Cafédirect Producers' Foundation

(A company limited by guarantee)

Trustees' report and financial statements

31 December 2013
Cafédirect Producers' Foundation  
(A company limited by guarantee)

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Reference and administrative details of the company, its trustees and advisers
for the year ended 31 December 2013

Trustees
Mr A K Ethuru
Mr A G Ferreto
Mr N Wambette
Ms C DeJean
Ms S Prime (resigned 31 March 2014)

Company registered number
06959165

Charity registered number
1133218

Registered office
Unit F Zetland House
5-25 Scrutton Street
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EC2A 4HJ

Company secretary
T D Morgan

Independent auditors
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NE1 4JE

Bankers
Triodos Bank
Deanery Road
Bristol
BS1 5AS

Solicitors
Bates Wells & Braithwaite LLP
2-6 Cannon Street
London
EC4M 6YH
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Trustees' report  
for the year ended 31 December 2013

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Cafédirect Producers' Foundation (the company) for the year ended 31 December 2013. The Trustees confirm that the Annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

Structure, governance and management

The Cafédirect Producers' Foundation (CPF) is an international non-governmental, non-political, non-religious organisation. It was established as a private limited company on 10th July 2009 (Company Number: 06959165) and was registered as a charity in December 2009 (Registered charity number: 1133218).

The company was established under a Memorandum of Association (10th July 2009) which established its objectives and powers, and is governed under its Articles of Association (10th July 2009).

Trustees

CPF's trustees are responsible for setting CPF's strategy and are responsible in law for the running of CPF. The Charity's sole Member, Cafédirect Producers Limited (CPL), is responsible for officially appointing CPF Trustees. Prior to appointment by CPL, existing members of the CPF Board of Trustees are responsible for confirming that new trustees have the necessary skills and capacity to contribute to CPF's governance, and organisational development.

CPF's Articles of Association allows for a minimum of three trustees to be appointed. As the charity's sole Member, CPL (as outlined in CPF’s Articles of Association) reviews the appointment of CPF Trustees each year. A minimum of two Trustees will offer to retire by rotation each year. A retiring Trustee may be re-appointed by the Member.

CPF’s trustees are not paid and are not remunerated for their role, apart from expenses associated with their participation in Board meetings.

When new trustees are appointed to CPF, they will be given an induction to CPF and will be provided with the information they need to fulfil their role, including information about their role as a CPF Trustee and on charity law. One trustee stood down in March 2014.

At present, CPF has no Board sub-committees or specific responsibilities appointed to each trustee, except the CPF Chairperson. Tim Morgan serves as the CPF Company Secretary.

During 2013, CPF Trustees met five times. Face to face Board meetings were held in March, June, September and December 2013, and a Board teleconference was held in January 2013.

Organisational structure

The CPF Board of Trustees is responsible for approving CPF’s annual work plan, budget and long-term strategy development. The day-to-day management of CPF is delegated to CPF's General Manager, based on a strategy, annual work plan and budget approved by the Trustees. The General Manager reports at least quarterly to the Trustees on activities undertaken in managing CPF, and provides updated financial reports that explain CPF's financial position. In 2013, five Board meetings were held and update reports provided.
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Financial controls are determined by CPF's financial procedures policy, which outlines the level of authority of CPF Trustees and the CPF General Manager over CPF's financial procedures. Conflicts of Interest are managed in accordance with the CPF's Articles of Association and CPF's Conflict of Interest Policy. A Register of Trustee's Interests has been established, and is updated annually.

For the first three quarters of 2013, CPF maintained three full-time UK-based staff members:

- A General Manager, responsible for managing the day-to-day operations of CPF, and CPF's longer-term strategic development;
- A Programme Manager, responsible for managing CPF's activities with the smallholder producer organisations that CPF works with;
- A Fundraising Coordinator, assigned specific responsibilities to coordinate CPF's fundraising activities.

In October 2013, staffing arrangements changed. The Fundraising Coordinator transitioned to a part-time role. In addition, two paid interns were hired on 3-month, fixed term contracts to support the delivery of programmes with producers and fundraising.

In addition, during 2013 CPF contracted a range of support services, including financial management services and support for the coordination of programme activities with smallholder producer organisations in Africa and in Latin America. This included the services of three project co-ordinators, 1 in Haiti and 2 in Kenya, hosted by partner organisations of CPF. (See Notes to the financial statements, Note 10 on Staff costs).

Relationship between CPF and related parties

Related parties include:

Cafédirect Producers Limited (CPL): CPL is the sole Member of CPF. CPL is a limited company (Company Number 4804115) owned by the smallholder producer organisations who hold shares in Cafédirect plc. CPL activities focus on enhancing the role of producer organisations as shareholders in Cafédirect plc and advancing the role of producers in the governance of Cafédirect plc.

Cafédirect Producers Trust: The Cafédirect Producers Trust was established by a Trustee Deed dated 10th December 2003 to permit producer organisations who sell products to Cafédirect plc to hold shares in Cafédirect plc. CPL is one of the Trustees.

Cafédirect plc: CPF is legally independent from Cafédirect plc. Cafédirect plc and CPF are linked through a Donation Agreement, dated 28th September 2009 and Deed of Amendment dated 24th December 2010, which outlines the terms under which Cafédirect plc makes an annual donation to CPF to support the Producer Partnership Programme, and to strengthen CPF's operational capacity. In addition, from June 2012, a Service Agreement between Cafédirect plc and CPF was established to support the delivery of activities to improve the livelihoods of coffee smallholder producers in the Dominican Republic and Haiti. This Service Agreement is due to extend, at the least through to May 2015.
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Risk management

CPF manages a risk register, which identifies major risks and ranks them in terms of their potential impact and likelihood. CPF Trustees review these major risks and their rankings quarterly, and satisfy themselves that adequate systems and procedures are in place to manage the risks identified. Where appropriate, risks are covered by insurance.

Major risks, from a CPF perspective, are those that may have a significant effect on CPF's:
• Operational performance;
• Financial sustainability, including stability and security of income;
• Achievement of aims and objectives;
• Meeting the expectations of beneficiaries, partners and/or donors.

