currency transactions

Monetary assets and liabilities denominated in foreign currencies are stated in the balance sheet at the equivalent value in sterling at the exchange rate prevailing at the balance sheet date. Transactions during the year denominated in foreign currencies are stated at their equivalent value in sterling at the exchange rate prevailing at the date of the transaction.

### (1.13) Pensions

Employees of the Foundation are entitled to membership of the Shared Interest Group Personal Pension Plan. This is a defined contribution scheme with 9% of salary payable by the Charity and charged to the Income and Expenditure Account in the year relating to the salary cost.

## 2. INCOME FROM DONATIONS AND LEGACIES

|             | Unrestricted<br>funds<br>2020<br>£ | Restricted<br>funds<br>2020<br>£ | Total<br>funds<br>2020<br>£ | Total<br>funds<br>2019<br>£ |
|-------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Individuals | 216,855                            | 4,323                            | 221,178                     | 133,048                     |
| Corporate   | 2,500                              | -                                | 2,500                       | 500                         |
|             | <u>219,355</u>                     | <u>4,323</u>                     | <u>223,678</u>              | <u>133,548</u>              |

In 2019, of the total income from donations and legacies, £133,548 related to unrestricted funds and £Nil related to restricted funds.

## 3. INCOME FROM CHARITABLE ACTIVITIES

|                                                                                   | Unrestricted<br>funds<br>2020<br>£ | Restricted<br>funds<br>2020<br>£ | Total<br>funds<br>2020<br>£ | Total<br>funds<br>2019<br>£ |
|-----------------------------------------------------------------------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Allan & Nesta Ferguson Charitable Trust - Growing Fairer Futures                  | -                                  | 20,000                           | 20,000                      | -                           |
| Comic Relief - Improving Producers Livelihood in Swaziland                        | -                                  | -                                | -                           | 4,623                       |
| Evan Cornish Foundation - Bees for Business Part 2 (Burkina Faso)                 | -                                  | 8,000                            | 8,000                       | -                           |
| Anonymous - Growing Fairer Futures (Cote d'Ivoire)                                | -                                  | 75,000                           | 75,000                      | -                           |
| Marr-Munning Trust - Providing Sustainable Solutions to Poverty in Malawi         | -                                  | -                                | -                           | 4,200                       |
| Guernsey Overseas Aid & Development Commission - Bees for Business (Sideradougou) | -                                  | 22,450                           | 22,450                      | -                           |
|                                                                                   | <u>-</u>                           | <u>125,450</u>                   | <u>125,450</u>              | <u>8,823</u>                |

In 2019, of the total income from charitable activities, £8,823 related to restricted funds.

## 4. INVESTMENT INCOME

|                   | Unrestricted<br>funds<br>2020<br>£ | Restricted<br>funds<br>2020<br>£ | Total<br>funds<br>2020<br>£ | Total<br>funds<br>2019<br>£ |
|-------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Interest received | 941                                | -                                | 941                         | 1,435                       |
|                   | <u>941</u>                         | <u>-</u>                         | <u>941</u>                  | <u>1,435</u>                |

In 2019, of the total investment income, £1,435 related to unrestricted funds.

**5. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES**

|                                                      | Activities undertaken directly | Grant funding of activities | Support costs | <b>Total 2020</b>     | Total 2019     |
|------------------------------------------------------|--------------------------------|-----------------------------|---------------|-----------------------|----------------|
|                                                      | £                              | £                           | £             | £                     | £              |
| Bees for Business                                    | 66                             | -                           | 45            | <b>111</b>            | 84,601         |
| Bees for Business Part 2 (Burkina Faso)              | 4,213                          | 3,384                       | 4,491         | <b>12,088</b>         | -              |
| Bees for Business (Sideradougou)                     | 4,294                          | 1,645                       | 3,377         | <b>9,316</b>          | -              |
| Crafting Fairer Futures                              | 23                             | 154                         | 120           | <b>297</b>            | 16,258         |
| East Africa Governance and Finance Training          | 8,481                          | 5,245                       | 8,154         | <b>21,880</b>         | 38,753         |
| Environmental Sustainability Nicaragua               | 1,729                          | -                           | 929           | <b>2,658</b>          | -              |
| Growing Fairer Futures                               | 26,130                         | 17,934                      | 28,191        | <b>72,255</b>         | -              |
| Improving Producers Livelihood in Swaziland          | -                              | -                           | -             | -                     | 82,953         |
| Livelihood Security Fund                             | 22,878                         | -                           | 14,757        | <b>37,635</b>         | -              |
| New projects                                         | 6,845                          | -                           | 3,678         | <b>10,523</b>         | 12,288         |
| Providing Sustainable Solutions to Poverty in Malawi | 10,226                         | 1,657                       | 6,616         | <b>18,499</b>         | 7,574          |
|                                                      | <u>84,885</u>                  | <u>30,019</u>               | <u>70,358</u> | <u><b>185,262</b></u> | <u>242,427</u> |

