Cafédirect Producers' Foundation
(A company limited by guarantee)
Trustees' report and financial statements
31 December 2014
Cafédirect Producers' Foundation  
(A company limited by guarantee)

Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reference and administrative details of the charity, its trustees and advisers</td>
<td>1</td>
</tr>
<tr>
<td>Trustees' report</td>
<td>2 - 13</td>
</tr>
<tr>
<td>Trustees' responsibilities statement</td>
<td>14</td>
</tr>
<tr>
<td>Independent auditors' report</td>
<td>15 - 16</td>
</tr>
<tr>
<td>Statement of financial activities</td>
<td>17</td>
</tr>
<tr>
<td>Balance sheet</td>
<td>18</td>
</tr>
<tr>
<td>Notes to the financial statements</td>
<td>19 - 26</td>
</tr>
</tbody>
</table>
Cafédirect Producers' Foundation
(A company limited by guarantee)

Reference and administrative details of the company, its trustees and advisers for the year ended 31 December 2014

Trustees
Mr A K Ethuru
Mr A G Ferreto
Mr N Wambette
Ms C Dejean
Ms S Prime (resigned 31 March 2014)
Ms P Newman (appointed 1 December 2014)

Company registered number
06959165

Charity registered number
1133218

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

Company secretary
T D Morgan

Independent auditors
UNW LLP
Chartered Accountants
Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JE

Bankers
Triodos Bank
Deanery Road
Bristol
BS1 5AS

Solicitors
Bates Wells & Braithwaite LLP
2-6 Cannon Street
London
EC4M 6YH
Cafédirect Producers' Foundation
(A company limited by guarantee)

Trustees' report
for the year ended 31 December 2014

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 2014. 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

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 which established its objectives and powers, and is governed under its Articles of Association.

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 are given an induction to CPF and are provided with the information they need to fulfil their role, including information about their role as a CPF Trustee and on charity law. One new trustee was appointed to the CPF Board during 2014 (Penny Newman) and one trustee stepped down (Sian Prime).

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 2014, CPF Trustees met five times. Face-to-face Board meetings were held in March, June, September and December 2014, and a Board teleconference was held in February 2014.

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
Cafédirect Producers' Foundation
(A company limited by guarantee)

Trustees' report (continued)
for the year ended 31 December 2014

financial position. In 2014, five Board meetings were held and update reports provided.

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.

During 2014 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 Business Development and Investments Manager, with responsibility for leading CPF's fundraising
  activities.

In the UK, three paid interns were also employed during the year on fixed term contracts to support the delivery
of programmes with producers and fundraising.

In addition, during 2014 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 Trust 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 producer
programmes, and to strengthen CPF's operational capacity. This donation was renewed for an additional 3-years
from April 2014. In addition, a Service Agreement between Cafédirect plc and CPF has been in place since
June 2012, 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 December
2015.
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.

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 2014, CPF has operated in accordance with the vision, mission and strategic objectives that were outlined in its 20.3-2015 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).
Cafédirect Producers' Foundation
(A company limited by guarantee)

Trustees' report (continued)
for the year ended 31 December 2014

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, three main programmes of work were undertaken to support the delivery of CPF's mission and objectives, and for the public benefit:

- 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 on product quality improvement; micro-enterprise development and climate change resilience.

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

In addition, planning was undertaken with smallholder producers in Peru to design a multi-year programme, also designed to support farmer-led innovation and knowledge sharing across smallholder coffee farmers in Peru on coffee quality improvement, micro-enterprise development and climate change resilience.

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 2014, 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.
Cafédirect Producers' Foundation
(A company limited by guarantee)

Trustees' report (continued)
for the year ended 31 December 2014

• 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. During 2014, planning was undertaken with smallholder producer representatives in Dominican Republic, Haiti, Peru and in East Africa, to identify locally-appropriate indicators to monitor and assess the effectiveness of CPF activities.

• 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.

Voluntary help and gifts in kind

During 2014, CPF benefited from and was grateful for the in-kind support from the technology company Conker Group, who provided in-kind support to develop WeFarm’s technology platform.