Key risk management procedures developed by CPF to-date include:
• The development of a risk register, detailing and ranking major organisational risks;
• Quarterly tracking and reviewing of major risks identified;
• Clearly articulating organisational policies and processes for delegating authority and control, including financial controls and approval processes;
• Income targets for fundraising activities; and
• Establishing a reserve of unrestricted funds at the end of 2010, which has since been continued and enhanced through to, and beyond the end of 2013.

Objectives and Activities

Aims and objectives

When reviewing CPF's aims and objectives, and in planning future activities, reference has been made to guidance contained in the Charity Commission's general guidance on public benefit. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

CPF is a UK-registered charity that works with smallholder tea, coffee and cocoa farmer organisations in Africa, Latin America and Asia, established in 2009. CPF's objects, as outlined in its Articles of Association are to:
• Prevent and relieve poverty particularly in disadvantaged communities in developing countries;
• Advance or assist in advancing education; and
• Promote sustainable development by:
  • The preservation, conservation and the protection of the environment and the prudent use of natural resources;
  • The promotion of sustainable means of achieving economic growth and regeneration.

Throughout 2013, CPF has operated in accordance with the vision, mission and strategic objectives that were outlined in its 2013-2015 Strategic Plan, approved by the CPF Board in March 2013. These are stated as follows;

CPF's vision is of thriving smallholder communities, where each smallholder can realise their own vision.

CPF's mission is to work with smallholders in Latin America, Africa and Asia to develop innovative solutions to the challenges they face (within the context of their farming and business practices).
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CPF's Strategic Objectives are to:

1. Pioneer innovative, effective programmes that strengthen producers' capacity and resilience.

2. Ensure CPF is truly producer-led in governance and in its overall model.

3. Mobilise diverse resources to achieve sustainability for producer partners and for CPF.

During the year, the following programmes were undertaken to support the delivery of CPF's mission and objectives, and for the public benefit:

- Strengthening the capacity of smallholder producers to adapt to climate change.

- Training for smallholders in governance and leadership development.

- Enhancing communications, information sharing and knowledge between smallholder farmers through WeFarm, an international communications developed by CPF.

- Support the improvement of the livelihoods of smallholder coffee producers in the Dominican Republic and Haiti, with a focus on improving the quality and quantity of the coffee they produce.

- Enhancing the knowledge and skills of East Africa tea and coffee smallholders through a programme that supports farmer-led innovation and knowledge sharing across Kenya, Uganda, Tanzania and Rwanda.

In order to enhance the public benefits realised, CPF seeks to:

- Engage and work with a broad range of individuals and community groups within farming communities in which activities are undertaken, for example by investing in 'training the trainer' and 'farmer promoter' methodologies which train smallholder farmers as trainers, who will then share and replicate their knowledge with a broad range of smallholder farmers within their community and neighbouring communities;

- Ensure that information and educational materials produced through CPF's activities are widely distributed through existing networks of smallholder producers, as well as CPF's development partners who work at national and international levels;

- Developing programmes that will engage and support a broad range of producer and community-based organisations, beyond those producer organisations who supply to Cafédirect plc. For example, the WeFarm communication platform is being developed with the aim of ultimately enabling it to be accessible to any smallholder across the world who wishes to use it.

How we work
Throughout 2013, CPF has worked with 37 smallholder producer organisations across 12 countries in Latin America, Africa and Asia. CPF delivers its programmes in three ways:

- Through the disbursement of funds to smallholder organisations who work with CPF to determine priorities for utilising these funds and take the lead on implementing associated activities.
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• By CPF staff undertaking activities directly, for programme areas where CPF has in-house expertise and/or providing support for programme-based operations, logistics etc.

• Work carried out by local and/or international partner organisations, in situations where CPF and/or producer organisations do not have in-house capacity and/or infrastructure to undertake the activities directly.

CPF seeks to work closely with smallholder producer organisations to monitor the impact of its work. In each of its programme areas, the following process is undertaken:

• At programme onset, work with each of the smallholder producer organisations participating in project activities to undertake baseline assessments of existing conditions, and identify indicators of success against which programme activities will be assessed on completion.

• Development of output and outcome indicators.

• Monitoring and evaluation against indicators on programme completion. Participatory evaluation methods, engaging representatives of participating smallholder producer organisations, are complemented by the commissioning of an independent evaluation to assess progress and impact of programme activities against social, economic, and environmental indicators and established programme baselines. For example, during 2013, an external evaluation was undertaken on the organisational development grant from Comic Relief which supported investment in governance and leadership development for smallholders.

Voluntary help and gifts in kind

During 2013, CPF was grateful for the support of two volunteers who provided part-time support to CPF. Placements ranged from one to eight months, and supported the development of WeFarm, and CPF’s work on monitoring and impact evaluation.

Achievements and performance

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Review of activities

During 2013, CPF wrapped-up three donor-funded programmes, and began one new one.

The programmes which were wrapped-up in 2013 included the Producer Partnership Programme (PPP), the Comic Relief / Cafédirect funded work on supporting smallholder producers adapt to climate change, and the Comic Relief-funded work to support governance strengthening.
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Producer Partnership Programme (PPP)  
The Producer Partnership Programme, which has been run annually since 2010, used donations to strengthen the capacity of the smallholder producer organisations that CPF works with across Africa, Latin America and Asia. The operational model for the Producer Partnership Programme has been that funds were disbursed to each of the participating organisations to invest in activities that they consider a priority. These activities range from strengthening their agricultural and/or environmental management practices to accessing new markets for their products. Each producer organisation was then supported through the process of developing a small project proposal based on their previously identified organisational development priorities and allocated budget, develop their own indicators of success, in terms of project outputs and the number of smallholder farmers they anticipated to engage in project activities. These indicators were then reported on at the end of their project.

2013 PPP expenditures, totalling £38,644, were the final donations made to producer organisations who were completing their projects during the first half of 2013. Following the completion of 2012-2013 PPP activities with producer organisations, an internal evaluation of the impacts of the PPP between 2010 and 2012 was undertaken. This included compiling and aggregating impact data over the three years, across different thematic areas, as well as investing in presenting both aggregated information and case studies from individual PPP projects in formats that are publically accessible and compelling. For example, on the CPF website. Aggregated data indicate that over 55,000 smallholders were engaged in, and benefited from PPP projects between 2010 and 2013.