**6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES**

|                                                      | Unrestricted funds | Restricted funds | <b>Total funds</b>    | Total funds    |
|------------------------------------------------------|--------------------|------------------|-----------------------|----------------|
|                                                      | 2020               | 2020             | <b>2020</b>           | 2019           |
|                                                      | £                  | £                | £                     | £              |
| Bees for Business                                    | 111                | -                | <b>111</b>            | 84,601         |
| Bees for Business Part 2 (Burkina Faso)              | 8,704              | 3,384            | <b>12,088</b>         | -              |
| Bees for Business (Sideradougou)                     | 7,671              | 1,645            | <b>9,316</b>          | -              |
| Crafting Fairer Futures                              | 143                | 154              | <b>297</b>            | 16,258         |
| East Africa Governance and Finance Training          | 16,635             | 5,245            | <b>21,880</b>         | 38,753         |
| Environmental Sustainability Nicaragua               | 2,658              | -                | <b>2,658</b>          | -              |
| Growing Fairer Futures                               | 54,321             | 17,934           | <b>72,255</b>         | -              |
| Improving Producers Livelihood in Swaziland          | -                  | -                | -                     | 82,953         |
| Livelihood Security Fund                             | 37,635             | -                | <b>37,635</b>         | -              |
| New projects                                         | 10,523             | -                | <b>10,523</b>         | 12,288         |
| Providing Sustainable Solutions to Poverty in Malawi | 16,842             | 1,657            | <b>18,499</b>         | 7,574          |
|                                                      | <u>155,243</u>     | <u>30,019</u>    | <u><b>185,262</b></u> | <u>242,427</u> |

In 2019, of the total expenditure, £113,146 was expenditure from unrestricted funds and £129,281 was expenditure from restricted funds.

**7. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE**

|                                                      | Staff costs | Other costs | Total   | Total   |
|------------------------------------------------------|-------------|-------------|---------|---------|
|                                                      | 2020        | 2020        | 2020    | 2019    |
|                                                      | £           | £           | £       | £       |
| <b>Expenditure on:</b>                               |             |             |         |         |
| <b>Raising funds</b>                                 | 12,346      | 306         | 12,652  | 13,045  |
| <b>Charitable activities</b>                         |             |             |         |         |
| Bees for Business                                    | 6           | 105         | 111     | 84,600  |
| Bees for Business Part 2 (Burkina Faso)              | 4,830       | 7,258       | 12,088  | -       |
| Bees for Business (Sideradougou)                     | 4,683       | 4,633       | 9,316   | -       |
| Crafting Fairer Futures                              | 16          | 281         | 297     | 16,258  |
| East Africa Governance and Finance Training          | 8,460       | 13,420      | 21,880  | 38,753  |
| Environmental Sustainability Nicaragua               | 1,729       | 929         | 2,658   | -       |
| Growing Fairer Futures                               | 13,541      | 58,714      | 72,255  | -       |
| Improving Producers Livelihood in Swaziland          | -           | -           | -       | 82,952  |
| Livelihood Security Fund                             | 6,216       | 31,419      | 37,635  | -       |
| New projects                                         | 6,845       | 3,678       | 10,523  | 12,288  |
| Providing Sustainable Solutions to Poverty in Malawi | 10,323      | 8,176       | 18,499  | 7,576   |
|                                                      | 56,649      | 128,613     | 185,262 | 242,427 |
|                                                      | 68,995      | 128,919     | 197,914 | 255,472 |

**8. SUPPORT COSTS**

|                                                      | 2020   | 2019   |
|------------------------------------------------------|--------|--------|
|                                                      | £      | £      |
| Office costs                                         | 23,478 | 18,028 |
| Wages and salaries                                   | 5,606  | 4,198  |
| Support services provided by Shared Interest Society | 33,022 | 30,950 |
| Marketing costs                                      | 4,952  | 13,409 |
| Governance costs                                     | 3,300  | 3,192  |
|                                                      | 70,358 | 69,777 |

**9. NET INCOME / EXPENDITURE**

This is stated after charging:

|                                         | 2020  | 2019  |
|-----------------------------------------|-------|-------|
|                                         | £     | £     |
| Auditors' remuneration (audit services) | 3,300 | 3,192 |

## NOTES TO THE FINANCIAL STATEMENTS

### 10. STAFF COSTS

| Staff costs were as follows:       | 2020          | 2019          |
|------------------------------------|---------------|---------------|
|                                    | £             | £             |
| Wages and salaries                 | 69,242        | 67,424        |
| Social security costs              | 2,402         | 2,213         |
| Defined contribution pension costs | 2,349         | 2,292         |
|                                    | <u>73,993</u> | <u>71,929</u> |

Average monthly number of employees (none of whom are Trustees) during the year was:

|                       | 2020     | 2019     |
|-----------------------|----------|----------|
|                       | Number   | Number   |
| Raising funds         | 1        | 1        |
| Charitable activities | 1        | 1        |
|                       | <u>2</u> | <u>2</u> |

No individual employee's emoluments exceeded £60,000 for either year shown. No pension contributions were payable by the Foundation in respect of the Trustees in either year shown.