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

The Cafédirect Producers’ Foundation (CPF) had a successful 2014 including the continuation of programmes in East Africa and Latin America, launching WeFarm, winning the 2014 Google Impact Challenge, and securing funding from the Big Lottery Fund to launch a 4-year programme in Peru.

Multi-year programme activities with smallholder producer partners continued successfully in 2014 including Rooted in Quality, jointly funded by Cafédirect plc and the German finance institution DEG and The East Africa Producer Innovation Programme (EAPIP), funded by Comic Relief.
Cafédirect Producers' Foundation

(A company limited by guarantee)

Trustees' report (continued)
for the year ended 31 December 2014

East Africa Producer Innovation Programme (EAPIP)
EAPIP is a four-year programme focused on supporting 9,000 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. 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 will be involved in the project (13 smallholder organisations across East Africa).

2014 activities focused on: 1) hosting an ‘Innovation Marketplace’ (IMP) to showcase farmers’ innovations and grassroots solutions and 2) providing training and support for CPF’s producer partners to launch 3 Centres of Excellence focused on improving coffee quality, promoting climate change resilience and developing micro-enterprises.

- The ‘Innovation Marketplace’ (IMP) was successfully held in Nandi Hills, Kenya at the end January 2014. The event was one of the biggest programme events ever implemented by CPF, with attendance from representatives of 10 CPF partner organisations in Africa, as well as several local and international stakeholders. The 4-day event showcased innovations and grassroots solutions (e.g. homemade beehives, or chicken feeders) from farmers and organisations throughout the CPF network, and was designed to represent the model for the wider EAPIP programme by empowering producers to share knowledge and learn from each other during the sessions.

- A ‘Train the Trainers’ workshop for key project partners to plan next steps and plan for setting-up their Centres of Excellence was convened in May 2014.

- The disbursement of seed funding to local partners, was initiated to support the renovation and establishment of new demonstration farms, and the training of promoter farmer networks

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 (DEG). 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 farmer communities from the coffee cooperative Fedecares in the Dominican Republic, and Recocarno 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
Cafédirect Producers' Foundation
(A company limited by guarantee)

Trustees' report (continued)
for the year ended 31 December 2014

Communities, promote sustainable means of achieving economic growth, and the prudent use of natural resources. 2014 was a successful year for project activities.

• Workshops were held to train key ‘promoter farmers’ on techniques that will be used to train other local farmers, and improve coffee quality. Demonstration farms were then established across 8 primary cooperatives, providing a living classroom for ‘Promoter Farmers’ to share innovations and train fellow farmers on good agricultural practices and on low-cost methods to improve coffee quality.

• Activities also focused on supporting 100 women and youth to start developing micro-enterprises that will diversify incomes and improve coffee production and quality. So far, these micro-enterprises have included nurseries for disease resistant coffee plants, small animal keeping for women’s groups (that can sell natural fertilizer to support coffee farms) and planting fruit trees to provide shade for coffee plants.

The project and current funding from DEG and Cafédirect is scheduled to run through until the end of 2015.

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 by CPF since 2010 in collaboration with representatives of smallholder farming communities through an interactive user-design and testing process. 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. Development activities to-date have included the design and testing of the (version 1.0) WeFarm pilot platform with smallholder farming communities in Kenya and Peru. 2014 was a very strong year for WeFarm, with the launch of the technology platform and an award from the Google 2014 Impact Challenge.

• Development and testing of the WeFarm 2.0 technology platform continued throughout the year. WeFarm was successfully launched during November 2014, with farmers joining and participating in the system in English, Kiswahili and Spanish.

• In 2012, work was initiated to develop a long-term business plan for WeFarm with the support of a 12-month grant of €20,000 from the Swedish International Development Agency (SIDA). Business planning activities continued throughout 2014. This included in-depth analysis on key aspects of WeFarm’s revenue model and business structure, with the aim of establishing WeFarm as a for-profit subsidiary of CPF from early 2015.