Climate Change Adaptation  
CPF’s two-year grant from Comic Relief to support climate change adaptation for smallholder tea farmers was successfully concluded at the end of 2012. 2013 activities and expenditures on climate change focused on managing the implementation of two short-term projects – one with the smallholder coffee cooperative CESMACH in Mexico, and one with Kayonza smallholder tea factory in Uganda. Activities included the installation of solar driers to support coffee smallholders to effectively dry their coffee in response to the challenge of variable weather patterns, as well as natural resource management interventions such as wetlands and buffer zone restoration. Project activities, funded by Cafedirect plc, concluded in the first half of 2013 with the submission of final project reports by the two organisations.

WeFarm - enhancing opportunities for communication and knowledge sharing between smallholder producers  
WeFarm (www.wefarm.info) is an interactive, internet-based communication platform, which has been under development since 2010 in collaboration with representatives of smallholder farming communities through an interactive user-design and testing process. Four smallholder communities have been involved in WeFarm development and pilot testing to-date – two smallholder tea communities, one in Kenya and one in Tanzania, and two smallholder coffee cooperatives - both located in Peru. WeFarm can be accessed by smallholder farmers in remote regions using the simplest of mobile phone handsets, as well as from a smart phone or a computer – with WeFarm aiming to reach and benefit the remotest of smallholder farmers worldwide - those who are located several miles from the nearest computer or internet kiosk.

2013 marked a strong year for WeFarm, with the transition from a pilot -testing phase to the development of a robust technology platform capable of operating internationally at scale. This included the following achievements:

- The final version of the WeFarm ‘pilot’ system was tested during the first half of 2013, with 100 smallholders engaged in field testing across remote regions of Peru, Tanzania and Kenya using their mobile phones, and local radio. This final pilot system enabled smallholders, speaking in multiple languages (Spanish, English and Swahili) to converse and share knowledge with each other for the first
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time.

- A ‘Train the Trainer’ toolkit was developed and finalised, which supports extension staff and promoter farmers to encourage the uptake and use of WeFarm across the smallholder farming communities they support. The toolkit includes a full WeFarm training manual and ‘farmer friendly’ training materials in 2 languages (Spanish, English). These materials were very well received by farmers during the final pilot in Peru, and led to a significantly reduced error rate among users.

- With support from the 12-month grant of €20,000 from the Swedish International Development Agency (SIDA), secured in February 2012, a sustainable business model was developed and finalised for WeFarm, with the view to launching WeFarm as a for-profit social enterprise subsidiary by 2015.

- Following the completion of the pilot testing phase during the first half of 2013, work began to build a more robust version of the WeFarm technology platform during the second half. This included commissioning two digital agencies to design and develop the ‘front-end’ user-interface, and ‘back-end’ information database. The new system will enable the WeFarm platform to reach a much higher number of smallholders, across multiple countries and multiple crops. This work was supported by the 2-year grant from the Knight Foundation, for which the first tranche of funding was received in November 2013.

- 2013 presented significant opportunities to raise awareness of WeFarm, as well as strengthen collaboration with like-minded organisations. These included the public announcement of WeFarm as a winner of the Knight Foundation’s Mobile Challenge award in January 2013, presentations on WeFarm at the Hay Festival (March 2013) and International ICT4AG conference in Rwanda (November 2013).

Rooted in Quality Coffee Quality Improvement Project
Since July 2012, CPF has been providing support services to the project ‘Rooted In Quality’, jointly funded by Cafédirect plc and the Germany Federal Ministry for Economic Cooperation and Development. These have been delivered through a Service Agreement with Cafédirect plc to operate as a strategic partner in project implementation.

The main purpose of the ‘Rooted in Quality’ project is to improve the quality and volume of coffee produced by selected farmer communities from the coffee cooperative Fedecarves in the Dominican Republic, and Recocarne coffee cooperative in Haiti, through the promotion of sustainable on-farm management practices and producer-led enterprises, and also good pre- and post-harvesting practices for coffee production that enhance the quality and quantity of coffee produced. Overall, project activities were designed to enhance livelihoods and income generation opportunities for smallholder farming communities while also encouraging the sustainable management of natural resources, in line with CPF’s objectives to prevent and relieve poverty in disadvantaged communities, promote sustainable means of achieving economic growth, and the prudent use of natural resources.

2012 activities were severely impacted and set-back, due to Hurricane Sandy hitting the Dominican Republic and Haiti in September 2012. In contrast, significant progress was made during 2013. This included:

- In-depth baseline assessments and interviews with smallholder coffee farmers in Haiti and the Dominican Republic, accompanied by a participatory process that enabled smallholders to develop indicators of success for the project.

- In mid-June 2013 a ‘Train the Trainers’ course was successfully convened with extension staff from both Fedecarves (Dominican Republic), and Rekokarne (Haiti). The ‘Training of the Trainers’ (ToT)
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course focussed on enabling extension staff to facilitate risk and opportunity analysis (ROA) processes with the smallholder coffee communities they work with. This ROA process, adapted from the methodology originally used for CPF’s climate change work during 2010-2012, supported smallholders to self-identify the challenges they face with respect to coffee quality and production, and low-cost opportunities to tackle these challenges.

- Following the completion of the ToT methodology, trained extension staff went on to facilitate ROA processes with 8 smallholder coffee communities – 4 from the Dominican Republic, and 4 from Haiti. This process surfaced a range of priority challenges, articulated by smallholders themselves, that next stage project activities then focussed on tackling.

- Together with the data from the baseline assessment and interviews with smallholders in Haiti and the Dominican Republic, priority challenges articulated by each of the smallholder communities then informed the development of action plans by Fedecares and Rekokarno to tackle priority challenges, and opportunities to improve the sustainability of their coffee farms and production.

East Africa Producer Innovation Programme (EAPIP)
EAPIP is a four-year programme focused on supporting smallholder tea and coffee farmers across Tanzania, Uganda, Kenya and Rwanda – funded principally through a 4-year, £600,600 grant from Comic Relief that commenced in April 2013. EAPIP focuses on sharing and scaling-up knowledge and innovations sourced from smallholder farmers – with emphasis on low-cost innovations that are easy to implement, and can realise significant benefits to farmers’ livelihoods. Examples include homemade beehives, vertical kitchen gardens and pest control solutions. The model for delivering EAPIP includes establishing Farmer-run Centres of Excellence that offer training opportunities for smallholders to learn from each other, underpinned by investment in ‘Farmer promoter’ networks to support in-person knowledge sharing, and investment in WeFarm as a digital platform to enable farmers to share knowledge and information when they are unable to connect in-person. Thematically, Centres of Excellence will offer training on low-cost interventions to support smallholder farmers improve the quality of their crops; diversify their livelihoods through micro-enterprise development, and enhance their resilience to climate change.

