

Image: Jaime García and Marlene López, coffee farmers and husband and wife, from Red Ecolsierra co-operative, Colombia

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended December 31, 2024



FAIRTRADE
FOUNDATION

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Foreword by Eleanor Harrison, CEO at Fairtrade Foundation

2024 was a memorable year for the Fairtrade Foundation as we celebrated our 30th year. Together, we marked three decades of transformative impact, ensuring that the women and men who produce some of our favourite food overseas receive fair pay, good working conditions and job security so they can pay for housing, put food on the table and send their children to school.

Our work in 2024 continued to focus on creating long-term impact. Fairtrade's commitment to promoting living incomes and wages has meant that producers have been able to cover essential living costs for themselves and their families, plan for the future, and invest in their communities. Farmers have adopted sustainable agricultural practices that have protected their crops and yields from climate change. We have continued to advocate for trade policy reform, effective regulation and legislative action to address global challenges like deforestation. Initiatives like Shared ImPact have set the stage for wider sectoral shifts and market changes, while ongoing commitments from businesses have supported producers to invest Fairtrade Premium funds into the projects they value most.

Thanks to this collective effort, almost 2 million farmers and workers in Fairtrade certified producer organisations around the world have strengthened their resilience. The unique Minimum Price and additional financial Premium they receive through sales on Fairtrade terms means they have more working capital and greater control over how these funds are invested.

Consumer research conducted by YouGov for Fairtrade revealed 85 percent of UK adults think farmers in low-income countries should receive stable and fair pay for the products they grow that are sold in the UK. Politicians also have a role to play: 60 percent of UK adults believe they could do more to ensure overseas farmers and workers are paid fairly (YouGov, 2024).

Following the election of a new UK Government in July, during our flagship campaign 'Fairtrade Fortnight', we asked MPs to pledge to 'Be the Change' and support a fairer trade system that addresses the links between trade, development and environmental sustainability. Over 4,000 campaigners wrote to their MP and more than 130 MPs have signed our 'Be the Change' pledge. We look forward to working with them over the coming years to promote fairer trade.

Held in September for the first time, Fairtrade Fortnight 2024 was our most successful in years. The number of people who had heard of the campaign doubled and there was significant sales uplift (volume and value) across all confectionery, hot beverages and bananas (KantarWorldPanel, 2024). Once again, our Fairtrade movement came out in force, organising over 615 grassroots community activities across the UK.

It is down to the strength and commitment of our movement that Fairtrade continues to be the most well-known ethical certification label globally (GlobeScan, 2025). Our 2024 consumer research conducted by Kantar revealed that trust in the FAIRTRADE Mark remains high (76 percent), while 75 percent of consumers care about Fairtrade (Kantar Profiles, 2024). Fairtrade is most strongly associated with paying a fair price to producers and enabling farmers to invest in their communities and futures. Fairtrade is also increasingly associated with reducing the impact of farming on the environment and

supporting farmers to diversify their income to be more resilient to climate change and other risks (Kantar Profiles, 2024).

UK sales volumes of most Fairtrade products increased in 2024. Coffee volumes were up 5 percent (an extra 87 million cups of coffee) with particularly strong growth in supermarket sales; tea volumes were up 2 percent (an extra 37 million cups of Fairtrade tea); and Fairtrade banana sales volumes grew by 1 percent (an additional 7 million Fairtrade bananas sold). There was also growth in juice sales (up 8 percent), in sugar (up 3 percent) and wine (up 4 percent).

In 2024, through sales of Fairtrade products in the UK, producers earned over £28 million in Fairtrade Premium, an extra sum of money that farmers and workers invest in areas such as farming improvements and community initiatives of their choice. These payments can also be essential support for narrowing the gap towards living wages: as demonstrated in a new 2024 study we published about flower workers in Kenya.

We believe collaboration is key to supporting more of the people who produce our food and drink. That's why we launched Shared ImPact in 2024 – which brings retailers and brands together to co-source bananas, coffee, and cocoa, enabling cost-sharing and deeper collaboration with producers at origin. This approach addresses production-level risks and challenges that individual retailers could not tackle in isolation. Having gained informal approval from the UK's Competition and Markets Authority (CMA) in December 2023, Shared ImPact launched a mass balance plus pilot in 2024, and Shared ImPact partnership discussion kicked off for 2025. We are excited about what this groundbreaking model can achieve in the years to come.

My predecessor, Michael Gidney, led the Fairtrade Foundation for 12 years until December 2024. I would like to take this opportunity, on behalf of our Trustees, staff, and the Fairtrade producers, to thank Michael for his hard work, passion and commitment to Fairtrade. I would also like to thank our Trustees for their excellent contributions over the year, including our outgoing Chair, Mark Price. In turn I would like to welcome Dr Nyagoy Nyong'o, our new Chair of Trustees who was appointed in October 2024.

As I settle into my new role as the new Chief Executive of the Fairtrade Foundation, I will be focused on delivering the last year of our 2021-2025 Strategy while working with our team, producers and our partners to craft our new strategy, ensuring we continue to innovate, further grow our impact and secure our long-term sustainability.

Thank you to everyone who supported Fairtrade in 2024 and who has been part of the Fairtrade movement over the last 30 years. As global crises and uncertainties continue, please continue to support us in calling for fairer trade for all.



Eleanor Harrison
Chief Executive, Fairtrade Foundation

Our vision, mission, objectives and activities

Our vision

Fairtrade's vision is a world in which all producers can enjoy secure and sustainable livelihoods, fulfil their potential and decide on their future.

Our mission

Our mission is to connect disadvantaged producers and consumers, promote fairer trading conditions, and empower producers to combat poverty, strengthen their position, and take more control over their lives.

Our objectives and activities

We live in a world where too many farmers and their families are still going hungry or paid too little to afford healthcare or education for their children. We live in a world where workers toil in dangerous conditions, and exploitation is still rife. There are big issues like climate change to tackle. Our objectives are to fight poverty by changing trade, and to highlight the issues affecting farmers and workers across the world who work hard yet still struggle to survive. We elevate the voices of farmers, speaking truth to power. By choosing Fairtrade, shoppers, supporters, businesses, schools and campaigning groups have created change through their everyday actions. They have supported farming communities to feed their families, and to fund ambulances, maternity clinics and health centres. Remote, marginalised communities now have infrastructure that didn't exist before – schools, electricity and clean water.

To achieve our objectives, our activities include:

- **Offering businesses and consumers a number of ways to engage with Fairtrade.** This includes licensing the use of the iconic FAIRTRADE Mark, and Fairtrade Sourced Ingredients, both of which are ways to source on Fairtrade terms. Meanwhile, our programmes and business partnerships support and offer expertise to companies, so they can play a greater role in transforming trade for the better.
- **Using research to raise awareness of the challenges facing marginalised communities around the world.** Sharing the evidence of what works to address the root causes of poverty and injustice in trade means we can mobilise community groups, politicians and businesses in the UK to redouble our efforts towards a fairer and more sustainable world.
- **Working as part of an international movement.** We are a member of Fairtrade International, which oversees, develops and regulates the international standards of certification that underpin Fairtrade and include the Fairtrade Minimum Price and Fairtrade Premium.

Trustees' report (incorporating the report of the directors and the strategic report)

Achievements and Performance

An outline of our 2021-2025 strategy, our objectives for 2024, and how we performed against them

Our international system, connecting producers, markets and activists is a movement that has always been a catalyst for change. Through Fairtrade, farmers gain membership of sustainable, equitable co-operatives. They can negotiate for higher prices and they have direct access to markets. Workers join organisations that respect unions, health and safety and consider their welfare.

The issues we have championed for 30 years – responsible business, fairer prices, better treatment for workers – have now taken centre stage. And yet we need to keep shifting the balance of power to the people who are in the first mile of supply chains. For today, while many solutions appear to be available, collectively the world is far from achieving decent livelihoods for all.

To make it easier for businesses and consumers to drive positive change where it is most needed, the Fairtrade Foundation strategy is framed around five pillars to drive the systemic change needed to address the significant problems experienced by communities worldwide. Those five pillars are:

- Empowerment of farmers and workers
- Growth and innovation
- Advocacy and citizen engagement
- Digitalisation for fairer supply chains
- A launchpad for the future

Here, we report on the fourth year of our strategy and outline our achievements. Among other things we outline how the Fairtrade Foundation has expanded its partnerships and innovated for greater reach and impact for the farmers and workers it works with around the world.