• In August WeFarm was named one of the overall winners of the 2014 Google Impact Challenge, winning £500,000 for the project and support from both Google and Nesta. The prize provides opportunity for WeFarm to scale its new platform to thousands of smallholder farmers, and allowed CPF to begin the process of delivering its plan to establish WeFarm as an independent subsidiary organization.

• Throughout 2014, a rigorous process was undertaken by CPF trustees and staff to develop and consider plans for the establishment of WeFarm as a subsidiary. This included extensive work on business plan development, and careful consideration of the relative costs and benefits of WeFarm continuing to function as a CPF project, or become an independent subsidiary. The trustees also sought substantial advice and guidance from the charity’s lawyers and considered this very carefully over a number of meetings.
Cafédirect Producers’ Foundation
(A company limited by guarantee)

Trustees’ report (continued)
for the year ended 31 December 2014

CPF’s existing Articles of Association vests sitting trustees with the authority to incorporate any subsidiary to carry on trade in the furtherance of CPF’s charitable objectives, providing the trustees are satisfied that the subsidiary’s business plan and the initial method of capitalization of the proposed subsidiary are viable, and do not jeopardise CPF’s charitable objectives in any way.

After careful review and consideration, the trustees felt that establishing WeFarm as a subsidiary of CPF would be the best option for continuing to achieve the mission of CPF, whilst protecting the integrity of the charity and ensuring the financial sustainability of WeFarm. WeFarm will look to test multiple potential revenue streams to reach this financial sustainability. The trustees reviewed proposed revenue options and were satisfied that WeFarm’s business plan and initial method of capitalization of the proposed subsidiary are viable, and do not jeopardise CPF’s charitable objectives in any way.

Consequently, the Board passed the following resolutions during its September 2014 Board meeting:
• To establish WeFarm as a majority-owned subsidiary of CPF.
• To supply initial share capital to WeFarm subsidiary, and permit WeFarm to issue new shares to approved investors (while maintaining CPF’s majority ownership)
• To ensure a smooth process for WeFarm operations to be transitioned from a CPF project to a trading subsidiary

In January 2015, WeFarm incorporated as a Private Company Limited by Shares (CLS), as this represented the best balance between administrative ease, operational flexibility, access to capital, and progressive compensation. CPF is the majority owner of WeFarm. However, in order to ensure WeFarm can scale in future, it has been agreed that the WeFarm board of directors would be vested with the authority to issue additional shares to generate capital – on the condition that CPF remains the majority owner of the enterprise (minimum of 51%) and any future investors do not jeopardize the reputation of CPF. It was also agreed that the initial composition of the WeFarm Board of Directors would include a director representing CPF’s shareholding and Producer Interests. This director was agreed to be the current General Manager of CPF, Claire Rhodes.

In December 2014, WeFarm was awarded a place on the 2015 Wayra UnLtd incubation programme (Wayra is a subsidiary of Telefonica that provides mentorship, investor access, £40k cash, and free office space to start-up businesses).

Innovation by Smallholders to enhance Productivity, Incomes, Resources and Enterprise (INSPIRE)
During 2014, CPF progressed to the second application stage of the Big Lottery Fund. As such, CPF received organisational development funding from the Big Lottery Fund to undertake additional programme planning activities with smallholder farmers in Peru, designing a multi-year programme that will improve livelihoods for over 7,500 smallholder coffee farmers through farmer-led initiatives and training services focused on improving coffee quality, developing micro-enterprises and identify low-cost mitigations to increase climate change resilience. This programme design process built on successes and key lessons learnt from programming in Haiti, the Dominican Republic and East Africa.
**Cafédirect Producers’ Foundation**
*(A company limited by guarantee)*

**Trustees’ report (continued)**
for the year ended 31 December 2014

---

**2014 Fundraising activities**

During 2014, CPF’s fundraising activities principally consisted of applications to national and international donors for grants to support programme and organisational development. During the year, new funding was received from:

- The second tranche of the four-year grant of £600,600 from Comic Relief that began on 1st April 2013.