Year 1 activities during 2013 focussed principally on planning activities with smallholder farmers and the three producer organisations who are local partners in project implementation: Sireet - Outgrowers’ Empowerment Programme in Kenya, and in Uganda, Mabale Tea Factory and Ankole coffee cooperative (ACPCU); as well as the broader network of smallholder producer organisations who will be involved in the project (13 smallholder organisations across East Africa). The first key milestone of EAPIP, scheduled for early 2014, is to convene an ‘Innovation Marketplace’ for smallholders to showcase and share their innovations and grassroots solutions (e.g. homemade beehives, or chicken feeders). In preparation for the event, a number of sessions were convened with local farmers, women’s groups and high school children during the last quarter of 2013, which enabled farmers to nominate the ideas and innovations they felt should be showcased at the Innovation Marketplace.

Strengthening smallholder producers as leaders in the governance and strategic direction of CPF
During 2013, CPF continued work to support smallholder producer representatives to play central roles as leaders in CPF, particularly in its governance and strategic direction. 2013 activities include the wrap-up of a two-year (2011-2013) organisational development grant from Comic Relief for £35,310. One of the main outputs of this grant was a 3-year plan to strengthen CPF’s producer-led governance model and engage a broader range of smallholder producers in decision-making on strategic CPF issues.
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2013 Fundraising activities

During 2013, CPF's fundraising activities principally consisted of applications to national and international donors for grants to support programme and organisational development. It also included end-grant reporting and evaluation for three grants that completed during 2013 from SIDA, the Nominet Trust and Comic Relief.

During the period, funds were received for:

- The four-year grant of £600,600 from Comic Relief that began on 1st April 2013. (This grant was approved in late 2012, and is also referenced in CPF's 2012 Trustees’ Report).

- The two-year grant of $260,000 from the US-based Knight Foundation to support WeFarm development. While this funding was publicly announced in early 2013, it was necessary for CPF to establish a Fiscal Agency Agreement with the a US-based 501(c)3 before the funds could be released by the Knight Foundation. A Fiscal Agency agreement was drawn up between the International Centre for Journalists (ICFJ) and CPF, which enabled the release of the first tranche of Knight Foundation funding in November 2013.

No additional new grants were secured during 2013.

CPF also launched its first public fundraising campaign during 2013, entitled 'Rock the Goat'. The campaign, launched in December 2013, aimed to provide an alternative to the Charity Christmas gift, offering CPF an opportunity to test levels of receptiveness, and unrestricted income generation opportunities from public fundraising campaigns. Whilst well-received, the campaign did not generate significant returns on funds invested in launching the campaign.

Investment policy and performance

Beyond interest received on its current account and fixed term deposit savings accounts, CPF did not make, nor benefit from any investment during 2013. Furthermore, CPF does not currently have any investments.

Grant making policies

CPF does not openly invite applications for grants and therefore does not have a grant making policy.

Policies for making social or programme related investments

CPF does not make social or programme related investments and therefore does not have a policy on this.

External factors affecting achievement

CPF works principally with smallholder producer organisations located in developing countries. Working with smaller, more vulnerable producer organisations can affect capacity to deliver on partnership agreements according to defined timelines, targets etc. Furthermore, many areas where producers are located are vulnerable to natural disasters, prolonged droughts and severe livelihood shocks. During early 2013, detrimental impacts from Hurricane Sandy continued to be felt by smallholder coffee farmers in the Dominican Republic and Haiti. Furthermore, coffee smallholders across Latin America felt the devastating impact of coffee rust disease (La Roya) on coffee production volumes and quality. Across East Africa, smallholder tea producers continued to experience and report the impacts of changing climatic conditions on their crop production
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systems, affecting both quality and quantity of crops produced, and thus income levels.

Challenging economic conditions continued in the UK, and Europe during 2013. This continued to pose the risk of reduced financing and fundraising opportunities for CPF, as noted in previous Trustees’ reports.

Organisations we work with

CPF currently works with 37 smallholder-owned producer organisations across Latin America, Africa and Asia. These organisations range from Fairtrade-certified smallholder-owned tea factories, to smallholder cocoa and coffee cooperatives. In addition, CPF continues to work with a number of development organisations working at the international, regional and national level, particularly to support programme implementation.

During 2013, other strategic partner organisations included Fairtrade Africa and the Ethical Tea Partnership. To support WeFarm development, CPF continued and expanded its partnerships with mobile communications, and ICT for Development partners, including Oxfam, Telerivet, GSMA’s mAgri Programme, SomeOneElse and ConkerGroup digital agencies. Partnerships to support CPF’s monitoring and impact evaluation work were also initiated, including with Firetail – host of the Agricultural Learning and Information Network (ALINE). CPF also continued to build its relationships with international donors currently supporting CPF, including Comic Relief, the Nominet Trust and the Knight Foundation.

Financial review

Principal funding sources and how expenditure has supported key expenditure

We are grateful to all those who have supported our work in the year ended 31 December 2013, both individuals and grant making bodies.

During 2013, CPF’s principal funding sources included grants and donations from private foundations, public limited companies (Cafédirect plc) and individual donations. In addition, CPF also received income in accordance with its Service Agreement with Cafédirect plc to provide support services as a strategic partner in the ‘Rooted In Quality’ project. This contract represented 13% of CPF’s 2013 incoming resources.

As shown in CPF’s Financial Statements, incoming resources during the year totalled £565,673.

CPF currently has no subsidiaries and therefore does not benefit from any associated income generation opportunities.

Investment policy and objectives

During 2013, CPF did not have any investments (beyond grant funding held in a fixed-term deposit savings account) and therefore does not have an investment policy at this time.
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Current position on reserve funds

CPF has three main objectives for its reserve fund:
• To ensure that CPF has enough resources to cover additional, unbudgeted expenses (for example, the need to hire temporary staff to cover long-term sick leave and/or maternity cover);
• To cover the risk of occasional unforeseen expenditures;
• To fund short-term deficits in cash, in the event that CPF experiences unanticipated delays in receiving committed funds.