2024: our impact in numbers

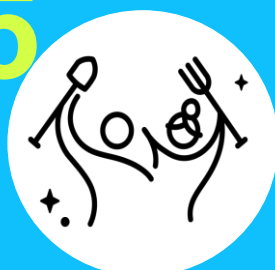
**30 years of
Fairtrade in
the UK**



Almost 2 million
farmers and
workers in
Fairtrade
certified producer
organisations

1,875

producer
organisations in
67 countries



UK sales of Fairtrade
products generated
more than

£28m

In Fairtrade Premium
for farmers and
workers



FAIRTRADE

The FAIRTRADE
Mark was the most
recognised and
trusted ethical label
in the UK, with

84% awareness and

76% trust

among those who recall
seeing the Mark

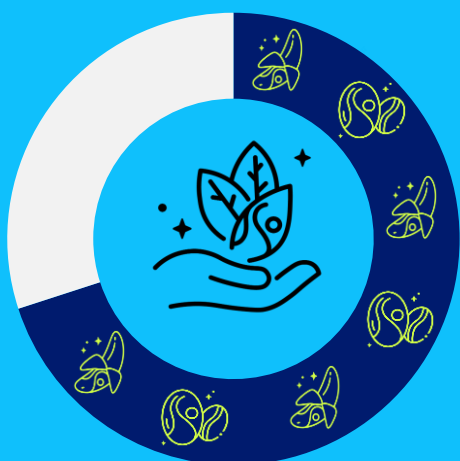


Fairtrade coffee
sales volumes in
the UK grew by
5%



Fairtrade tea
sales volumes in
the UK grew by
2%

Around
two thirds
of Fairtrade bananas (63%)
and coffee (71%) sold was organic



Workers on Fairtrade certified
estates allocated:

88%

of their Fairtrade
Premium to social
investments



Small scale producer
organisations invested:

20%

of their Fairtrade Premium
on projects to improve
productivity, quality and
adapt to climate change



'Be the Change' Pledge

**Over
4,000**

campaigners asked
their Member of
Parliament (MP) to
take our pledge



**130
MPs**

have taken our 'Be
the Change'
pledge for fairer
trade

7 million

more bananas sold
In 2024 compared
To 2023



UK campaigners ran

615

events and
activities during
Fairtrade Fortnight



275,000 pupils
attend Fairtrade
schools in the UK



40 universities
were awarded
Fairtrade status



What we said we would do in 2024- Pillar 1: Empowerment of farmers and workers

2024 we made good progress on our first pillar, working to close the gap towards achieving living wages and living incomes for the people who produce our food and drink, on climate mitigation and resilience for producers, particularly in the context of the approaching European Union Deforestation Regulation (EUDR), and in supporting greater Human Rights and Environmental Due Diligence (HREDD) in supply chains.

Livelihoods, income and living wage

Ben & Jerry's Living Income Accelerator

The Living Income Accelerator (LIA) is a portfolio of programmes led by Ben & Jerry's and some of its partners and managed by the Fairtrade Foundation in partnership with Sustainable Food Lab (SFL).

Within Cocoa LIA in 2024 we concluded the Income Diversification for Women (this project received match-funding from the Ministry for Foreign Affairs of Finland (MFA) via Fairtrade Finland's DONUTS programme) and Cooperative Strengthening programmes in Cote d'Ivoire led by Fairtrade's Producer Network, Fairtrade Africa, which were focused on strengthening the incomes of female farmers and building capacity within the cooperatives. Although the income diversification enterprises led by women cocoa farmers encountered supply challenges over the years, three of the four businesses are now successfully operating. As part of the Cooperative strengthening project, two cocoa cooperatives COOBADI and COOPAZA took part in human rights and due diligence (HREDD) trainings and have developed action plans to strengthen women's capacity within the cooperatives. Two studies were completed in 2024; a case study was published with recommendations on aligning key living income measurement methodologies; and a study was conducted into labour brigades - groups offering pruning services to farmers – giving valuable insights into farmers' motivations for pruning, a key agricultural practice.

In 2024 we continued the implementation of the Vanilla LIA, another project funded by Ben & Jerry's with match funding from the Ministry for Foreign Affairs of Finland (MFA) through Fairtrade Finland. In this second year of implementation the five vanilla co-operatives were impacted by cyclone Gamane, which caused great damage in Madagascar. Fortunately, trainings around co-operative strengthening, income diversification and regenerative agriculture were able to continue with over 1,700 seedlings being distributed and over 125 farmers engaging directly in the programme.

MARS – Livelihoods and Ecosystem Advancement Programme (LEAP)

LEAP is a Living Income programme funded by Mars and Finland's Ministry of Foreign Affairs via Fairtrade Finland's DONUTS programme, working with over 5,000 producer members of four cocoa cooperatives across Cote d'Ivoire. In 2024, LEAP launched three key interventions: the LEAP Facility, a US\$ 2 million revolving fund providing accessible finance to cooperatives and producers; eight Agripreneur Business Units, which are cooperative-owned, agricultural service provision (such as pruning and weeding); and thirdly, the Private Sector Partnerships Network, an alliance between like-

mindful, globally-engaged businesses with the shared goal of increasing producer incomes through innovative collaborations.

As a market systems development programme, LEAP is committed to sustainable and scalable market-led interventions. In early 2024 the programme hosted four Farmer Field Days, providing an interactive platform where cooperatives and farmers established professional connections with private sector companies, and gained practical experience and training with agricultural technologies. The events hosted 2,221 producers who made 635 purchases or subscriptions to a product/service offered by one of the 33 partners. Additionally, LEAP signed agreements with two leading agro-industry partners: SACRI, for the supply of and training on agricultural motorised tools for agripreneurs, and SIFCA for the sustainable and fairly priced uptake of cash crops (cashew, palm oil and rubber). Other formal market income diversification activities include partnering with Dune de Miel who will source 15 Metric Tonnes (MT) of honey via LEAP producers in 2025. By the end of 2024, 60 producers had received apiculture training and three hives in the pilot, and LEAP intends to reach 380 producers by the end of 2025, and new partnerships are in the process of development with Holly Honey and Apinome.

Sainsbury's Living Wage commitment

In February 2024 Sainsbury's committed to paying their contribution towards paying thousands of workers a fairer wage and to supporting the future of banana growers in Cameroon, Colombia, Dominican Republic and Ghana. The price Sainsbury's is paying for every box of bananas covers the cost of the fruit, plus a Premium which is invested into workers' wages. This additional money helps the workers to cover food, housing, education and healthcare costs, improving their livelihoods and those of their families. The Fairtrade Premium Sainsbury's pay also contributes to environmental initiatives, enabling the banana workers to adopt more sustainable farm practices such as carbon capture, reduced water usage, improved biodiversity and enhanced soil health. As an early adopter, Sainsbury's have been instrumental in calling on the wider banana-buying industry to also observe and act on the living wage gap. Sainsbury's has also moved to four-year contracts to give its growers greater stability and financial security.

Revised Standards will help close gap to living wages for flower workers

The Fairtrade Foundation worked closely with our Living Wage experts and the Standards and Pricing Unit at Fairtrade International to review the Standard for Flowers and Plants, with the goal of developing a framework for Fairtrade flower origins to move towards living wages. In 2024, we met with many stakeholders to propose a sustainable method to improve livelihoods for workers on flower farms in East Africa, where the majority of Fairtrade flowers originate.

As a result, the revised Standard will now include a partial distribution of Fairtrade Premium as cash; 30 percent will be allocated to flower workers to help reduce the gap to a living wage (as a Fairtrade bonus). Additional requirements around transparency on wages and working with trade unions were also included in the new Standards, which will come to effect in February 2026.

New study on impact of Premium on living wages of flower workers

A new study shed light on the significant economic benefits that flower workers in Kenya receive through the Fairtrade Premium. The report highlighted that Fairtrade flower workers in Kenya receive

around EUR 107 worth of economic benefits per year through the Fairtrade Premium, which includes the provision of educational subsidies, housing support, healthcare, and other in-kind benefits. These benefits are a considerable economic support, particularly for women workers, who often have lower wages than men. With flower workers' salaries averaging around EUR 895 per year, this Premium helps support workers who earn below the living wage benchmark of EUR 2,808. Fairtrade flower workers are also able to access loans through the Fairtrade Premium, providing additional economic benefits to producers. The report was shared in the media and at the Amsterdam cut flower show in November 2024.

Assam Approach

In early 2024, we worked with consultants to develop an inclusive Premium decision-making model for the three Assam Approach tea estates. We continued to consult partners on the Assam Approach Standard Operating Procedure (SOP) which has been developed as a guide to partners on the parameters of the Assam Approach. In Q2, we oversaw an independent assessment and mock audit at the three tea estates, which provided a clear picture of where there are significant gaps in compliance with the Fairtrade Standard. We pivoted our approach in response to these findings and focused on working with the tea producer and Fairtrade's Producer Network, NAPP, to see how we could respond to these gaps. In Q4, the tea producer prepared an Action Plan for addressing these gaps. At the same time, we supported the tea estates in rolling out the inclusive Premium decision-making tool developed at the start of the year. We developed a Theory of Change and accompanying structure for the next three years focused on three outcome areas: Workers' rights are protected; workers' basic needs are met; and workers advocate for their rights and needs. Further information about Fairtrade's Assam Approach can be found at: fairtrade.org.uk/tea

Improved Workers' Rights in Ethiopian Flowers Programme

The Improved Workers' Rights in Ethiopian Flowers Programme (part of Fairtrade Finland's development co-operation programme – DONUTS) has been funded by Aldi UK and Ministry for Foreign affairs Finland since 2022. In 2024, basic trade unions have successfully negotiated better terms and conditions for workers. At Yassin, one of the producer organisations, the labour union has negotiated four months and 15 days maternity leave, seven days of paternity leave and one hour breastfeeding time for lactating mothers during work hours. Furthermore, in 2024 Fairtrade Africa dispersed 191 assistive devices to persons with disabilities, of which approximately 75 percent of whom were women.