- The 2014 Google Impact Challenge award to CPF for WeFarm, awarding CPF £500,000 over 2 years to support the launch and scale-out of WeFarm across 6 countries in East Africa and Latin America (Uganda, Kenya, Tanzania, Haiti, Dominican Republic and Peru).

- An organisational development and planning grant of £15,000 from the Big Lottery Fund, to support programme planning with smallholder coffee farmers in Peru and the submission of CPF’s final funding application to the Big Lottery Fund (submitted in September 2014).

- A £3,000 grant from the Ashworth Charitable Trust to support future programmes in Peru.

CPF also tested a number of ideas to support more creative fundraising campaigns during 2014, with the aim of enhancing CPF’s longer-term unrestricted income. However, no significant income was generated from these activities during 2014.

**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 2014. 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 2014, the highly detrimental impacts of coffee rust disease (La Roya) were evident across smallholder coffee farmers in Latin America, who experienced severe declines in their 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.
Cafédirect Producers' Foundation
(A company limited by guarantee)

Trustees' report (continued)
for the year ended 31 December 2014

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 2014, other strategic partner organisations included Fairtrade Africa and Firetail (host of the Agricultural Learning and Information Network, ALINE), who continued to support CPF with its work to develop an organisation-wide monitoring and impact evaluation framework. To support WeFarm development, CPF continued and expanded its partnerships with design and mobile communications partners, including Pete & Jim Ltd, SomeOneElse and Conker Group digital agencies.

CPF also continued to build, and initiated new relationships with UK-based and international donors currently supporting CPF, including DEG, Comic Relief, Google, the Ashworth Charitable Trust, and the Big Lottery Fund.

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 2014, both individuals and grant making bodies.

During 2014, 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 12% of CPF’s 2014 incoming resources.

As shown in CPF’s Financial Statements, incoming resources during the year totalled £605,839

CPF did not have any subsidiaries during 2014, and therefore did not benefit from any associated income generation opportunities. However, as outlined above, this will change in 2015 with the successful implementation of plans to establish WeFarm Ltd as a subsidiary of CPF in early 2015.

Investment policy and objectives

During 2014, 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.

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.


Cafédirect Producers' Foundation
(A company limited by guarantee)

Trustees' report (continued)
for the year ended 31 December 2014

At the end of 2014, the balance of CPF’s unrestricted funds totalled £31,546. This is designated as free reserves to cover CPF core activities (including operating costs and support time) during a period of unforeseen difficulty.

During 2015, 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 2015. 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, 2015 funds secured to support activities with smallholder producers in Latin America and Africa include:

• Delivering the third year of the East Africa Producer Innovation Programme (EAPPP), 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 final 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.

• Beginning the new four-year programme in Peru, Innovation by Smallholders to enhance Productivity, Incomes, Resources and Enterprise (INSPIRE), with support from the Big Lottery Fund.

• Establishing WeFarm as an independent social enterprise, which will continue to scale-up and enhance its accessibility to smallholder farmers across East Africa (Kenya, Uganda, and Tanzania) and Latin America (Peru, Haiti and the Dominican Republic).

Additional priorities for 2015 include:

• Ongoing work to strengthening CPF’s producer-led governance model, with continued investment in strengthening 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.
Cafédirect Producers' Foundation
(A company limited by guarantee)

Trustees' report (continued)
for the year ended 31 December 2014

• Continued emphasis on growing and diversifying CPF’s sources of unrestricted income.

• Reviewing and refreshing CPF’s strategic direction, recognising the timeline on CPF’s 2013-15 Strategic Framework and its current end date at the close of 2015.

• The appointment of 3 new producer representatives to the CPF Board, following the close of the final 3-year term of two of the current producer representatives.