The Trustees neither received nor waived any remuneration during the year (2019: £Nil).

The Trustees did not have any expenses reimbursed during the year (2019: £Nil).

### 11. DEBTORS AND PREPAYMENTS

|                                    | 2020          | 2019         |
|------------------------------------|---------------|--------------|
|                                    | £             | £            |
| Prepayments                        | 3,053         | 2,655        |
| Accrued income                     | 15,473        | 563          |
| Amounts owed to group undertakings | 8,594         | -            |
|                                    | <u>27,120</u> | <u>3,218</u> |

Amounts owed to group undertakings were repaid in full after the year-end and are settled on a monthly basis.

### 12. CASH AT BANK AND IN HAND

|                          | 2020           | 2019          |
|--------------------------|----------------|---------------|
|                          | £              | £             |
| Cash at bank and in hand | 197,036        | 54,370        |
|                          | <u>197,036</u> | <u>54,370</u> |

### 13. DEPOSITS WITH CREDIT INSTITUTIONS

|                                                  | 2020           | 2019           |
|--------------------------------------------------|----------------|----------------|
|                                                  | £              | £              |
| Deposits repayable in not more than three months | 27             | 20,353         |
| Deposits repayable in not more than one year     | 107,943        | 107,029        |
|                                                  | <u>107,970</u> | <u>127,382</u> |

### 14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                                    | 2020         | 2019          |
|------------------------------------|--------------|---------------|
|                                    | £            | £             |
| Amounts owed to group undertakings | -            | 4,548         |
| Accruals                           | 6,300        | 6,751         |
|                                    | <u>6,300</u> | <u>11,299</u> |

## NOTES TO THE FINANCIAL STATEMENTS

### 15. CHARITY FUNDS

|                     | Restricted<br>funds<br>2020<br>£ | Unrestricted and<br>designated funds<br>2020<br>£ | Total<br>funds<br>2020<br>£ | Total<br>funds<br>2019<br>£ |
|---------------------|----------------------------------|---------------------------------------------------|-----------------------------|-----------------------------|
| Current assets      | 106,811                          | 225,315                                           | <b>332,126</b>              | 184,970                     |
| Current liabilities | -                                | (6,300)                                           | <b>(6,300)</b>              | (11,299)                    |
|                     | <u>106,811</u>                   | <u>219,015</u>                                    | <u><b>325,826</b></u>       | <u>173,671</u>              |

### 16. RESTRICTED FUNDS

Restricted income funds carried forward at the end of the financial year comprise:

|                                                      | 2020<br>£             | 2019<br>£    |
|------------------------------------------------------|-----------------------|--------------|
| Bees for Business Part 2 (Burkina Faso)              | <b>4,616</b>          | -            |
| Bees for Business (Sideradougou)                     | <b>20,805</b>         | -            |
| Crafting Fairer Futures                              | -                     | 154          |
| East Africa Governance and Finance Training          | -                     | 5,246        |
| Growing Fairer Futures                               | <b>2,067</b>          | -            |
| Growing Fairer Futures (Cote d'Ivoire)               | <b>75,000</b>         | -            |
| Livelihood Security Fund                             | <b>4,323</b>          | -            |
| Providing Sustainable Solutions to Poverty in Malawi | -                     | 1,657        |
|                                                      | <u><b>106,811</b></u> | <u>7,057</u> |

### 17. MOVEMENT IN FUNDS

|                    | Balance at 1<br>October 2019<br>£ | Income<br>£    | Expenditure<br>£ | Transfer<br>between<br>funds<br>£ | Designation<br>of funds<br>£ | Balance at<br>30 September<br>2020<br>£ |
|--------------------|-----------------------------------|----------------|------------------|-----------------------------------|------------------------------|-----------------------------------------|
| Unrestricted funds | 126,614                           | 220,296        | (149,961)        | -                                 | (127,631)                    | <b>69,318</b>                           |
| Designated funds   | 40,000                            | -              | (17,934)         | -                                 | 127,631                      | <b>149,697</b>                          |
| Restricted funds   | 7,057                             | 129,773        | (30,019)         | -                                 | -                            | <b>106,811</b>                          |
|                    | <u>173,671</u>                    | <u>350,069</u> | <u>(197,914)</u> | <u>-</u>                          | <u>-</u>                     | <u><b>325,826</b></u>                   |

In 2019 the Trustees designated £40,000 to two projects which were intended as scalable pilots. One of these projects only commenced shortly after the year end. The Trustees have designated a further sum of £127,631 at the year-end.

### 18. ULTIMATE PARENT COMPANY AND RELATED PARTY TRANSACTIONS

The ultimate parent undertaking and controlling party of Shared Interest Foundation is Shared Interest Society Limited (a Registered Society in the UK, registration number IP27093R) by virtue of Shared Interest Society Limited being the only member of the Foundation. The financial statements of Shared Interest Society Limited are available from the registered office of Shared Interest Foundation, as shown on page 3. The Foundation is exempt from disclosing other related party transactions as these are all with Shared Interest Society Limited, the only other member of the Shared Interest group, which also reports under FRS102.