Living Income Reference Price

The Living Income Reference Price is the price a typical farmer household with a viable farm size and a sustainable productivity level needs in order to earn a living income from the sales of their crop. In 2024 we have engaged with Fairtrade International in discussions with partners that are committed to paying the LIRP for cocoa, including Ben & Jerry's and Tony's Chocolonely, to update the LIRP for Cote d'Ivoire and Ghana. The LIRP review for cocoa concluded in 2024, and the revised value will come into effect from October 2025. Fairtrade International also published a revised LIRP for vanilla in Madagascar.

Empower farmers and workers with information

In 2024, under Pillar 2 of the Mondelez funded Cocoa Cooperative Organisational Strengthening Programme (CCOSP), a feasibility study on data ownership was conducted to co-develop a business model with cocoa unions for them to manage, market and sell access to their membership data, and included recommendations on necessary resources and capacities for adoption. The shift from third-party data management to union-managed systems will be central to this effort, with the aim of empowering unions to become data controllers and processors in their own right. At the end of the year, we were awarded funding from the ISEAL Innovations Fund to extend the scope of data ownership pilots due to take place in 2025 and 2026.

To strengthen data management practices in cocoa cooperatives, the CCOSP team organised targeted training for field data collectors in 2024. The training aimed to equip participants with the necessary skills to collect and manage data responsibly, ensuring compliance with data protection laws.

EPRM Peruvian Gold Programme

Responsible Peruvian Gold (RPG) programme works with Artisanal and Small-scale Mining Organisations (ASMOs) in Peru; it is funded by the European Partnership for Responsible Minerals (EPRM) and designed to support partner mines to operate formally – enabling access to finance from formal lenders, training of more responsible and productive mining practices, and access to international markets on Fairtrade terms. Throughout 2024, our local Fairtrade partners Coordinadora Nacional De Comercio Justo (CNCJ) Peru and FairCapital worked closely with the mines to deliver activities, such as targeted workshops on access to finance, sustainable mining practices and gender-based violence. We have continued approaching prospective brands in the jewellery, watch, banking & finance sectors where there is interest in responsibly sourced gold. Alongside our partners, we took part in the Organisation for Economic Co-operation and Development (OECD) Precious Metals Forum in Paris with two Fairtrade miners from Lima, Peru.

Climate mitigation

GIZ Inclusive Energy Fund (IEF)

In 2024, we concluded the inaugural phase of the Innovation and Energy Fund (IEF), supported by the German development agency GIZ (Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH). This pioneering challenge fund accelerates clean and off-grid energy adoption in Fairtrade producer communities.

With a EUR 789,334 budget (80 percent going directly facilitating producer organisation projects through technical and financial support), IEF 1.0 reached 19,608 households across six Fairtrade organisations in Rwanda, Tanzania, and Uganda. Key achievements included 383 households adopting clean energy for domestic use, 1,588 farmers using it productively, 148 accessing cooperative financial services, and 7,730 participants in off-grid energy education and awareness initiatives.

IEF 2.0 was designed through 2024 Q3/Q4 following IEF 1.0's conclusion in August 2024. The Second Funding Round incorporates key lessons and aims to expand clean energy access for East Africa's tea and coffee farmers. Fundraising for IEF 2.0 will commence in 2025.

Carbon Mitigation Strategies Report

In 2024 we finalised and released a technical paper looking at carbon footprints and mitigation opportunities in Fairtrade supply chains. This paper focuses on five key commodity origins, and how to balance carbon benefits with co-benefits for the smallholder farmers at the frontline of the climate crisis. This paper has five key takeaways which will shape our climate mitigation programme strategy in 2025 and beyond:

1. There are a wide range of opportunities and strategies to reduce emissions in Fairtrade supply chains.
2. Mitigation programmes must deliver multiple benefits for farmers, workers and their communities.
3. Farmers must drive decision making.
4. Farmers need support to implement mitigation strategies successfully.
5. Models for engaging farmers in verified carbon projects need to be effective, equitable, and linked to a sound business case.

More detail on this work can be found [here](#), including download links for the PDF [Executive Summary](#) and [Full Report](#).

Climate Resilience

Sustainable Banana Programme

The Sustainable Banana Programme took place in 2024, with investments in climate resilience for producer organisations. Producer organisations have access to technical support, training, and information to help with climate resilience and production practices. Climate resilience is being achieved through a responsible use of natural resources, reducing environmental and social externalities and a more sustainable approach overall.

Banana Productivity Improvement Programme

The Productivity Improvement Programme (PIP) was developed and implemented by Fairtrade's Producer Network, CLAC. Commercial partners Co-op and Fyffes funded this programme for a number of years, with 2024 being the 4th and concluding phase. The project has been successful in supporting and upskilling smallholder Fairtrade banana farmers in Colombia and the Dominican Republic, and has focused on improving agricultural practices, optimising water resource use, reducing carbon and water footprints, and promoting the adoption of agroecological techniques, with a comprehensive approach to environmental sustainability and increased crop productivity. Over 1,000 banana producers have benefited directly from the programme, and the learnings have helped to inform the development of Fairtrade's wider Sustainable Banana Programme.

Fairtrade Alliance for Climate-smart Supply Chains in Africa (FACSCA)

The multi-year FACSCA programme was concluded in 2024. Launched in September 2021, it was designed to support Fairtrade farmers and workers in East Africa to become more resilient and adaptive to climate change. The programme was funded by Co-op, implemented by Fairtrade Africa, managed by the Fairtrade Foundation and co-created by all stakeholders in collaboration with 12 tea, coffee and

flower Producer Organisations (POs) across Ethiopia, Kenya and Rwanda – all of whom are navigating the impacts of climate change.

Activities under the FACSCA programme covered a broad range of topics, including training on financial management and diversifying income. Alongside the trainings provided by Fairtrade Africa, tangible goods were provided to producers - including 6,900 solar kits and over 500,000 tree seedlings. Furthermore, the programme set aside seed capital funds, worth £12,000, for youth groups to establish climate-smart enterprises, such as beekeeping, supplying tree seedlings and producing organic compost. By the end of October 2024, 19,430 farmers and workers had participated in the programme, enhancing their knowledge on climate change and their capacity to adapt to and mitigate its effects.

In 2024, the project was successfully concluded as Fairtrade Africa completed and launched the programme's 2nd Centre of Excellence, and led a workshop for producer feedback with representatives from all 12 POs.

New study on smallholder coffee farming in Latin America

A new Fairtrade study, 'Understanding the Climate and Environmental Impacts of Smallholder Coffee Farming', was published in October 2024 and investigated existing academic and sectoral literature regarding the environmental sustainability of small-scale coffee production in five Latin American countries – Brazil, Colombia, Peru, Nicaragua, and Honduras and compared findings with large-scale production. Read the report [here](#). The research showed how smallholders in Latin America are generally more sustainable than large-scale plantations, and that Fairtrade can play a significant role by supporting farmers' sustainable practices including agroforestry, facilitating farmer-led data collection to demonstrate their sustainable practices, and working with commercial partners to financially support farmers' efforts to improve sustainability and climate resilience.

EU Deforestation Regulation (EUDR) Preparedness

The EUDR is an essential and much-welcomed regulation, but one that underwent many changes in 2024, bringing uncertainties for producers. We worked closely with Fairtrade International and the Producer Networks throughout the year, as they conducted in-person trainings and workshops to support Fairtrade coffee, cocoa and soy farmers to collect and upload the required geolocation data. As a system, we continued to advocate for more technical and financial support for producers in order to comply with the regulation – so that they are not cut off from trade to the EU market or pushed out of supply chains – as well as advocating against a dilution of the regulation. 2024 also saw the launch of the first phase of new requirements in coffee and cocoa Fairtrade Standards that mirror EUDR, baking forest protection and producer-owned deforestation data collection into the Fairtrade sourcing model.

A new study 'The Effect of Fairtrade on Forest Protection and Deforestation Prevention', published by Fairtrade in September 2024, found that Fairtrade certified cocoa and coffee cooperatives are in an advantageous position when it comes to protecting forests and complying with the EU Deforestation Regulation (EUDR). The study found that several factors contribute to the better positioning of Fairtrade cooperatives, especially their compliance with the Fairtrade Standards that guide them to implement key forest protection measures and that align with the requirements of the EUDR.