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 18 June 2015 and signed on their behalf by:

T Morgan
Company Secretary
Cafédirect Producers' Foundation

(A company limited by guarantee)

Trustees' responsibilities statement
for the year ended 31 December 2014

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

The 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 2014 set out on pages 17 to 26. 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 144 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 144 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 2014 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

for and on behalf of UNW LLP (Statutory Auditor)
Chartered Accountants
Newcastle upon Tyne
18 June 2015
Cafédirect Producers' Foundation

(A company limited by guarantee)

Statement of financial activities
(incorporating income and expenditure account)
for the year ended 31 December 2014

<table>
<thead>
<tr>
<th>Note</th>
<th>Unrestricted funds 2014</th>
<th>Restricted funds 2014</th>
<th>Total funds 2014</th>
<th>Total funds 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
</tbody>
</table>

Incoming resources

Incoming resources from generated funds:

Voluntary income 2 192,304 - 192,304 194,653
Incoming resources from charitable activities 4 - 413,535 413,535 371,020

Total incoming resources 192,304 413,535 605,839 565,673

Resources expended

Costs of generating funds:

Fundraising expenses and other costs 3 60,351 - 60,351 10,205
Charitable activities 5,7 71,721 328,583 400,304 418,826
Governance costs 8 20,203 - 20,203 20,989

Total resources expended 152,275 328,583 480,858 450,020

Net incoming resources before transfers 40,029 84,952 124,981 115,653

Transfers between Funds 14 (45,264) 45,264 - -

Net movement in funds for the year (5,235) 130,216 124,981 115,653

Total funds at 1 January 2014 36,781 215,315 252,096 136,443

Total funds at 31 December 2014 31,546 345,531 377,077 252,096

The notes on pages 19 to 26 form part of these financial statements.
Cafédirect Producers' Foundation
(A company limited by guarantee)

Balance sheet
At 31 December 2014

<table>
<thead>
<tr>
<th>Note</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td><strong>Fixed assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tangible assets</td>
<td>11</td>
<td>4,629</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debtors</td>
<td>12</td>
<td>27,479</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td>469,046</td>
<td>247,631</td>
</tr>
<tr>
<td></td>
<td></td>
<td>496,525</td>
</tr>
<tr>
<td><strong>Creditors: amounts falling due within one year</strong></td>
<td>13</td>
<td>(124,077)</td>
</tr>
<tr>
<td><strong>Net current assets</strong></td>
<td></td>
<td>372,448</td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td></td>
<td>377,077</td>
</tr>
<tr>
<td><strong>Charity funds</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restricted funds</td>
<td>14</td>
<td>345,531</td>
</tr>
<tr>
<td>Unrestricted funds</td>
<td>14</td>
<td>31,546</td>
</tr>
<tr>
<td><strong>Total funds</strong></td>
<td></td>
<td>377,077</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 144 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 2014 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 18 June 2015 and signed on their behalf, by:

Ms C DeJean

The notes on pages 19 to 26 form part of these financial statements.
Company registered number 06959165
Cafédirect Producers' Foundation
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 December 2014

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 2014, 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 administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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. For legacies, entitlement is the earlier of the company being notified of an impending distribution or the legacy being received.

1.5 Resources expended

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

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 2014

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>
</tr>
</thead>
<tbody>
<tr>
<td>Cafédirect Plc</td>
<td>188,218</td>
<td>-</td>
<td>188,218</td>
</tr>
<tr>
<td>Other</td>
<td>4,086</td>
<td>-</td>
<td>4,086</td>
</tr>
<tr>
<td>Voluntary income</td>
<td>192,304</td>
<td>-</td>
<td>192,304</td>
</tr>
</tbody>
</table>

3. Fundraising costs

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted funds</th>
<th>Restricted funds</th>
<th>Total funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fundraising costs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wages and salaries</td>
<td>39,437</td>
<td>-</td>
<td>39,437</td>
</tr>
<tr>
<td>Direct costs</td>
<td>20,914</td>
<td>-</td>
<td>20,914</td>
</tr>
<tr>
<td>Total</td>
<td>60,351</td>
<td>-</td>
<td>60,351</td>
</tr>
<tr>
<td></td>
<td>60,351</td>
<td>-</td>
<td>60,351</td>
</tr>
</tbody>
</table>
### 4. Incoming resources from charitable activities