At the end of 2013, the balance of CPF’s unrestricted funds totalled £36,781. Of this, £29,966 is held by CPF as cash - designated as free reserves to cover CPF core activities (including operating costs and support time) during a period of unforeseen difficulty, and £7,115 is fixed assets.

During 2014, CPF will continue to work to further enhance its reserve fund, and grow its level of unrestricted funds, working towards the longer-term goal of establishing a reserve fund sufficient to ensure CPF activity can be sustained during periods of unforeseen difficulties. CPF’s aim is to establish a reserve fund sufficient to cover at least three months’ of CPF operating costs.

Plans for future periods

CPF’s 2013-15 Strategy, approved by the CPF Board in March 2013, provides a framework for CPF’s plans for 2014 and beyond. In line with CPF’s organisational objectives, CPF’s 2013-15 Strategy focuses on delivering public benefits to smallholder communities across Latin America, Africa and Asia within the following thematic areas:

• Improving on-farm practices to enhance the sustainability and productivity of smallholders’ farming systems;
• Tackling challenges experienced by smallholders in terms of environmental sustainability and changing climatic conditions;
• Improving product quality;
• Enhancing the organisational sustainability of smallholder-owned producer organisations.

Within this strategic framework, 2014 funds secured to support activities with smallholder producers in Latin America and Africa include:

• Delivering the second year of the East Africa Producer Innovation Programme (EAFIP), with funding from Comic Relief. This will include establishing farmer-run Centres of Excellence to support smallholders enhance the quality of their tea and coffee production; diversify incomes through micro-enterprise establishment, and enhance their resilience to climate change.

• Delivering the third year of the Rooted in Quality Programme in the Dominican Republic and Haiti, which will include supporting the establishment of demonstration farm networks that enable smallholder coffee farmers to learn about new techniques and innovations to improve their coffee production and quality, as well as develop micro-enterprises to support income diversification.

• Launching WeFarm as a robust, scalable platform that, by the end of 2014, can be accessed and used by smallholder farmers across East Africa (Kenya, Uganda, and Tanzania) and Latin America (Peru, Haiti and the Dominican Republic). This work will be primarily be funded by year 2 of the Knight Foundation grant to CPF.
During 2013, CPF also developed 3-year Governance and Fundraising strategies to underpin its overall 2013-15 Strategy. 2014 priorities outlined in CPF’s 3-year Governance plan include: Continued investment to strengthen the skills, capacity and resilience of CPF’s existing Board; Developing the skills of future producer representatives to serve on CPF’s Board; and trialling low-cost ways of enhancing two-way information flows between CPF and smallholder producer representatives involved in CPF’s activities. Priorities for CPF’s 2014 Fundraising Activities include diversification of CPF’s funding base and growth in unrestricted income; achieving a more balanced spread of funding to support work with smallholder producer partners in Latin America and Africa; and trialling innovative approaches to raising unrestricted funds.

**Disclosure of information to auditors**

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is **no** relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on 31 July 2014 and signed on their behalf by:

\[Signature\]

T Morgan
Company Secretary
Cafédirect Producers' Foundation
(A company limited by guarantee)

Trustees' responsibilities statement
for the year ended 31 December 2013

The Trustees (who are also directors of Cafédirect Producers' Foundation for the purposes of company law) 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. 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 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 of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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.
Independent auditors' report to the members of Cafédirect Producers' Foundation

We have audited the financial statements of Cafédirect Producers' Foundation for the year ended 31 December 2013 set out on pages 17 to 27. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's members, as a body, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. 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 Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of Trustees and auditors

As explained more fully in the Trustees' responsibilities statement, 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.

The Trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 145 of the Charities Act 2011 and report to you in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2013 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 applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.
Independent auditors' report to the members of Cafédirect Producers' Foundation

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- the company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Michael Morris ACA FCCA (Senior Statutory Auditor)
for and on behalf of UNW LLP (Statutory Auditor)
Chartered Accountants
Newcastle upon Tyne
31 July 2014
Cafédirect Producers' Foundation  
(A company limited by guarantee)

Statement of financial activities  
(incorporating income and expenditure account)  
for the year ended 31 December 2013

<table>
<thead>
<tr>
<th>Unrestricted funds</th>
<th>Restricted funds</th>
<th>Total funds</th>
<th>Total funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>2013</td>
<td>2013</td>
<td>2012</td>
</tr>
<tr>
<td>Note</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Incoming resources

Incoming resources from generated funds:
- **Voluntary income**  
  Note 2  
  Unrestricted funds 2013: £184,653  
  Restricted funds 2013: £10,000  
  Total funds 2013: £194,653  
  Total funds 2012: £10,696

Incoming resources from charitable activities  
Note 4  
Unrestricted funds 2013: £-  
Restricted funds 2013: £371,020  
Total funds 2013: £371,020  
Total funds 2012: £88,634

**Total incoming resources**  
Unrestricted funds 2013: £184,653  
Restricted funds 2013: £381,020  
Total funds 2013: £565,673  
Total funds 2012: £99,330

### Resources expended

Costs of generating funds:
- **Fundraising expenses and other costs**  
  Note 3  
  Unrestricted funds 2013: £10,205  
  Restricted funds 2013: £-  
  Total funds 2013: £10,205  
  Total funds 2012: £26,972

- **Charitable activities**  
  Note 5,7  
  Unrestricted funds 2013: £161,005  
  Restricted funds 2013: £257,821  
  Total funds 2013: £418,826  
  Total funds 2012: £404,420

- **Governance costs**  
  Note 8  
  Unrestricted funds 2013: £20,989  
  Restricted funds 2013: £-  
  Total funds 2013: £20,989  
  Total funds 2012: £8,089

**Total resources expended**  
Unrestricted funds 2013: £192,199  
Restricted funds 2013: £257,821  
Total funds 2013: £459,020  
Total funds 2012: £439,481

**Net incoming resources / (resources expended) before transfers**

- **Net incoming resources / (resources expended) before transfers**  
  Unrestricted funds 2013: £(7,546)  
  Restricted funds 2013: £123,199  
  Total funds 2013: £115,653  
  Total funds 2012: £(340,151)