Connecting farmers with UK policy makers

In the light of UK's banana tariff arrangements under the UK's trans-pacific (CPTPP) and Andean trade deal, we advocated about risks for banana growers including in West Africa. We called for the Government to address the needs of countries where the banana sector plays a vital role and arranged for a parliamentary question to be put down by International Development Committee chair Sarah Champion MP. We convened a meeting between Foreign, Commonwealth and Development Office (FCDO) and Fairtrade West Africa Banana partners Golden Exotics and Compagnie Fruitiere, which led to some of our partners contributing evidence as part of the consultation on the impacts of the possible tariff review.

Ahead of the UN Climate Summit in November, we worked with a Fairtrade cocoa farmer and Ghanaian climate activist Bismark Kpabitey to create a video explaining how fairer prices for crops will support small-scale farmers to adapt to climate change, farm more sustainably and protect the planet. Over 1,000 Fairtrade campaigners contacted their MPs with Bismark's message and we also wrote to MPs with a briefing, emphasising the connections between trade, sustainability, and climate action.

Terms of trade and Human Rights and Environmental Due Diligence (HREDD)

Over the year, Fairtrade sought to influence the terms of trade in various opportunities. We participated in two roundtables, chaired by the UK Minister for Trade, Douglas Alexander, where we emphasised the importance of a trade strategy that addresses the crucial connections between trade, international development and environmental sustainability.

In December 2024 Fairtrade submitted a response to the Business and Trade Committee: Priorities Inquiry. This submission highlighted Fairtrade's call for the Government to adopt Human Rights and Environmental Due Diligence (HREDD) legislation, and to support pre-competitive collaboration for sustainable farming practices.

Trader and HLO standard consultation

The Fairtrade Foundation worked with traders and hired-labour organisations (HLO) to incorporate new elements of HREDD into the Fairtrade Trader and HLO standards. Those strengthened requirements were published in April. The criteria now include HREDD requirements in line with the UN Guiding Principles on Business and Human Rights. The additions were particularly significant for Traders, because the previous Trader Standard included very few due diligence related requirements. In addition to basic HREDD measures, traders will be expected to engage in dialogue and strengthen cooperation with cooperatives. In addition, Fairtrade created numerous guidance materials and offer webinars on the changes to support stakeholders.

Human Rights and Environmental Due Diligence (HREDD)

Following the publication of Fairtrade's first Human Rights and Environmental Due Diligence (HREDD) Report in December 2023, as part of our HREDD efforts in 2024, Fairtrade Foundation piloted sharing aggregated audit data and risk reports with committed partners. This initiative aims to encourage our partners to assess risks more effectively and take meaningful action to prevent and remediate issues such as low wages, child labour, and environmental harm. The reports provide deeper levels of transparency in addressing human rights and environmental risks within supply chains. We have also

been incorporating data from the Fairtrade Risk Map into these reports to provide further context and highlight salient supply chain risks.

Fairtrade Risk Map Updates

In 2024 the Fairtrade Risk Map, which is publicly available, was updated to include four new commodities: flower, sugar, tea and sports balls. The Centre of Excellence on HREDD also updated the country indicators and populations, as well as the 'Fairtrade Response' in the salient issues pages. Increasing the scope of the map ensures it reflects the current realities and potential risks for farmers and workers in specified supply chains by increasing transparency, encouraging root cause analysis and systemic change, and supporting inclusive and responsible risk assessments through meaningful stakeholder engagement. Remaining validations are planned to occur in 2025, including fruit, gold, cereals, nuts and oils, herbs and spices, and vegetables.

What we said we would do in 2024 - Pillar 2: Growth and innovation

In 2024 our partnerships shone through in terms of commitment to Fairtrade in our thirtieth year, as well as in securing our first one-year pilot for our innovative Shared ImPact model to increase pre-competitive collaboration to drive greater economic, social, and environmental resilience for producers through increased premium investment and longer-term procurement commitments.

Partnerships

Many of our partners went above and beyond to celebrate their responsible sourcing commitments in Fairtrade's 30th year. Key highlights from our partnerships work include:

- Celebrating long term partnership anniversaries with Co-op, Waitrose & Partners, Clipper, Cafédirect and Green & Black's reaching 30 years of Fairtrade whilst M&S and Asda reached 20 years.
- During our shared 30th year, Co-op celebrated with many fantastic activations throughout 2024. These included a rebrand of Co-op's core Fairtrade products with a bright new design and producers featured on-pack, plus a celebration of our partnership at Glastonbury Festival, with a range of activities including a co-designed Fairtrade cotton tote bag for all attendees. Co-op also implemented a campaign 'Choose a Fairer Future' in store to support Fairtrade Fortnight, alongside product offers, above the line advertising, dedicated Fairtrade aisle space in stores, staff engagement events and influencer collaborations. Collectively these amplified producer voices directly to customers, made their Fairtrade range even more accessible and illustrated the positive change that can be driven for farmers and workers through buying Fairtrade. In 2024 Co-op also launched its 100 percent global rose commitment: the first UK retailer to move its entire range of fresh cut roses to be 100% Fairtrade.
- M&S invested in Fairtrade International's Child Labour and Forced Labour Prevention and Remediation Scheme to deepen their commitment to tackling systematic issues in global supply chains. They also support new innovations for greater economic, social and environmental outcomes by collaborating with FTF. In 2024, M&S were the first partner to commit to Shared ImPact, piloting the new mass balance plus approach in partnership with Yeyasso, a key cocoa producing cooperative.

- Sainsbury's ran a Fairtrade banana activation in store with POS (Point of Sale) messaging about Fairtrade bananas and their Living Wage commitments. The banana carriers were in 218 stores from 1-21 May with the message 'Every single banana bought at Sainsbury's will contribute towards paying thousands of workers a fairer wage and supports the future of growers in our supply chain'.
- Mars sold more Fairtrade cocoa than any other partner in the UK through Maltesers.
- Tate & Lyle Sugars celebrated 15 years of commitment to Fairtrade: a partnership which has supported thousands of small-scale sugar cane farmers, and their communities in Belize, Eswatini, Fiji and Paraguay, to invest in their businesses, communities and the environment.
- Fairtrade is featuring heavily as part of Clipper's advertising campaign 'There's Tea and there's GOOD tea' which reached over 25 million people in the first month alone.
- We continued to work with the UK's leading coffee roasters, traders and suppliers, including Cafea UK, Finlay Beverages, Matthew Algie, Taylors of Harrogate, and UCC Coffee, to deepen and expand the reach of Fairtrade coffee with retailers and brands.
- Fairtrade colleagues speaking at various panel events and staff conferences across Co-op, Waitrose & Partners, Greggs and Clipper head offices to further demonstrate the impact Fairtrade commitments have on farmers and workers across the world.

New Fairtrade products

Even more Fairtrade products hit the shelves in 2024, including: Co-op's Chunky Salted Caramel and Pretzel Chocolate, The Good Egg easter egg, and their launch of the first ever UK own brand Fairtrade rum, Ben & Jerry's Salted Caramel and Cookie Dough Peaces, Cafédirect's Grumpy Mule range, Lidl's Mister Choc Buttons, Aldi's Fairtrade Fortnight flower bouquets and Choco for Change bars, Tony's Choclonely Milk Chocolate Gingerbread and Greggs' Iced Mocha and Iced Chocolate drinks.

Our Business Engagement team delivered a world-first *Fairtrade Sourced Ingredient: Fonio* supply chain for the ethical brewing company Brewgooder. Brewgooder Fairtrade Fonio beer launched in 2024 to worldwide acclaim, and is available in all of the major national UK retailers. Brewgooder have gone even further by inviting other brewing companies to explore and help develop the supply-chain for this lesser-known west African grain.

Shared ImPact

No single company or producer can tackle today's sustainability challenges in supply chains alone. Shared ImPact is Fairtrade Foundation's pioneering response to this reality.

Offering an innovative, pre-competitive collaboration, Shared ImPact enables Fairtrade retailers and brands to drive greater economic, social, and environmental resilience for producers through increased premium investment and longer-term procurement commitments (minimum three years). By collectively sourcing from select Fairtrade producer organisations, participating retailers amplify impact through the Fairtrade Minimum Price and Fairtrade Premium - empowering producers to invest in long-term sustainability for their communities and environments.

By bringing retailers and brands together to co-source living wage, coffee, and cocoa, Shared ImPact enables cost-sharing and deeper collaboration within supply chains. This approach helps address production-level risks and challenges that individual retailers could not tackle in isolation.

Having gained informal approval from the UK's Competition and Markets Authority (CMA) in December 2023, this groundbreaking model gained industry recognition in 2024, with coverage in The Financial Times (April 2024) and The Grocer (May 2024). The transparency instrument which supports the model, 'mass balance plus', was piloted with M&S from 2024, and preparations were made ahead of the launch of the full pilot design (done in partnership) in 2025.

Mass Balance Plus

Mass Balance Plus is a new instrument that began testing in 2024 to support Shared ImPact. It is a stepping stone between mass balance and transparency for companies who don't feel they can make the full step yet to segregated cocoa – whether due to length of supply chain, number of operators, or price margins. The targeted Fairtrade Minimum Price and Premium will drive tangible impact at an individual small producer organisation (SPO) level, offering impact reporting aligned to Partner sourcing relationships.

