

**Company registration no: 05785598**  
**Registered charity no: 1116617**

**The Endowment Fund for TaCRI**  
**(A Company Limited by Guarantee)**

**Annual report and financial statements**  
**for the year ended 30 June 2023**

# The Endowment Fund for TaCRI

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## The Endowment Fund for TaCRI

### Trustees and advisors

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<b>Trustees</b>	Professor Melchior Mlambiti Dr Wilhelm Mafuru Godlove Stephen
<b>Company number</b>	05785598
<b>Registered charity number</b>	1116617
<b>Registered office</b>	C/O Womble Bond Dickinson (UK) LLP The Spark Drayman's Way Newcastle Helix Newcastle Upon Tyne NE4 5DE
<b>Business address</b>	P O Box 3004 Moshi Tanzania
<b>Auditors</b>	Saffery LLP St Catherine's Court Berkeley Place Clifton Bristol BS8 1BQ
<b>Bankers</b>	CRDB Bank Limited P O Box 1302 Moshi Tanzania
<b>Solicitors</b>	Womble Bond Dickinson (UK) LLP 3 Temple Quay Temple Back East Bristol BS1 6DZ
<b>Investment managers</b>	Quilter Cheviot Investment Management One Kingsway London WC2B 6AN

## **The Endowment Fund for TaCRI**

### **Report of the Trustees For the year ended 30 June 2023**

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The Trustees present their report along with the financial statements of the charity for the year ended 30 June 2023.

#### **Governing document**

The Endowment Fund for TaCRI ("the Fund") is a company limited by guarantee, incorporated on 19 April 2006 and registered as a charity on 2 November 2006. The Fund was established under a Memorandum of Association which established the objects and powers of the Fund and is governed under its Articles of Association. In the event of the Fund being wound up each member promises to pay up to £1 towards the costs of dissolution and the liabilities incurred by the charity while the contributor was a member. The charity registration number, company number, principal office and registered office are noted on page 1.

#### **Directors and Trustees**

The Directors of the Fund are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees. The Trustees who served during the course of the year are noted on page 1. The Trustees are appointed and serve in accordance with the Articles of Association. The Trustees meet two times a year. The Trustees (and key management personnel) receive no remuneration from the charity.

The Board is composed of no fewer than three Trustees and a maximum of five Trustees of whom no fewer than two and a maximum of three are appointed by the Tanzanian Coffee Research Institute ("TaCRI") and no fewer than one and no more than two are appointed by the Government of Tanzania acting by the Minister of Agriculture.

The Trustees appoint a Chairperson and a Treasurer from amongst themselves. Sub-groups and advisory boards can also be appointed to provide other resources of expertise.

The Fund's legal advisors have worked with the Trustees to compile a Trustees' Policies document, as well as a Governance Timetable. They also provide legal and regulatory updates as required, to ensure that the Trustees' knowledge remains current.

#### **Statement of Trustees' responsibilities**

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Fund and of the incoming resources and application of resources, including the income and expenditure, of the Fund for that period.

In preparing those 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 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Fund will continue in business.

## **The Endowment Fund for TaCRI**

### **Report of the Trustees**

**For the year ended 30 June 2023**

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The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Fund and enables them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Fund and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the Fund's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

### **Objects and activities of the charity**

The objects of the Fund are to promote and conduct research into all aspects of coffee production in Tanzania and to disseminate the useful results of such research for the public benefit; relieve the poverty of coffee producers in Tanzania by enabling and assisting them to improve the effective management of their natural resources; and provide assistance and support to TaCRI in respect of the objects referred to above.

### **Risk management**

The Trustees have assessed the major risks to which the Fund is exposed, in particular those related to the operations and finances of the Fund, and are satisfied that systems are in place to mitigate their exposure to the major risks.

### **Public benefit**

The Trustees are aware of the Charity Commission guidance on public benefit and have paid due regard to this guidance when deciding on what activities the Fund should undertake (as set out below).

### **Achievement and performance**

During the year, the Fund has partly supported the following projects: -

- i. Maintenance of germplasm, field trials and selection fields to be used in developing more productive coffee varieties.
- ii. Procured lamp for Tissue Culture laboratory. The Institute used the laboratory to initiate Geisha coffee micro-propagation to provide true to type seedlings to stakeholders who are interested in growing it due to its exceptional quality and high price in the market.
- iii. Two papers were submitted and accepted as posters in ASIC 29 Conference, Hanoi, Vietnam. Their titles are: The response of improved varieties to secondary macronutrients and micronutrients (including copper), and Use of GIS to describe land use and selected soil properties at Lyamungu Estate.
- iv. Supported fare for two delegates to participate in agricultural show in the Westen zone in which an average of 837 stakeholders visited TaCRI pavilion to learn on the coffee technologies which were promoted.
- v. We continued to manage and expand coffee nurseries at Ndilima Litembo in Songea Municipal in order to meet the increasing demand of coffee seedlings.