**Transfers between Funds**  
Note 14  
Unrestricted funds 2013: £4,921  
Restricted funds 2013: £(4,921)  
Total funds 2013: £-  
Total funds 2012: £-

**Net movement in funds for the year**

- **Net movement in funds for the year**  
  Unrestricted funds 2013: £(2,625)  
  Restricted funds 2013: £118,278  
  Total funds 2013: £115,653  
  Total funds 2012: £(340,151)

Total funds at 1 January 2013  
Unrestricted funds: £39,406  
Restricted funds: £97,037  
Total funds: £136,443  
Total funds at 31 December 2013  
Unrestricted funds: £36,781  
Restricted funds: £215,315  
Total funds: £252,096  
Total funds: £136,443

The notes on pages 19 to 27 form part of these financial statements.
Cafédirect Producers' Foundation
(A company limited by guarantee)

Balance sheet
At 31 December 2013

<table>
<thead>
<tr>
<th></th>
<th>Note</th>
<th>2013</th>
<th></th>
<th>2012</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fixed assets</strong></td>
<td></td>
<td></td>
<td>2013</td>
<td>£</td>
<td>2012</td>
</tr>
<tr>
<td>Tangible assets</td>
<td>11</td>
<td>7,715</td>
<td></td>
<td>445</td>
<td></td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
<td>2013</td>
<td>£</td>
<td>2012</td>
</tr>
<tr>
<td>Debtors</td>
<td>12</td>
<td>50,000</td>
<td></td>
<td>104</td>
<td></td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td></td>
<td>247,631</td>
<td></td>
<td>139,543</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>297,631</td>
<td></td>
<td>139,647</td>
<td></td>
</tr>
<tr>
<td><strong>Creditors: amounts falling due within one year</strong></td>
<td>13</td>
<td>(53,250)</td>
<td></td>
<td>(3,649)</td>
<td></td>
</tr>
<tr>
<td><strong>Net current assets</strong></td>
<td></td>
<td>244,381</td>
<td></td>
<td>135,998</td>
<td></td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td></td>
<td>252,096</td>
<td></td>
<td>136,443</td>
<td></td>
</tr>
<tr>
<td><strong>Charity Funds</strong></td>
<td></td>
<td></td>
<td>2013</td>
<td>£</td>
<td>2012</td>
</tr>
<tr>
<td>Restricted funds</td>
<td>14</td>
<td>215,315</td>
<td></td>
<td>97,037</td>
<td></td>
</tr>
<tr>
<td>Unrestricted funds</td>
<td>14</td>
<td>36,781</td>
<td></td>
<td>39,406</td>
<td></td>
</tr>
<tr>
<td><strong>Total funds</strong></td>
<td></td>
<td>252,096</td>
<td></td>
<td>136,443</td>
<td></td>
</tr>
</tbody>
</table>

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act. However, an audit is required in accordance with section 145 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 December 2013 and of its net incoming resources for the year in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Trustees on 31 July 2014 and signed on their behalf, by:

Ms C Déjean

The notes on pages 19 to 27 form part of these financial statements.
1. **Accounting policies**

1.1 **Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, applicable accounting standards and the Companies Act 2006.

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 31 December 2013, Cafédirect Producers 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 administrating 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.

1.4 **Incoming resources**

All incoming resources are included in the Statement of financial activities when the company has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability. Where incoming resources have related expenditure the incoming resources and related expenditure are reported gross in the Statement of financial activities.

1.5 **Resources expended**

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

Support costs are allocated to charitable activities based on attributable staff time.

1.6 **Tangible fixed assets and depreciation**

All fixed assets are initially held at cost.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

- Computer equipment - 3 years straight line
Cafédirect Producers' Foundation
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 December 2013

1. Accounting policies (continued)

1.7 Pension costs

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the statement of financial activities.

2. Voluntary income

Donations

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted funds</th>
<th>Restricted funds</th>
<th>Total funds</th>
<th>Total funds</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2013</td>
<td>2013</td>
<td>2013</td>
<td>2012</td>
</tr>
<tr>
<td>Cafédirect Plc</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>180,182</td>
</tr>
<tr>
<td>Other</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>4,471</td>
</tr>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>184,653</td>
</tr>
</tbody>
</table>

3. Fundraising costs

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted funds</th>
<th>Restricted funds</th>
<th>Total funds</th>
<th>Total funds</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2013</td>
<td>2013</td>
<td>2013</td>
<td>2012</td>
</tr>
<tr>
<td>Fundraising costs</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Wages and salaries</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Direct costs</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td></td>
<td>8,277</td>
<td>-</td>
<td>8,277</td>
<td>26,972</td>
</tr>
<tr>
<td></td>
<td>1,928</td>
<td>-</td>
<td>1,928</td>
<td>26,972</td>
</tr>
<tr>
<td></td>
<td>10,205</td>
<td>-</td>
<td>10,205</td>
<td>26,972</td>
</tr>
<tr>
<td>Net expenditure from fundraising costs</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td></td>
<td>10,205</td>
<td>-</td>
<td>10,205</td>
<td>26,972</td>
</tr>
</tbody>
</table>
4. **Incoming resources from charitable activities**

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted funds 2013</th>
<th>Restricted funds 2013</th>
<th>Total funds 2013</th>
<th>Total funds 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cafédirect - Climate Change</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Nominet Trust - WeFarm</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>5,000</td>
</tr>
<tr>
<td>Comic Relief - Governance Strengthening</td>
<td>-</td>
<td>4,000</td>
<td>4,000</td>
<td>6,541</td>
</tr>
<tr>
<td>SIDA - WeFarm</td>
<td>-</td>
<td>(2,133)</td>
<td>(2,133)</td>
<td>18,665</td>
</tr>
<tr>
<td>DEG/Cafédirect - Rooted in Quality</td>
<td>-</td>
<td>75,000</td>
<td>75,000</td>
<td>25,000</td>
</tr>
<tr>
<td>Knight Foundation - WeFarm</td>
<td>-</td>
<td>81,753</td>
<td>81,753</td>
<td>-</td>
</tr>
<tr>
<td>Comic Relief East Africa</td>
<td>-</td>
<td>212,400</td>
<td>212,400</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>371,020</strong></td>
<td><strong>371,020</strong></td>
<td><strong>371,020</strong></td>
<td><strong>88,634</strong></td>
</tr>
</tbody>
</table>

Grant income of £2,133 recognised in previous years was repaid to the donor SIDA during 2013. This £2,133 was allocated to cover end-of-grant audit costs originally required by SIDA. This requirement was changed by SIDA during 2013, so the audit was not undertaken and the associated funds were returned to SIDA.