Partners will be able to make claims that their company is committed to these SPOs, and the difference this commitment is making through the Fairtrade Premium and Minimum Price.

New market development

The out of home coffee sector continued to be a priority for new business growth in 2024. The Partnership Development team engaged with leading coffee brands in the UK and aimed for further conversions of Fairtrade coffee. The coffee industry faces ongoing pressures including high coffee prices and the impending EU Deforestation legislation (originally due to come into law by the end of the year but which has now been delayed until the end of 2025). The Out of Home (OOH) coffee sector will remain a priority for new business growth in 2025 with a focus on Shared ImPact as a solution to tackling some of these sector issues.

The Partnership Development team sought to develop the UK market for Fairtrade gold with a particular focus on the finance sector. The market for gold assets has grown considerably in the last few years and there has been an increase in demand from investors for responsibly sourced gold linked to Environmental, Social and Governance (ESG) investment funds. As a result, the team engaged in positive conversations with a number of financial companies and will continue to develop these opportunities in 2025.

Juice and cosmetics were also identified as target areas for growth in 2024. Through our existing partnership with Greggs we have seen an 8 per cent growth in ambient Fairtrade juice sales since 2023 and in 2024 sales generated £392,000 in Premium for farmers and workers. However, this growth was not translated across new business conversations in this area. Following approaches to businesses within the UK cosmetics sector it became clear that the UK market is not the biggest opportunity for growth for Shea producers.

The team will continue to have a strategic focus on diversifying income by developing corporate fundraising opportunities and applying to trusts and foundations to support our work to deepen impact for Fairtrade producers globally.

What we said we would do in 2024 - Pillar 3: Advocacy and citizen engagement

Throughout 2024 our work on public engagement and advocacy continued, across campaigning, parliament, media and industry, pushing for action on power imbalances in supply chains, inequality, human rights risks and climate change. In 2024 we were at Glastonbury Festival for the first time meanwhile our 'Be the Change' campaign engaged thousands of Fairtrade campaigners and drew commitments to work for fairer trade from hundreds of newly appointed Members of Parliament.

30th Anniversary

Our 30th anniversary in 2024 provided the chance to look forward and advocate on some of the critical challenges facing the world today. At our 30th Birthday Event at the Barbican, we brought together Colombian Fairtrade coffee farmer Silvia Herrera, Sainsbury's CEO Simon Roberts and young Fairtrade campaigner Imogen Suett on a panel to share why Fairtrade matters more than ever. We also published our 30th anniversary report [Growing Our Movement For Change](#), setting out our '3 Ps' analysis of the critical importance of improving Price and Power for overseas farmers at Pace.

Advocacy

We participated in a parliamentary panel event on deforestation to convey the issues faced by cocoa farmers and we provided a briefing for MPs on deforestation. This led to Parliamentary questions from Holly Lynch MP. We launched a public campaign on deforestation which led to over 10,000 people calling on the UK Government to ensure the Environment Act doesn't put extra costs on farmers and that it delivers on climate funding commitments.

Ahead of the General Election, we produced a manifesto asking all political parties to build fairness and resilience for producers and consumers, and shared the manifesto as part of our pre-election campaign which involved Fairtrade supporters calling on the Prospective Parliamentary Candidates for their constituency to be a champion for Fairtrade in parliament if elected.

Fairtrade at Glastonbury

Following their 2024 commitment to convert all festival merchandise to Fairtrade cotton, we partnered with Glastonbury to take our message to festival goers. During the festival, we reached 210,000 attendees discussing the importance of fair trade through an onsite Fairtrade campaign stall, a film shown over 70 times on the main stage screens and messaging across the site on posters, programmes, stalls, crew shirts and the onsite Co-op store. We also ran social media content which delivered half a million impressions.

Fairtrade Fortnight 2024 - Be the Change campaign

For the first time, our flagship campaign Fairtrade Fortnight campaign was moved from February to September. We developed a holistic multi-channel campaign themed 'Be The Change', which included 205 Digital Out of Home (billboards) running in six key UK cities, alongside digital/social content, instore/POS materials in partnership with brands and retailers, PR/media strategies, a digital advocacy action and the mobilising of our campaigner network.

Building on our pre-election engagement, we called on Fairtrade supporters, MPs and the UK Government to 'Be the Change' for fairer trade. This resulted in over 4,000 campaigners writing to their MPs to ask for their commitment to advocate in parliament for a fairer trade system.

2024's campaign was the most successful Fairtrade Fortnight in many years, demonstrated by strong results across all channels, including:

- Nearly double (from 12 percent to 23 percent) the number of people heard of the campaign vs 2021-2023,
- Significant sales uplift (volume and value) across all 3 measured categories (confectionary, hot beverages and bananas),
- 2.5 million social media impressions,
- More than 130 MPs signing our Be the Change pledge,
- 1.5k media mentions of Fairtrade and 27 broadcast interviews (media value £27.2m),
- Over 30 Fairtrade commercial partners supporting the campaign,
- 615 grassroots community activities across the UK.

Fairtrade Climate Day

In October 2024, Fairtrade hosted its first 'Climate day' - a workshop with key partners and prospects titled '*Climate: What Comes Next? Working with Fairtrade Producer Organisations to mitigate climate change, promote sustainable livelihoods, and build resilient supply chains*'. Held at Toynbee Hall, London, the day featured a blend of presentations, workshops, and discussions. We showcased our work and expertise in areas such as Shared ImPact, deforestation, research, data and insights, and programmes. Pre-recorded presentations from Co-op on 'working with smallholders' and from Fairtrade Africa on 'Fairtrade's producer networks and technical expertise' offered valuable commercial and producer perspectives, while workshops and discussions focussed on supply chain challenges, potential solutions, and the barriers and opportunities for co-investment.

The event met its primary objectives, enhancing knowledge of Fairtrade's climate capabilities while demonstrating the feasibility of action within supply chains involving Fairtrade Producers. Attendees valued the diverse stakeholder engagement and opportunities for tailored climate partnerships. Feedback highlighted the productive group discussions and the event's impact on shaping future strategies as big positives, while insights gained will inform the planning of comparable events moving forwards.

What we said we would do in 2024 - Pillar 4: Digitalisation for fairer supply chains

In 2024 work under our fourth pillar focused on further development and use of our unique digital tools to support producers by helping them reach new business, improving transparency, and increasing our understanding of the challenges they might be facing.

FairInsight: Producer information with one click

FairInsight is our platform for producers to enable insight-driven business relationships that make trade fair. The Fairtrade producer networks train and support producer organisations to add information to FairInsight and use it to strengthen their relationships.

In 2024, new features were added to help producers generate a commercial profile that they can share with existing and potential buyers. Plus, Fairtrade continued to source key monitoring data from FairInsight, such as how producers invested their Fairtrade Premiums. The next development phase will focus on geolocation data and deforestation risk assessments for cocoa and coffee producers, with an emphasis on enabling fair and transparent data sharing for EU Deforestation Regulation preparedness.

FairMarket: digital traceability innovation

In 2024, Fairtrade advanced digital traceability by launching a solution for tracking coffee from cooperatives to manufacturers. This effort is part of a broader strategy to unify and harmonise Fairtrade digital systems, starting with scoping the single sign-on for supply chain actors. In 2025, we plan to extend traceability to individual farmers, and expand to cocoa and bananas. Developed with industry standards in mind, this initiative aims to strengthen regulatory compliance while ensuring producers and businesses have the tools needed for greater transparency.

FairVoice: amplifying insights from producers

FairVoice is a unique mixed methods solution for remote data collection which allows farmers and workers to share their experiences through their mobile devices. In 2024, FairVoice was used in two Fairtrade programmes; in the Livelihoods Ecosystem Advancement Programme (LEAP), community researchers were trained to collect and share qualitative feedback from their community, which contributed to evidencing the programme's achievements and provided feedback to the implementation team. FairVoice was also deployed as a mobile surveying tool in the Inclusive Energy Fund (IEF) endline evaluation in Rwanda, gathering direct feedback from farmers and workers on the impacts of the programme.

Fairtrade Sourcing Impact Reports

In 2024, we shared tailored sourcing impact reports with over 200 partners who sell Fairtrade products in the UK. The annual reports provide a snapshot in time of supply chain specific data and insights, as

well as stories from Fairtrade producers highlighting the impact of Fairtrade sourcing. The reports are designed to provide transparency to businesses about the impact of their sourcing commitments. In 2024 we improved our data processing and analysis using python resulting in efficiency gains. We received positive feedback on the reports from our partners. For example, M&S said: 'The annual Impact Reports shared with us by Fairtrade are a really valuable element of our partnership and we look forward to receiving them every year.'

What we said we would do in 2024 - Pillar 5: A launchpad for the future

Our fifth pillar is centred on strengthening our organisation, both as an independent charity in the UK, and as a member of the global Fairtrade federation.