## **The Endowment Fund for TaCRI**

### **Report of the Trustees**

**For the year ended 30 June 2023**

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- vi. Provided support in conducting structured visits to various coffee stakeholders in Kigoma region to promote coffee technologies, strengthen partnership & discuss the challenges facing the coffee industry.

#### **Financial review**

The Fund Manager has continued to keep the Trustees up to date with quarterly investment reports on the performance of the Fund's portfolio and associated management costs. The Trustees noted that the value of the Fund during the 1st quarter of the financial year decreased significantly due to significant decrease in stock market valuations as last year, also noted that Fund portfolio performed well in the 2nd quarter and it almost maintain this level of value for the 3rd and 4th quarters. The Trustees are optimistic that the portfolio will continues to outperform its benchmark and feel that the effective percentage rate charged by the fund managers will continue to be competitive given the scale, buying power and market access their service offers to the Fund.

The Fund was set up with the intention of ensuring the long-term financial sustainability of the Fund and the projects it supports for the public benefit. The Fund would normally draw funds to promote its Objects. During the financial year, we continued to utilize funds withdrawn from the Fund to support promotion of charitable Objects of the Fund.

As at 30 June 2023 the endowment funds totalled \$3,662,779 (2022: \$3,458,685) and the unrestricted funds totalled \$896,876 (2022: 985,606).

#### **Future plans**

Future plans are to draw the income as well as the capital of the Fund where necessary, as the performance of the Fund improves during the next few years to achieve the Objects of the Fund. The major priorities will be to finance research activities in all aspects of coffee production and to disseminate the appropriate results of such research to the public for the purpose of achieving benefits such as reduced costs of coffee production and processing, improved coffee quality and therefore increased incomes of coffee growers for the sustainable reduction of poverty in coffee growing areas and improve income security and livelihoods.

#### **Reserves policy**

The Fund has retained the original policy of building up the fund, but continued withdrawing from accrued income and capital to meet the charitable Objects of the Fund. During the financial year to 30 June 2023, \$0 was withdrawn and utilized to support activities to meet the charitable Objects of the Fund (2022: \$374,180).

# **The Endowment Fund for TaCRI**

## **Report of the Trustees For the year ended 30 June 2023**


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### **Auditors**

Saffery LLP have expressed their willingness to remain in office as auditors.

This report has been prepared in accordance with current statutory requirements, the memorandum of association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Approved by the Trustees on .....19/03/2024..... 2024 and signed on their behalf by:

..... 19/03/2024.....

Professor Melchior Mlambiti

Chair

Board of Trustees

## **The Endowment Fund for TaCRI**

### **Independent auditors' report to the members For the year ended 30 June 2023**

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#### **Opinion**

We have audited the financial statements of The Endowment Fund for TaCRI for the year ended 30 June 2023 which comprise the Statement of Financial Activities, Balance Sheet and notes to the financial statements, 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 charitable company's state of affairs as at 30 June 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the 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 UK, including the FRC'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.



## **The Endowment Fund for TaCRI**

### **Independent auditors' report to the members For the year ended 30 June 2023**

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#### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

#### **Opinions 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; and
- 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 the 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 where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies exemption in preparing the Trustees' Annual Report and the Strategic Report.

#### **Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement set out on page 2, the trustees (who are also 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 to do so.

## **The Endowment Fund for TaCRI**

### **Independent auditors' report to the members For the year ended 30 June 2023**

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

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material

**The Endowment Fund for TaCRI**

**Independent auditors' report to the members  
For the year ended 30 June 2023**

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misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