5. **Expenditure by charitable activity**

**Summary by fund type**

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted funds 2013</th>
<th>Restricted funds 2013</th>
<th>Total funds 2013</th>
<th>Total funds 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Climate Change</td>
<td>£1,386</td>
<td>£10,039</td>
<td>£11,425</td>
<td>£111,769</td>
</tr>
<tr>
<td>Governance Strengthening</td>
<td>8,365</td>
<td>£10,200</td>
<td>£18,565</td>
<td>£45,327</td>
</tr>
<tr>
<td>East Africa Programme</td>
<td>51,151</td>
<td>37,808</td>
<td>£88,959</td>
<td>-</td>
</tr>
<tr>
<td>Producer Partnership Programme (PPP)</td>
<td>17,803</td>
<td>26,178</td>
<td>£43,981</td>
<td>134,141</td>
</tr>
<tr>
<td>WeFarm, and other producer communications</td>
<td>43,692</td>
<td>122,042</td>
<td>£165,734</td>
<td>105,671</td>
</tr>
<tr>
<td>Rooted in Quality - Coffee Quality Improvement project and other Latin American programmes</td>
<td>38,608</td>
<td>51,554</td>
<td>£90,162</td>
<td>£7,512</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>161,005</strong></td>
<td><strong>257,821</strong></td>
<td><strong>418,826</strong></td>
<td><strong>404,420</strong></td>
</tr>
</tbody>
</table>
Cafédirect Producers' Foundation
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 December 2013

5. Expenditure by charitable activity (continued)

Summary by expenditure type

<table>
<thead>
<tr>
<th>Expenditure Type</th>
<th>Staff costs 2013</th>
<th>Other costs 2013</th>
<th>Total 2013</th>
<th>Total 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Climate Change</td>
<td>178</td>
<td>11,247</td>
<td>11,425</td>
<td>111,769</td>
</tr>
<tr>
<td>Governance Strengthening</td>
<td>6,439</td>
<td>12,126</td>
<td>18,565</td>
<td>45,327</td>
</tr>
<tr>
<td>East Africa programme</td>
<td>49,293</td>
<td>39,666</td>
<td>88,959</td>
<td>-</td>
</tr>
<tr>
<td>Producer Partnership Programme (PPP)</td>
<td>681</td>
<td>43,300</td>
<td>43,981</td>
<td>134,141</td>
</tr>
<tr>
<td>Wet- Farm, and other producer communications</td>
<td>27,524</td>
<td>138,210</td>
<td>165,734</td>
<td>105,671</td>
</tr>
<tr>
<td>Rooted in Quality - Coffee Quality Improvement project and other Latin American programmes</td>
<td>29,065</td>
<td>61,097</td>
<td>90,162</td>
<td>7,512</td>
</tr>
</tbody>
</table>

| Total Expenditure                                    | 113,180          | 305,646         | 418,826   | 404,420   |

6. Support costs

<table>
<thead>
<tr>
<th>Support Costs</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office costs</td>
<td>44,072</td>
<td>43,854</td>
</tr>
<tr>
<td>Wages and salaries</td>
<td>6,454</td>
<td>27,105</td>
</tr>
<tr>
<td>Direct overseas support</td>
<td>2,490</td>
<td>1,738</td>
</tr>
</tbody>
</table>

| Total Support costs                                   | 53,016        | 72,697        |
Cafédirect Producers' Foundation
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 December 2013

7. Analysis of resources expended by activities

<table>
<thead>
<tr>
<th>Activities undertaken directly</th>
<th>Support costs</th>
<th>Total 2013</th>
<th>Total 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Climate Change</td>
<td>10,038</td>
<td>1,387</td>
<td>11,425</td>
</tr>
<tr>
<td>Governance Strengthening</td>
<td>16,312</td>
<td>2,253</td>
<td>18,565</td>
</tr>
<tr>
<td>East Africa Programme</td>
<td>75,975</td>
<td>12,984</td>
<td>88,959</td>
</tr>
<tr>
<td>Producer Partnership Programme</td>
<td>38,644</td>
<td>5,337</td>
<td>43,981</td>
</tr>
<tr>
<td>Producer Communications Strategy</td>
<td>145,621</td>
<td>20,113</td>
<td>165,734</td>
</tr>
<tr>
<td>Rooted in Quality - Coffee Quality Improvement project and other Latin American programmes</td>
<td>79,220</td>
<td>10,942</td>
<td>90,162</td>
</tr>
<tr>
<td>Total</td>
<td>365,810</td>
<td>53,016</td>
<td>418,826</td>
</tr>
</tbody>
</table>

8. Governance costs

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted funds</th>
<th>Restricted funds</th>
<th>Total funds</th>
<th>Total funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>2013</td>
<td>2013</td>
<td>2013</td>
<td>2013</td>
</tr>
<tr>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Auditors' remuneration</td>
<td>3,295</td>
<td>-</td>
<td>3,295</td>
<td>2,500</td>
</tr>
<tr>
<td>Cost of Trustees meetings</td>
<td>11,626</td>
<td>-</td>
<td>11,626</td>
<td>5,589</td>
</tr>
<tr>
<td>Translation fees</td>
<td>6,068</td>
<td>-</td>
<td>6,068</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>20,989</td>
<td>8,089</td>
</tr>
</tbody>
</table>

Governance costs include costs associated with convening board meetings in the year.