One Fairtrade Culture

Our People and Culture Transformation Programme, launched in 2023, is reshaping our workplace culture to foster excellence, strengthen leadership, and enhance overall performance. In 2024, our One Fairtrade Culture Day was a pivotal moment bringing all Fairtrade Foundation colleagues together and actions since have been building a renewed sense of culture based on our values and behaviours.

In addition, we made significant progress by delivering a leadership programme for our Senior Leadership Team and Heads of Department and initiating a comprehensive review of our reward structure, ensuring alignment with our goals to attract, retain and engage high-performing individuals. Through regular Pulse Surveys, we continue to assess employee engagement and have seen consistent improvement in our Net Promoter Score, which is an indication that the work that is being carried out across the organisation is having a positive impact.

Fairtrade is a global movement for change. We are led by the principles of partnership, integrity, respect, and accountability. It is within this overarching mission and our guiding principles that we have also been working on embedding active inclusion and anti-racism into our day-to-day activities as an organisation and thinking about the wider work needed for change across the Fairtrade system and wider sector. In 2024 we continued our learning journey as an organisation and focused on the critical learning and reflection needed to build meaningful anti-racist practice into everyone's work at Fairtrade. This work was fully supported by our Board and senior leadership team, and across the year we worked with an external consultancy firm to provide training and workshops to facilitate this. We will continue to push ahead in this area and look forward to building a long-term vision of inclusion and anti-racist action both within the Foundation and the global Fairtrade system.

Our plans for 2025

Moving into 2025, we are in the final year of our five-year strategy. Growing market access for Fairtrade farmers and workers continues to drive our plans and activities, with specific focus this year on fewer objectives and clearly articulated expected outcomes.

Our two strategic objectives for 2025 are;

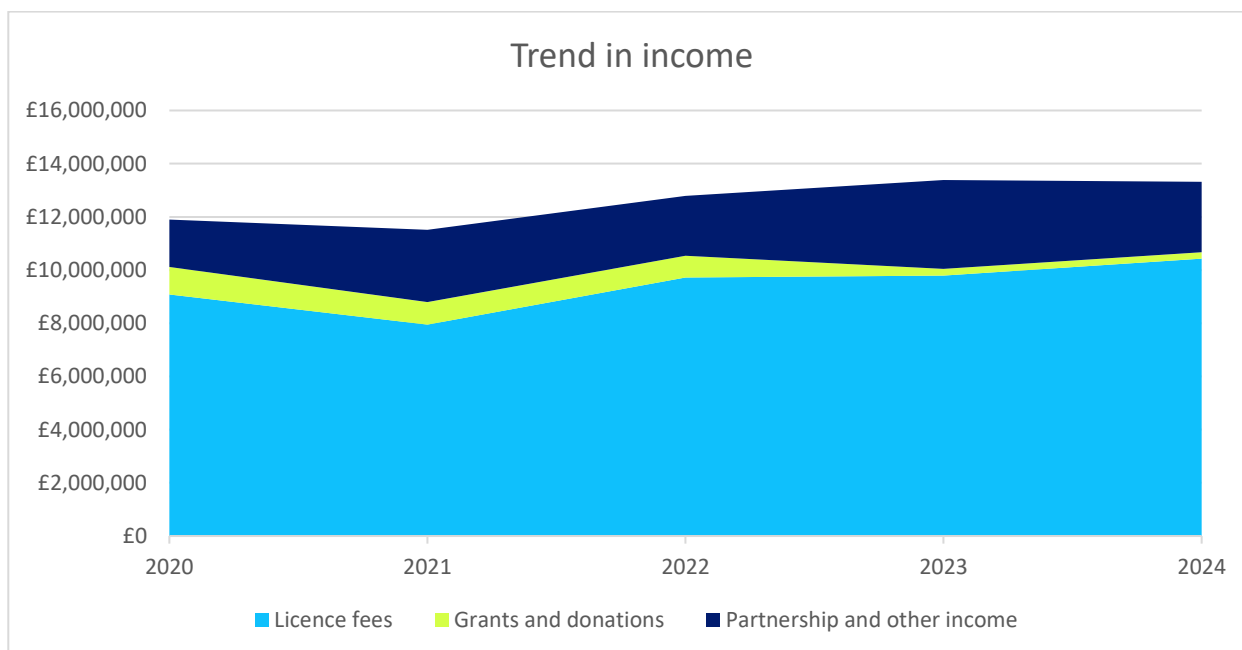
- **Innovate to Further our Mission**
- **Secure our long-term sustainability to deliver our mission**

These objectives are designed to be delivered cross-organisation, promoting collaboration across all teams and enabling everyone to contribute to how we deliver for Fairtrade farmers and workers. They are also targeted towards growth in volume and income in-year for 2025, while also fostering future mission-driven innovation.

Under our Innovation objective, success will be measured through increased volumes sold through our Shared ImPact initiative, sector leading partnerships that drive impact for farmers and workers, innovation as to how we grow market access for Fairtrade Tea farmers and workers and through evolution in how we engage supporters. In terms of our focus on long-term sustainability to deliver our mission, here we are planning to grow partner commitments, deepen our reach within the UK market, strengthen our fundraising offer and grow participation and engagement with the Fairtrade movement through our brand.

Financial Review

Financial performance



Overall, there was a £861,000 deficit (2023: £183,000 deficit) on unrestricted funds and a £176,000 deficit (2023: £308,000 deficit) on restricted funds, leading to a £1.0 million deficit (2023: £491,000 deficit) in the year ended 31 December 2024. Movements in income and expenditure within that are explained below.

Total incoming resources in 2024 decreased by one percent to £13.3 million from £13.4 million, due to decreases in partnerships and other income (£784,000) and restricted grants (£21,000) which were offset by an increase in licence fee revenue (£642,000), donations (£52,000) and investment income (£44,000).

Licence fees continue to represent the majority of our total income (2024: 78 percent; 2023: 73 percent). Licence fee income increased by seven percent to £10.4 million (2023: £9.8 million) due to strong sales performances by some of our key licensees as well new conversions. **Partnership and other income** decreased by 25 percent to £2.4 million (2023: £3.2 million) largely due to timing on a key programme shifting from 2024 to 2025. **Fundraised income** from grants and donations increased by 8 percent to £440,000 (2023: £409,000) due to a donation from the TUUT Charitable Trust and a legacy donation.

Total expenditure increased by three percent to £14.4 million (2023: £13.9 million) and comprised:

- An increase of £1.0 million on **growth and innovation** due to a continued focus and effort to grow income and volumes for producers through our ongoing growth strategy

- A decrease of £505,000 in the amount spent on **empowerment of farmers & workers**, largely due to an decrease in programme delivery as a result of timing on one of our key programmes shifting activities in 2025.
- An increase of £30,000 on **advocacy and citizen engagement** due to growing our campaigner base
- A decrease of £7,000 in the amount spent on **raising funds** largely due to our continued focus of resource towards delivering on volume growth and impact for our producers.

Of the total expenditure, charitable expenditure represented 99 percent and the cost of raising funds was one percent (2023: 99 percent, one percent).

It should be noted that the impact of Fairtrade is not just the direct charitable expenditure. Lives of producers are significantly improved by access to guaranteed Fairtrade Minimum Prices and Fairtrade Premium.

Total funds decreased by sixteen percent to £5.3 million (2023: £6.3 million) on the prior year. Restricted funds decreased to £180,000 (2023: £356,000). Unrestricted funds decreased fourteen percent to £5.1 million (2023: £6.0 million). The funds the Trustees had designated to the Fairtrade Future Fund to support strategic projects in developing and implementing our 2021-2025 strategy has now been fully spent.

Investment policy

The Memorandum and Articles of Association allow the Fairtrade Foundation to invest funds not immediately required as the Trustees think fit. The Board has an investment policy that allows cash to be invested in short-term cash deposits of up to six months. All investments are subject to financial and ethical criteria. Due to the level of cash reserves the Foundation has only invested in on-call cash accounts.

Reserves policy

The Trustees review the reserves policy each year as part of the overall risk management of the Foundation. The target level of reserves is reviewed as part of the planning and statutory reporting cycles. Reserves are needed for working capital and to cover temporary shortfalls in income and unforeseen increases in expenditure so that the charity can continue to operate at all times. The Trustees have reviewed the reserves policy as at 31 December 2024. Under the policy, the target reserves level is based on a risk-based calculation of £3.6 million (2023: £3.3 million), based on the financial implications and likelihood of significant risks.

Free reserves, excluding fixed assets (2024: £33,000, 2023: £47,000) and designated funds (2024: £nil, 2023: £87,000), as at 31 December 2024 were £5.1 million (2023: £5.8 million) and were therefore 42 percent above the minimum level set by the reserves policy. Trustees consider that given the continuing uncertainty facing the economy, our licensees and Fairtrade consumers from the global trade war, high interest rates, together with the financial impact of other principal risks and uncertainties noted in the

next section below, that it is prudent to hold a level of reserves which is higher than the policy to ensure stability over the coming year. The Trustees expect to invest a proportion of these reserves into activity spend in 2025 to further the organisational goals. The level of reserves is monitored quarterly by the Trustees.