<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>2014</td>
<td>2014</td>
<td>2014</td>
<td>2013</td>
</tr>
<tr>
<td>Big Lottery Fund - INSPIRE (Peru)</td>
<td>£</td>
<td>15,000</td>
<td>15,000</td>
<td>£</td>
</tr>
<tr>
<td>Ashworth Charitable Trust - INSPIRE (Peru)</td>
<td>-</td>
<td>3,000</td>
<td>3,000</td>
<td>-</td>
</tr>
<tr>
<td>Comic Relief - Governance Strengthening</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>4,000</td>
</tr>
<tr>
<td>SIDA - WeFarm</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(2,133)</td>
</tr>
<tr>
<td>DEG/Cafédirect - Rooted in Quality</td>
<td>-</td>
<td>75,000</td>
<td>75,000</td>
<td>75,000</td>
</tr>
<tr>
<td>Knight Foundation - WeFarm</td>
<td>-</td>
<td>76,210</td>
<td>76,210</td>
<td>81,753</td>
</tr>
<tr>
<td>Comic Relief - EAPIP</td>
<td>-</td>
<td>94,325</td>
<td>94,325</td>
<td>212,400</td>
</tr>
<tr>
<td>Google - WeFarm</td>
<td>-</td>
<td>150,000</td>
<td>150,000</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td></td>
<td>413,535</td>
<td>413,535</td>
<td>371,020</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</th>
<th>Restricted funds</th>
<th>Total funds</th>
<th>Total funds</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2014</td>
<td>2014</td>
<td>2014</td>
<td>2013</td>
</tr>
<tr>
<td>Climate Change</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>11,425</td>
</tr>
<tr>
<td>Governance Strengthening</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>18,565</td>
</tr>
<tr>
<td>Latin America, including INSPIRE</td>
<td>3,076</td>
<td>14,960</td>
<td>18,036</td>
<td>-</td>
</tr>
<tr>
<td>East Africa Programme (EAPIP)</td>
<td>19,996</td>
<td>76,995</td>
<td>96,991</td>
<td>88,959</td>
</tr>
<tr>
<td>Producer Partnership Programme (PPP)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>43,981</td>
</tr>
<tr>
<td>WeFarm and other producer communications</td>
<td>34,794</td>
<td>169,241</td>
<td>204,035</td>
<td>165,734</td>
</tr>
<tr>
<td>Rooted in Quality - Coffee Quality Improvement project</td>
<td>13,855</td>
<td>67,387</td>
<td>81,242</td>
<td>90,162</td>
</tr>
<tr>
<td></td>
<td>71,721</td>
<td>328,583</td>
<td>400,304</td>
<td>418,826</td>
</tr>
</tbody>
</table>
5. Expenditure by charitable activity (continued)

Summary by expenditure type

<table>
<thead>
<tr>
<th></th>
<th>Staff costs 2014</th>
<th>Other costs 2014</th>
<th>Total 2014</th>
<th>Total 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Climate Change</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>11,425</td>
</tr>
<tr>
<td>Governance Strengthening</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>18,565</td>
</tr>
<tr>
<td>Latin America, including INSPIRE</td>
<td>1,793</td>
<td>16,243</td>
<td>18,036</td>
<td>-</td>
</tr>
<tr>
<td>East Africa Programme (EAPIP)</td>
<td>17,825</td>
<td>79,166</td>
<td>96,991</td>
<td>88,959</td>
</tr>
<tr>
<td>Producer Partnership Programme (PPP)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>43,981</td>
</tr>
<tr>
<td>WeFarm and other producer communications</td>
<td>81,849</td>
<td>122,186</td>
<td>204,035</td>
<td>165,734</td>
</tr>
<tr>
<td>Rooted in Quality - Coffee Quality Improvement project</td>
<td>5,677</td>
<td>75,565</td>
<td>81,242</td>
<td>90,162</td>
</tr>
<tr>
<td></td>
<td>107,144</td>
<td>293,160</td>
<td>400,304</td>
<td>418,826</td>
</tr>
</tbody>
</table>