  
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27.03.2024

Michael Strong (Senior Statutory Auditor)  
For and on behalf of

Saffery LLP  
Chartered Accountants  
Statutory Auditors

St Catherine's Court  
Berkeley Place  
Clifton  
Bristol  
BS8 1BQ

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

## The Endowment Fund for TaCRI

### Statement of financial activities (including income and expenditure account) For the year ended 30 June 2023

	Notes	Unrestricted funds	Endowment funds	2023 Total funds	2022 Total funds
		\$	\$	\$	\$
<b>Income from:</b>					
Investments		-	88,070	88,070	76,429
Interest		120	8,613	8,733	340
<b>Total</b>		120	96,683	96,803	76,769
<b>Expenditure on:</b>					
Charitable activities	2	(66,968)	-	(66,968)	(98,142)
Investment management		-	(16,078)	(16,078)	(19,499)
<b>Total</b>		(66,968)	(16,078)	(83,046)	(117,641)
Net gains/(losses) on investments		-	101,607	101,607	(464,258)
<b>Net income/(expenditure)</b>		(66,848)	182,212	115,364	(505,130)
Transfers between funds		(21,882)	21,882	-	-
<b>Net movement in funds</b>		(88,730)	204,094	115,364	(505,130)
<b>Total funds brought forward</b>		985,606	3,458,685	4,444,291	4,949,421
<b>Total funds carried forward</b>		896,876	3,662,779	4,559,655	4,444,291

All of the above results derive from continuing activities of the Charity.

The Statement of Financial Activities includes all gains and losses recognised in the period.

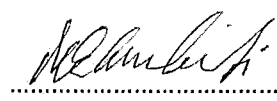
# The Endowment Fund for TaCRI

## Balance sheet

As at 30 June 2023

	Notes	2023	2022
<b>Fixed assets:</b>		\$	\$
Investments	6	3,658,149	3,481,716
Tangible assets	7	9,702	10,344
		<u>3,667,851</u>	<u>3,492,060</u>
<b>Current assets:</b>			
Debtors	8	972,664	1,011,867
Cash at bank and in hand		17,729	29,929
		<u>990,393</u>	<u>1,041,796</u>
<b>Liabilities:</b>			
Creditors: amounts falling due within one year	9	(98,589)	(89,565)
<b>Net current assets</b>		<u>891,804</u>	<u>952,231</u>
<b>Total net assets</b>		<u>4,559,655</u>	<u>4,444,291</u>
<b>The funds of the charity:</b>			
Endowment funds		3,662,779	3,458,685
Unrestricted funds		896,876	985,606
<b>Total charity funds</b>	10, 11	<u>4,559,655</u>	<u>4,444,291</u>

Approved by the Trustees for issue on .....19/03/2024..... 2024 and signed on their behalf by:

 19/03/2024

Professor Melchior Mlambiti  
Chair  
Board of Trustees

Company registration no. 05785598

## **The Endowment Fund for TaCRI**

### **Notes to the financial statements For the year ended 30 June 2023**

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#### **1 Accounting policies**

##### **1.1 Company information**

The Endowment Fund for TaCRI is a private charitable company limited by guarantee incorporated in England and Wales, company number 05785598. The registered office is The Spark Drayman's Way, Newcastle Helix, Newcastle upon Tyne, NE4 5DE. The charity receives investment income and makes grants for research into coffee production in Tanzania.

##### **1.2 Basis of preparation**

The financial statements have been prepared in accordance with *the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)* effective 1 January 2019 and *the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102)* and *the Charities Act 2011, the Companies Act 2006* and UK Generally Accepted Accounting Practice as it applies from 1 January 2019.

The charity constitutes a public benefit entity as defined under FRS 102.

The financial statements are prepared in US dollars. The functional currency of the charity is Tanzanian dollars. Monetary amounts in these financial statements are rounded to the nearest \$1.

These financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

There are no material uncertainties about the charity's ability to continue as a going concern.

##### **1.3 Incoming resources**

Donations are credited on a receivable basis unless related to a specific period, in which case they are deferred until that period.

Investment income is credited on a receivable basis.

All other income is recognised once the charity has entitlement to the resources, it is probable the resources will be received and the monetary value of the incoming resources can be measured with sufficient reliability.

##### **1.4 Resources expended**

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis, including irrecoverable VAT and has been classified under headings that aggregate all costs related to the category.

Governance costs include those incurred with constitutional and statutory requirements.

##### **1.5 Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, bank overdrafts or other short-term liquid investments with original maturities of three months or less.

## **The Endowment Fund for TaCRI**

### **Notes to the financial statements For the year ended 30 June 2023**

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#### **1.6 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Basic financial assets**

Basic financial assets, which includes other debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

#### **Basic financial liabilities**

Basic financial liabilities, including trade creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as 'creditors: amounts falling due within one year' if payment is due within one year or less. If not, they are presented as 'creditors: amounts falling due after more than one year'. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **1.7 Investments**

Investments held are re-valued at the mid-market value at the balance sheet date and any gain or loss arising is taken to the Statement of Financial Activities.