Cash is also a limiting factor. The majority of income is from licence fees which are invoiced in arrears. Therefore, cash balances are not always correlated with reserves. Cash balances decreased in the year to £2.6 million (2023: £4.6 million), of which £180,000 (2023: £356,000) was restricted funds. Cash flow forecasts are prepared regularly, and future cash needs are taken into account when setting reserves targets and budgets.

Note 17 of the Notes to the Financial Statements provides a description of the constituents of the Foundation's restricted and unrestricted funds.

Going concern

Trustees and management conduct quarterly reviews of financial trends and the assumptions used in forecasting financial performance for at least the next 12 months. After reviewing the Foundation's forecasts and projections, including taking into consideration the impact of economic uncertainty as a result of prices, inflation and interest rates, the continuing political unrest around the world, and the potential financial impact of the principal risks set out below, the Trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. The Foundation therefore continues to adopt the going concern basis in preparing its consolidated financial statements. There are no material uncertainties about the charity's ability to continue.

Principal risks and uncertainties

Risk management

The Trustees undertake a regular review of risks and opportunities facing the Fairtrade Foundation, and the risk register is reviewed at each quarterly Finance and Audit Committee and Board meeting. The management of risk is an integral part of the senior leadership team's management responsibilities. The Trustees believe that through this process a wide range of risks have been identified, quantified and, where appropriate, action taken on a continuing basis to manage those risks. The Trustees have reviewed the risks and consider the strategies for mitigating the risks to be appropriate. One method of combating risks and uncertainties used by the Trustees is through financial forecasting and scenario planning, and holding appropriate levels of reserves and cash, giving time to respond to situations as they arise.

Principal risks

Income diversification

As has been the case over the last few years, we face increasing challenges and pressure on our licence fee income, which remains our predominant income stream. To mitigate against this, we are focusing resource on exploring new ways of working with businesses and other stakeholders. We continue to work in new and innovative ways with our commercial partners and programmatic donors to create more impact for producers through traditional programmes and in selling our expertise.

Data and information

A co-ordinated global data and digital information strategy for the future is key and is an integral part of the 2021-2025 strategy. The global Fairtrade system is in the middle of a multi-year project to design and implement a data and digital information strategy, including centralised data warehousing, business information tools and tools to help smallholder farmers digitalise operations, ensure traceability and transparency, and contribute to a more efficient and transparent supply chain with fewer intermediaries. Delays in this area could put us at a significant disadvantage and it is a global priority to address any such delays as and when they arise. Significant resources are being put into ensuring that our data and information tools are appropriate and fit for purpose to ensure we can provide all relevant stakeholders with information and insight to support and drive Fairtrade commitments.

The impact of economic uncertainty

The continuing effects of high prices, inflation, interest rates, tariffs and political unrest across the world are all combining to produce uncertainty for consumers and licensees. Our income is reliant on the performance of our licensees, which are being affected both by consumer choice, forced by economic realities, and their own cost and supply chain pressures. There may be longer term effects on the ongoing viability of some licensees, as well as the supply of Fairtrade goods into the UK depending on specific circumstances in different countries and different supply chains. The situation continues to be monitored, with forecasts being revised when appropriate. The risk is mitigated by the Foundation holding good levels of reserves which, together with sensible cost control, have helped us through the disruption of previous years.

The UK economy and grocery market

The continued pressure on retailers to reduce prices threatens sales of Fairtrade products as retailers are examining ways to reduce costs. This presents a risk to producers and workers that the market for their products will reduce and a risk for the Foundation that income will fall. This is mitigated by maintaining close relationships with retailers and licensees and by continually demonstrating the commercial value to their businesses – in addition to the benefit of Fairtrade to producers and workers. We continue to maintain and increase the awareness of the value of Fairtrade with the public.

Attracting and retaining talent

Our people are key to our success which is driven by the talent, passion, resilience and commitment of our team. However, we are operating in a competitive and sometimes candidate driven market, where the skills we require now and in the future are in high demand. We risk losing key people, and/or failing to attract good people. To mitigate this, we have designed and are implementing a multi-year People and Culture Transformation Programme covering leadership, culture, performance, talent attraction, talent retention and total reward. The aim is to build a deeper sense of belonging and engagement, creating an environment where our people can thrive, with a strong organisational culture aligned to strategic goals. Top talent will be attracted and retained by highlighting the unique offerings and experiences that people can expect from working for the Foundation.

Transformation projects fail to deliver the required outcomes

As well as the People and Culture Transformation project, we have a number of strategic projects underway to develop and innovate both our partnerships and our communications and advocacy work. Cross functional execution of these projects brings complexities to navigate and can lead to delays and the risk that the projects do not deliver the required outcomes on time or fail to maximise the expected benefits. Additionally, we may lack the internal capabilities and talent to support moving into new business areas. Ultimately this can hinder achievement of strategic objectives through business disruption, increased costs and an inability to capitalise on efficiencies, and/or lost opportunities. To mitigate the risks, we have governance frameworks in place across each of the projects, monitoring progress, risks and dependencies. Detailed project management is in place with regular updates on progress, key issues and risks to the senior leadership team. Each project is supported by a cross functional steering group, including at least one senior leadership sponsor, that meets regularly to review status, risks, dependencies and impacts and will then report to the Board of Trustees or one of its committees as appropriate. Talent mapping is carried out to ensure we have the appropriate capability and capacity in place to deliver our strategic objectives.

Governance and structure

The Fairtrade movement is made up of a number of organisations across the world, representing different needs and perspectives. This leads to a richness and depth of knowledge; for example, giving producer organisations a voice to lead the future of Fairtrade. It also naturally increases the risk that changes become difficult to make or decision making too complicated. However, this is mitigated through various cross-movement groups, including representatives of the movement's organisations. The 2021-2025 strategy process has focused on cross-movement collaboration and 'one Fairtrade' solutions which will set us up well for the future.

Reputation

Although the FAIRTRADE Mark was 30 years old in 2024, Fairtrade is still a relatively new and bold approach to tackling poverty and therefore there are rightly regular investigations into its effectiveness. Fairtrade will continue to prioritise investment in evidence and insights work to ensure that we are able to make accurate claims of success, learn from experience, are open and constructive when challenges are brought to light, and continue improving to maximise impact for producers and workers. We have a supply chain risk management process which enables us to monitor risks in supply chains, working closely with our producer networks. We are working internationally across the Fairtrade global system to address how we position Fairtrade in the market, demonstrate our differentiation from other certification schemes and leverage the fact that Fairtrade is the most recognised ethical scheme in the UK.

Cyber security incidents

The cyber security landscape is continuously evolving, with threats becoming more sophisticated, aggressive and more frequent. We continue to improve security policies, procedures and capabilities to reduce the risks related to confidential data loss, malware infections, ransomware, phishing attempts, DDoS attacks and insecure third-party software. Multi factor authentication across our systems increases our protection against phishing and malware attacks. We run awareness raising campaigns and more formal training for employees on cyber security and work with independent third-party specialists when appropriate.

Structure, governance and management

The organisation of the charity

The Fairtrade Foundation is a company limited by guarantee and a charity registered in England and Wales. It is governed by its Memorandum and Articles of Association as adopted on 2 July 1992 and subsequently amended in January 1994, May 2003, July 2006, June 2007, October 2012, January 2017 and December 2019. The organisation was founded in 1992 by CAFOD, Christian Aid, Oxfam, Traidcraft Exchange and Global Justice Now (at the time known as the World Development Movement). The National Federation of Women's Institutes joined shortly afterwards. These organisations are known collectively as the Founder Members. In 2003, membership was opened up to enable other organisations to participate in the governance of the Foundation and to share their expertise and experience. Organisations applying for membership are expected to have either a strong development or consumer focus, and to contribute to the promotion of Fairtrade. A full list of member organisations is given on page 66.

Trustee appointment and induction

The Board can comprise up to 12 Trustees (and no less than nine) who are appointed by the process determined by the Articles of Association. Up to six positions are available to be elected by the full

membership. Two further places are available to be nominated by the Producer Networks (and if not filled, a candidate for one of those places can be nominated by a Fairtrade entity outside the UK) and a further four places may be co-opted by the Board. Formal elections take place at the annual general meeting where one third of the elected Board stand down by rotation. Trustees are elected or co-opted for a three-year term. Trustees can serve for up to nine years before they are required to stand down. After a period of one year, Trustees become eligible for reappointment again. Trustees review the existing skills and identify key skill gaps as part of drawing up the specification for co-opting potential Trustees.

The Foundation advertises externally to attract a full range of candidates. All new Trustees receive an induction pack, which contains information on the history of the organisation, governance and operational structures, minutes of trustee meetings for the previous year, relevant budgets and accounts, and Charity Commission publications on trustee responsibilities. In addition, Trustees are invited to staff induction days and a wide range of events, for example during Fairtrade Fortnight and other promotional events, licensee meetings and stakeholder events. Should the appropriate opportunity arise, Trustees may visit producer groups to see first-hand the impact of Fairtrade.