6. Support costs

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office costs</td>
<td>60,230</td>
<td>44,072</td>
</tr>
<tr>
<td>Wages and salaries</td>
<td>7,323</td>
<td>6,454</td>
</tr>
<tr>
<td>Direct overseas support</td>
<td>4,168</td>
<td>2,490</td>
</tr>
<tr>
<td>Total</td>
<td>71,721</td>
<td>53,016</td>
</tr>
</tbody>
</table>
Notes to the financial statements
for the year ended 31 December 2014

7. **Analysis of resources expended by activities**

<table>
<thead>
<tr>
<th>Activities undertaken directly</th>
<th>Support costs</th>
<th>Total</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>2014</td>
<td>2014</td>
<td>2013</td>
</tr>
<tr>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Climate Change</td>
<td>-</td>
<td>-</td>
<td>11,425</td>
</tr>
<tr>
<td>Governance Strengthening</td>
<td>-</td>
<td>-</td>
<td>18,565</td>
</tr>
<tr>
<td>Latin America, including INSPIRE</td>
<td>14,961</td>
<td>3,075</td>
<td>18,036</td>
</tr>
<tr>
<td>East Africa Programme (EAPIP)</td>
<td>76,994</td>
<td>19,997</td>
<td>96,991</td>
</tr>
<tr>
<td>Producer Partnership Programme (PPP)</td>
<td>-</td>
<td>-</td>
<td>43,981</td>
</tr>
<tr>
<td>Producer Communications Strategy</td>
<td>169,241</td>
<td>34,794</td>
<td>204,035</td>
</tr>
<tr>
<td>Rooted in Quality - Coffee Quality Improvement project and other Latin American programmes</td>
<td>67,387</td>
<td>13,855</td>
<td>81,242</td>
</tr>
<tr>
<td>Total</td>
<td>328,583</td>
<td>71,721</td>
<td>400,304</td>
</tr>
<tr>
<td></td>
<td></td>
<td></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>2014</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Auditors' remuneration</td>
<td>3,680</td>
<td>-</td>
<td>3,680</td>
<td>3,295</td>
</tr>
<tr>
<td>Cost of Trustees meetings</td>
<td>12,467</td>
<td>-</td>
<td>12,467</td>
<td>11,626</td>
</tr>
<tr>
<td>Translation fees</td>
<td>4,056</td>
<td>-</td>
<td>4,056</td>
<td>6,068</td>
</tr>
<tr>
<td>Total</td>
<td>20,203</td>
<td>-</td>
<td>20,203</td>
<td>20,989</td>
</tr>
</tbody>
</table>

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

9. **Net incoming resources**

This is stated after charging:

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depreciation of tangible fixed assets:</td>
<td>2014</td>
<td>2013</td>
</tr>
<tr>
<td>- owned by the charity</td>
<td>3,086</td>
<td>1,988</td>
</tr>
<tr>
<td>Auditors' remuneration</td>
<td>3,680</td>
<td>3,295</td>
</tr>
<tr>
<td>Pension costs</td>
<td>9,838</td>
<td>8,634</td>
</tr>
</tbody>
</table>
Cafédirect Producers' Foundation
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 December 2014

10. Staff costs

Staff costs were as follows:

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages and salaries</td>
<td>124,713</td>
<td>102,643</td>
</tr>
<tr>
<td>Social security costs</td>
<td>12,030</td>
<td>10,180</td>
</tr>
<tr>
<td>Other pension costs</td>
<td>9,838</td>
<td>8,634</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>146,581</strong></td>
<td><strong>121,457</strong></td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</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 (2013: 2) overseas through Fair Trade Africa, and a further project manager (2013: 1) on a consultancy basis in Haiti at a total cost of £32,813 (2013: £23,327). CPF also employed three paid interns during 2014, which contributed to differences in total staff costs between 2014 and 2013.