#### **1.8 Funds structure**

Unrestricted funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects.

The endowment fund represents an expendable endowment received from the European Commission which may be applied at the discretion of the Trustees towards the charity's objects.

#### **1.9 Foreign currency translation**

Monetary assets and liabilities denominated in foreign currencies are translated into US Dollars at the rates of exchange ruling at the balance sheet date. Where exchange rates have not fluctuated materially, transactions in foreign currencies are recorded at an average rate of exchange for the accounting period. Other transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

## **The Endowment Fund for TaCRI**

### **Notes to the financial statements For the year ended 30 June 2023**

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#### **1.10 Reporting currency**

The charity's reporting currency is the US Dollar since this is the main currency in which the charity's assets are held.

#### **1.11 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided on these assets at annual rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life as follows:

Farm equipment	5 – 20 years straight line
Office equipment	5 – 12 years straight line
Laboratory equipment	5 – 15 years straight line



## The Endowment Fund for TaCRI

### Notes to the financial statements For the year ended 30 June 2023

#### 2 Charitable activities

	2023	2022
	\$	\$
Wages and salaries	1,197	48,597
Bank charges	508	1,798
Office costs	85	7,249
Depreciation	642	771
Profit / (Loss) on foreign currency fluctuations	9,096	(2,870)
Coffee Crop Production	3,870	-
Motor running costs	1,808	-
Governance costs (note 3)	49,762	42,597
	<u>66,968</u>	<u>98,142</u>

During the year, the Endowment Fund for TaCRI did not have any employees but funded external salary costs. These costs totalled \$1,197 (2022: \$48,597). This cost has been included within wages and salaries.

There were no employees with emoluments above \$78,000 in either of the 2023 and 2022-year ends.

## **The Endowment Fund for TaCRI**

### **Notes to the financial statements For the year ended 30 June 2023**

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#### **3 Governance costs**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
AGM and progress review meetings	4,313	6,882
Audit fees	39,963	30,183
Company secretarial	5,486	5,532
	<u>49,762</u>	<u>42,597</u>

#### **4 Taxation**

None of the income received by the charity is subject to UK Corporation Tax. As such, there is no tax arising on the movement in funds during the year.

#### **5 Transactions with Trustees**

Three Trustees had their expenses met by the charity for their attendance at Trustee board meetings. The costs incurred covered reasonable travel, accommodation and subsistence only and totalled \$4,314 (2022: \$6,882). No Trustee received remuneration during the year.

**The Endowment Fund for TaCRI**

**Notes to the financial statements  
For the year ended 30 June 2023**

**6 Investments**

	<b>Total endowment funds 2023 \$</b>	<b>Total endowment funds 2022 \$</b>
As at 1 July 2022	3,481,716	4,259,282
Additions	363,345	497,817
Disposals	(256,357)	(688,278)
(Loss) on currency fluctuations	(93,475)	37,217
(Loss)/gain on investments	194,295	(477,410)
Movement on cash accounts	(31,375)	(146,912)
<b>Balance at 30 June 2023</b>	<b>3,658,149</b>	<b>3,481,716</b>

Investments at market value comprised:

	<b>Total endowment funds 2023 \$</b>	<b>Total endowment funds 2022 \$</b>
Fixed interest securities	738,314	532,241
Equities	2,291,694	2,259,119
Alternative investments	568,666	599,508
Cash and cash products	59,475	90,848
	<b>3,658,149</b>	<b>3,481,716</b>

## The Endowment Fund for TaCRI

### Notes to the financial statements For the year ended 30 June 2023

#### 7 Tangible fixed assets

	Laboratory equipment \$	Farm equipment \$	Office equipment \$	Total \$
<b>Cost</b>				
At 1 July 2022	6,990	3,552	7,563	18,105
Additions	-	-	-	-
At 30 June 2023	<u>6,990</u>	<u>3,552</u>	<u>7,563</u>	<u>18,105</u>
<b>Depreciation</b>				
At 1 July 2022	1,218	1,589	4,954	7,761
Charge for the year	433	96	113	642
At 30 June 2023	<u>1,606</u>	<u>1,657</u>	<u>4,997</u>	<u>8,260</u>
<b>Net book value</b>				
As at 30 June 2023	<u>5,339</u>	<u>1,867</u>	<u>2,496</u>	<u>9,702</u>
As at 30 June 2022	<u>5,772</u>	<u>1,963</u>	<u>2,609</u>	<u>10,344</u>

#### 8 Debtors

	2023 \$	2022 \$
Other debtors	<u>972,664</u>	<u>1,011,867</u>

Included within other debtors is a bridging loan to TaCRI of \$961,593 (2022: \$1,005,473), \$463,453 (2022: \$754,105) of which is due after more than one year.