9. Net incoming resources / (resources expended)

This is stated after charging:

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>£</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation of tangible fixed assets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- owned by the charity</td>
<td>1,988</td>
<td>445</td>
</tr>
<tr>
<td>Auditors' remuneration</td>
<td>3,295</td>
<td>2,500</td>
</tr>
<tr>
<td>Pension costs</td>
<td>8,634</td>
<td>8,190</td>
</tr>
</tbody>
</table>
10. Staff costs

Staff costs were as follows:

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages and salaries</td>
<td>102,643</td>
<td>91,000</td>
</tr>
<tr>
<td>Social security costs</td>
<td>10,180</td>
<td>9,501</td>
</tr>
<tr>
<td>Other pension costs</td>
<td>8,634</td>
<td>8,190</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>121,457</td>
<td>108,691</td>
</tr>
</tbody>
</table>

The average monthly number of employees during the year was as follows:

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrative</td>
<td>3</td>
<td>3</td>
</tr>
</tbody>
</table>

No employee received remuneration amounting to more than £60,000 in either year.

In addition to the employees above, the charity works with 2 project managers (2012: 1) overseas through Fair Trade Africa, and a further project manager (2012: nil) on a consultancy basis in Haiti at a total cost of £23,327 (2012: £7,587). CPF also employed two paid interns on 3-month fixed term contracts between Oct-December 2013, which contributed to differences in total staff costs between 2012 and 2013.
11. Tangible fixed assets

<table>
<thead>
<tr>
<th></th>
<th>Cost</th>
<th>Computer equipment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>At 1 January 2013</td>
<td>1,336</td>
<td></td>
</tr>
<tr>
<td>Additions</td>
<td>9,258</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>10,594</strong></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 January 2013</td>
<td>891</td>
<td></td>
</tr>
<tr>
<td>Charge for the year</td>
<td>1,988</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,879</strong></td>
<td></td>
</tr>
<tr>
<td>Net book value</td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 31 December 2013</td>
<td>7,715</td>
<td></td>
</tr>
<tr>
<td>At 31 December 2012</td>
<td>445</td>
<td></td>
</tr>
</tbody>
</table>

12. Debtors

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Trade debtors</td>
<td>50,000</td>
<td>-</td>
</tr>
<tr>
<td>Prepayments and accrued income</td>
<td>-</td>
<td>104</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>50,000</td>
<td>104</td>
</tr>
</tbody>
</table>

13. Creditors:

1. Amounts falling due within one year

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Trade creditors</td>
<td>23,488</td>
<td>1,054</td>
</tr>
<tr>
<td>Other creditors</td>
<td>1,696</td>
<td>192</td>
</tr>
<tr>
<td>Accruals and deferred income</td>
<td>28,066</td>
<td>2,403</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>53,250</td>
<td>3,649</td>
</tr>
</tbody>
</table>
### 14. Statement of funds

<table>
<thead>
<tr>
<th></th>
<th>Brought Forward</th>
<th>Incoming resources</th>
<th>Resources Expended</th>
<th>Transfers in/out</th>
<th>Carried Forward</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Unrestricted funds</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Fund</td>
<td>21,471</td>
<td>4,471</td>
<td>-</td>
<td>7,131</td>
<td>33,073</td>
</tr>
<tr>
<td>Administration and financial management</td>
<td>17,935</td>
<td>180,182</td>
<td>(192,199)</td>
<td>(2,210)</td>
<td>3,708</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>39,406</td>
<td>184,653</td>
<td>(192,199)</td>
<td>4,921</td>
<td>36,781</td>
</tr>
<tr>
<td><strong>Restricted funds</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Producer Partnership Programme (PPP)</td>
<td>26,178</td>
<td>-</td>
<td>(26,178)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>WeFarm, and other producer communications</td>
<td>41,006</td>
<td>142,620</td>
<td>(122,042)</td>
<td>-</td>
<td>61,584</td>
</tr>
<tr>
<td>Climate Change</td>
<td>4,960</td>
<td>10,000</td>
<td>(10,039)</td>
<td>(4,921)</td>
<td>-</td>
</tr>
<tr>
<td>Governance Strengthening</td>
<td>6,200</td>
<td>4,000</td>
<td>(10,200)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Rooted in Quality - Coffee Quality Improvement project and other Latin American programmes</td>
<td>18,693</td>
<td>75,000</td>
<td>(51,554)</td>
<td>-</td>
<td>42,139</td>
</tr>
<tr>
<td>East Africa Programme</td>
<td>-</td>
<td>149,400</td>
<td>(37,808)</td>
<td>-</td>
<td>111,592</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>97,037</td>
<td>381,020</td>
<td>(257,821)</td>
<td>(4,921)</td>
<td>215,315</td>
</tr>
<tr>
<td><strong>Total of funds</strong></td>
<td>136,443</td>
<td>565,673</td>
<td>(450,020)</td>
<td>-</td>
<td>252,096</td>
</tr>
</tbody>
</table>

### Summary of funds

<table>
<thead>
<tr>
<th></th>
<th>Brought Forward</th>
<th>Incoming resources</th>
<th>Resources Expended</th>
<th>Transfers in/out</th>
<th>Carried Forward</th>
</tr>
</thead>
<tbody>
<tr>
<td>General funds</td>
<td>39,406</td>
<td>184,653</td>
<td>(192,199)</td>
<td>4,921</td>
<td>36,781</td>
</tr>
<tr>
<td>Restricted funds</td>
<td>97,037</td>
<td>381,020</td>
<td>(257,821)</td>
<td>(4,921)</td>
<td>215,315</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>136,443</td>
<td>565,673</td>
<td>(450,020)</td>
<td>-</td>
<td>252,096</td>
</tr>
</tbody>
</table>
### 15. Analysis of net assets between funds

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted funds</th>
<th>Restricted funds</th>
<th>Total funds</th>
<th>Total funds</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2013</td>
<td>2013</td>
<td>2013</td>
<td>2012</td>
</tr>
<tr>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Tangible fixed assets</td>
<td>7,715</td>
<td>-</td>
<td>7,715</td>
<td>446</td>
</tr>
<tr>
<td>Current assets</td>
<td>82,316</td>
<td>215,315</td>
<td>297,631</td>
<td>139,647</td>
</tr>
<tr>
<td>Creditors due within one year</td>
<td>(53,250)</td>
<td>-</td>
<td>(53,250)</td>
<td>(3,650)</td>
</tr>
<tr>
<td></td>
<td><strong>36,781</strong></td>
<td><strong>215,315</strong></td>
<td><strong>252,096</strong></td>
<td><strong>136,443</strong></td>
</tr>
</tbody>
</table>