11. Tangible fixed assets

<table>
<thead>
<tr>
<th></th>
<th>Computer equipment £</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cost</strong></td>
<td></td>
</tr>
<tr>
<td>At 1 January 2014 and 31 December 2014</td>
<td><strong>10,594</strong></td>
</tr>
<tr>
<td><strong>Depreciation</strong></td>
<td></td>
</tr>
<tr>
<td>At 1 January 2014</td>
<td><strong>2,879</strong></td>
</tr>
<tr>
<td>Charge for the year</td>
<td><strong>3,086</strong></td>
</tr>
<tr>
<td>At 31 December 2014</td>
<td><strong>5,965</strong></td>
</tr>
<tr>
<td><strong>Net book value</strong></td>
<td></td>
</tr>
<tr>
<td>At 31 December 2014</td>
<td><strong>4,629</strong></td>
</tr>
<tr>
<td>At 31 December 2013</td>
<td><strong>7,715</strong></td>
</tr>
</tbody>
</table>
Cafédirect Producers' Foundation  
(A company limited by guarantee)  

Notes to the financial statements  
for the year ended 31 December 2014

12. Debtors

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Trade debtors</td>
<td>25,912</td>
<td>50,000</td>
</tr>
<tr>
<td>Prepayments and accrued income</td>
<td>1,567</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>27,479</strong></td>
<td><strong>50,000</strong></td>
</tr>
</tbody>
</table>

13. Creditors:  
Amounts falling due within one year

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Trade creditors</td>
<td>33,584</td>
<td>23,488</td>
</tr>
<tr>
<td>Other creditors</td>
<td>2,732</td>
<td>1,696</td>
</tr>
<tr>
<td>Accruals and deferred income</td>
<td>87,761</td>
<td>28,066</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>124,077</strong></td>
<td><strong>53,250</strong></td>
</tr>
</tbody>
</table>
Cafédirect Producers' Foundation
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 December 2014

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>33,072</td>
<td>4,086</td>
<td>(624)</td>
<td>-</td>
<td>36,534</td>
</tr>
<tr>
<td>Administration and financial management</td>
<td>3,709</td>
<td>188,218</td>
<td>(151,651)</td>
<td>(45,264)</td>
<td>(4,988)</td>
</tr>
<tr>
<td></td>
<td>36,781</td>
<td>192,304</td>
<td>(152,275)</td>
<td>(45,264)</td>
<td>31,546</td>
</tr>
<tr>
<td><strong>Restricted funds</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>WeFarm, and other producer communications</td>
<td>61,584</td>
<td>226,208</td>
<td>(169,241)</td>
<td>24,849</td>
<td>143,400</td>
</tr>
<tr>
<td>Rooted in Quality - Coffee Quality Improvement project and other Latin American programmes</td>
<td>42,139</td>
<td>75,000</td>
<td>(67,387)</td>
<td>-</td>
<td>49,752</td>
</tr>
<tr>
<td>East Africa Programme</td>
<td>111,592</td>
<td>94,327</td>
<td>(76,995)</td>
<td>20,415</td>
<td>149,339</td>
</tr>
<tr>
<td>Other Latin American programmes</td>
<td>-</td>
<td>18,000</td>
<td>(14,960)</td>
<td>-</td>
<td>3,040</td>
</tr>
<tr>
<td></td>
<td>215,315</td>
<td>413,535</td>
<td>(328,583)</td>
<td>45,264</td>
<td>345,531</td>
</tr>
<tr>
<td><strong>Total of funds</strong></td>
<td>252,096</td>
<td>605,839</td>
<td>(480,858)</td>
<td>-</td>
<td>377,077</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>Tangible fixed assets</td>
<td>4,629</td>
<td>-</td>
<td>4,629</td>
<td>7,715</td>
</tr>
<tr>
<td>Current assets</td>
<td>94,593</td>
<td>401,931</td>
<td>496,524</td>
<td>297,631</td>
</tr>
<tr>
<td>Creditors due within one year</td>
<td>(67,676)</td>
<td>(56,400)</td>
<td>(124,076)</td>
<td>(53,250)</td>
</tr>
<tr>
<td></td>
<td>31,546</td>
<td>345,531</td>
<td>377,077</td>
<td>252,096</td>
</tr>
</tbody>
</table>