Post year end, the board of trustees agreed to convert \$503,937 of the loan due within one year to a grant during the year ended 30 June 2024.

## The Endowment Fund for TaCRI

### Notes to the financial statements For the year ended 30 June 2023

#### 9 Creditors: amounts falling due within one year

	2023 \$	2022 \$
Trade creditors	7,285	1,832
Other creditors	47,066	47,674
Accruals	44,238	40,059
	<u>98,589</u>	<u>89,565</u>

#### 10 Analysis of charitable funds

	Balance 1 July 2022 \$	Incoming resources \$	Resources expended \$	Transfers between funds \$	Gain/(Loss) on investments \$	Balance 30 June 2023 \$
Unrestricted funds	985,606	120	(66,968)	(21,882)	-	896,876
Endowment funds	3,458,685	96,683	(16,078)	21,882	101,607	3,662,779
	<u>4,444,291</u>	<u>96,803</u>	<u>(83,046)</u>	<u>-</u>	<u>101,607</u>	<u>4,559,655</u>

The endowment fund represents an amount received from the European Commission which may be applied at the discretion of the Trustees towards the charity's objects.

During the year, \$nil (2022: \$374,179) was withdrawn from the fund for use towards the charitable objects. The balance remaining unspent at the year-end is included within unrestricted funds as the fund is expendable at the discretion of the Trustees.

#### 11 Analysis of net assets between funds

	Unrestricted funds \$	Endowment funds \$	Total \$
Investments and fixed assets	9,702	3,658,149	3,667,851
Debtors	963,817	8,847	972,664
Cash at bank and in hand	17,729	-	17,729
Creditors	<u>(94,372)</u>	<u>(4,217)</u>	<u>(98,589)</u>
	<u>896,876</u>	<u>3,662,779</u>	<u>4,559,655</u>

## **The Endowment Fund for TaCRI**

### **Notes to the financial statements For the year ended 30 June 2023**

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#### **12 Related party transactions**

Included in other debtors is \$961,160 (2022: \$1,005,473) of amounts advanced to TaCRI under a bridging loan finance agreement. No interest has been charged on this loan.

During the year, the charity funded expenses of TaCRI totalling \$nil (2022: \$305,081).

Included in other creditors is \$46,057 (2022: \$45,862) owed to TaCRI.

During the year, TaCRI funded expenses of the charity totalling \$39,283 (2022: \$16,791).

TaCRI is related to the charity by a common director.

#### **13 Post year end transactions**

As per note 8, post year end the board agreed to convert \$503,937 of the bridging loan with TaCRI to a grant during the year ended 30 June 2024.

The board also agreed to a separate grant of \$395,000 to TaCRI post year end.

**The Endowment Fund for TaCRI**

**Notes to the financial statements  
For the year ended 30 June 2023**

**14 Comparative statement of financial activities**

	<b>Unrestricted funds</b>	<b>Endowment funds</b>	<b>2022 Total funds</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Income from:</b>			
Investments	-	76,429	76,429
Interest	317	23	340
<b>Total</b>	<b>317</b>	<b>76,452</b>	<b>76,769</b>
<b>Expenditure on:</b>			
Charitable activities	98,142	-	98,142
Investment management	-	19,499	19,499
<b>Total</b>	<b>98,142</b>	<b>19,499</b>	<b>117,641</b>
Net gains/(losses) on investments	-	(464,258)	(464,258)
<b>Net income/(expenditure)</b>	<b>(97,825)</b>	<b>(407,305)</b>	<b>(505,130)</b>
Transfers between funds	374,179	(374,179)	-
<b>Net movement in funds</b>	<b>276,354</b>	<b>(781,484)</b>	<b>(505,130)</b>
<b>Total funds brought forward</b>	<b>709,252</b>	<b>4,240,169</b>	<b>4,949,421</b>
<b>Total funds carried forward</b>	<b>985,606</b>	<b>3,458,685</b>	<b>4,444,291</b>