The Board conducts an annual review of its performance, including a survey of Trustees. This helps Trustees identify and assess the areas of governance that perform well and where improvements may be needed, and to review and consider the skills mix of the Board and sub-committees.

Trustee meetings and Board sub-committees

The Board meets at least four times a year and has overall responsibility for the policy and strategic management of the Foundation. The main tasks of the Board are:

- Setting and maintaining the Foundation's vision, mission and values and in particular agreeing and approving the strategic plan
- Ensuring strong links with the member organisations and the Fairtrade movement
- Contributing creatively to the development of the Foundation, including fostering relationships with major licensees
- Developing the Foundation's policies on trade justice and other means of poverty reduction related to the Foundation's core activity
- Agreeing and monitoring major policies and programmes
- Supporting and appraising the Chief Executive and approving staffing and remuneration policies
- Approving annual plans and budgets; and reviewing reports and management accounts to ensure that the Foundation's performance is in line with its policies and programmes
- Ensuring that it is identifying and managing any risks appropriately.

During 2024 the Board had three sub-committees: the Finance and Audit Committee; the Nominations Committee; and the People, Safeguarding and Remuneration Committee.

The Finance and Audit Committee consists of between three and five Trustees and meets a minimum of four times a year. Duties include the following:

- Considering strategic issues, including planning and risk
- Reviewing drafts of financial policies, budgets and annual accounts

- Reviewing the management accounts and statutory accounts
- Monitoring the development, implementation and compliance of IT and Finance strategy and policies
- Monitoring and advising on internal financial controls.

These functions and activities do not absolve the full Board of Trustees of its legal responsibilities.

The Nominations Committee consists of three Trustees of the Board, who are approved by the Board. Its key responsibility is to manage the appointment of Trustees and members of the Board and its constituent committees respectively. The committee is responsible in particular for ensuring formal, rigorous and transparent appointment procedures, and for carrying out a review and forward planning to ensure the Foundation has a balanced, appropriately experienced and qualified Trustee base.

The People, Safeguarding and Remuneration Committee consists of at least three Board members and has overall responsibility to set remuneration, with associated terms and conditions of employment, for all staff of the organisation, including the senior leadership team. The committee also provides strategic oversight for safeguarding work across the Foundation, and reports to the Board on safeguarding on a quarterly basis. The committee also provides strategic oversight and Trustee sponsorship of anti-racism work within the Foundation.

Operational management

A scheme of delegation is in place, which devolves day-to-day operational management of the Foundation to the Chief Executive, who is supported by an executive team consisting of a Chief Financial Officer, Partnerships Director, and Director of Communications and Advocacy.

Remuneration

The Fairtrade Foundation is a unionised organisation and we recognise the Union for collective bargaining. The charity negotiates annually with the Union on salary and remuneration terms and conditions. The suggested pay award is ratified by the People, Safeguarding and Remuneration Committee. The Foundation uses a job evaluation system for benchmarking to set grades and associated pay scales for all posts, which includes all directors' posts. We aspire to pay at least median market rate for all grades, and these are benchmarked against similar size and type of organisations, comparing to both sector and financial turnover. We ensure that our highest salary is no more than five times more than the lowest salary. Some technical specialists can command a market premium. A market premium is only considered if there has been recruitment and/or retention difficulties and benchmark data confirms the need for a market premium. The decision to pay a market premium is approved by the People, Safeguarding and Remuneration Committee.

Statement of Trustees' responsibilities

The Trustees (who are also directors of the Foundation for the purposes of company law) are responsible for preparing the report of the Trustees, the strategic report and the financial statements in accordance with applicable law and regulations. Company law requires the Trustees to prepare financial

statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its net incoming/outgoing resources for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Trustees are responsible for keeping proper 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Fundraising

We comply with all relevant statutory regulations and we strive for best practice in fundraising, by complying with a range of codes of practice and standards. This includes being a member of the Institute of Fundraising and registering with the Fundraising Regulator, adhering to its Code of Fundraising Practice. We do not engage with any professional fundraisers nor any other commercial participator to fundraise on our behalf. We closely monitor the quality of our fundraising work and received no complaints during 2024. We continue to observe the code of fundraising practice from the Fundraising regulator in the UK. This includes safeguards to preclude us requesting donations from vulnerable people.

Public benefit

The Trustees confirm that they have complied with their duty in Section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales. The Trustees further confirm that the activities of the Fairtrade Foundation are carried out, in line with its objects, for the public benefit as described in this report.

Charity governance code

The Fairtrade Foundation takes its governance responsibilities seriously and aims to have a governance framework that is fit for purpose, compliant and efficient. In summer 2024 the Fairtrade Foundation Board conducted a self- assessment on how they work together as an effective team. Overall the review concluded that the Board was operating effectively, with a plan in place to review how to increase the diversity of the board, revising the approach to trustee objective setting, and the approach the Board would like to take to the development of the Foundation's next strategic cycle.

Safeguarding

Safeguarding means protecting peoples' health, wellbeing and human rights, and enabling them to live free from significant harm, physical and emotional abuse, neglect and exploitation of any kind, including consequences of any misuse of personal data. We work to ensure we are protecting children and vulnerable adults from harm that arises from coming into contact with our staff, associated personnel or programmatic work overseas.

We work with Fairtrade International to act to protect any person from abuse, exploitation and neglect occurring in Fairtrade operations system-wide. We are committed to the protection of people from abuse, exploitation and neglect, and we always take immediate action to follow up on a concern or an allegation about a person's safety and wellbeing. We are committed to supporting children's rights to survival, development, protection, and participation. Similarly, we are also committed to protecting vulnerable adults from significant harm as defined in Fairtrade Standards relating to forced labour, gender-based violence and harassment. We believe that protection of children and vulnerable adults is both a corporate and an individual responsibility, and every person who undertakes and/or shares in the work of the Foundation also shares in the responsibility to take every precaution to protect the children and vulnerable adults we directly or indirectly serve.

The Foundation has safeguarding focal points who monitor safeguarding concerns throughout the organisation and ensure that we have taken appropriate action to keep people safe. We have a Protection and Safeguarding Policy and Code of Conduct in the UK, which states the Foundation will not tolerate abuse and exploitation by staff or associated personnel. A member of the Board acts as safeguarding lead and safeguarding is a standing item at Board meetings. All staff and Trustees receive safeguarding training. Safeguarding is part of staff induction and safeguarding is embedded into our organisational strategy and culture. We conduct DBS (criminal records checks) through an external provider and have embedded a process for undertaking checks on new and existing roles that require it.

In 2024, there were no whistleblowing complaints, and 24 safeguarding cases raised regarding incidents within global supply chains (none of which related to Fairtrade employees or consultants). There was one serious incident report made to the Charity Commission about a possible reputational matter related to another member of the Fairtrade system. The issue continues to be monitored.

Statement as to disclosure to auditors

So far as each Trustee is aware, there is no relevant audit information of which the company's auditors are unaware, and each Trustee has taken all the steps that he or she ought to have taken as a company director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Acknowledgements

The success of Fairtrade is due to the commitment and dedication of all the stakeholders in the Foundation's work – the producers, consumers, licensees and retail partners, the grassroots campaigners and supporters, staff and volunteers. We particularly thank our volunteers and celebrities for the time they freely give to promote Fairtrade. Campaigners provide invaluable support to the Foundation. They run events to promote knowledge of the FAIRTRADE Mark. Fairtrade Fortnight and other events also depend heavily on the input of many volunteers. A total of 4 volunteers helped in the Fairtrade office or remotely at some time during the year.

Trustee changes

In April 2024 we bade a sad farewell to our Chair, Lord Mark Price. Mark led us through an extremely turbulent period, and his wisdom and sage advice were much valued as we weathered the COVID-19 pandemic, economic downturn and geopolitical uncertainty.

Keri Elborn, treasurer, acted as interim Chair and we extend many thanks to him for his excellent stewardship during the interim period.

We welcomed Dr Nyagoy Nyong'o as our new Chair in October 2024. Nyagoy is one of the most expert and respected leaders in global Fairtrade, having served as CEO of Fairtrade Africa for seven years, then global CEO of Fairtrade International until 2022. Earlier in her career she was also an auditor for FLOCERT and has a PhD in forestry, so she has in-depth knowledge of Fairtrade, global supply chains and the impacts of the climate crisis. Nyagoy, a Kenyan by nationality, was born and brought up by a mother who was a small-scale farmer. Witnessing the struggles she bore, she quickly became a skilled and passionate advocate for the rights of farming communities. Nyagoy has a vision for Fairtrade to get closer to producers, and for the decision-making and leadership to be increasingly driven from the global South, believing this is what gives Fairtrade authenticity with the public, but also what enables Fairtrade to be such an impactful partner with companies, as no other ethical label is so closely rooted in the reality of producers' experience.

This report, including the strategic report, was approved by the Trustees of The Fairtrade Foundation on 25 June 2025, in their capacity as company directors, and signed on its behalf by:



Dr Nyagoy Nyong'o, Chair of Trustees

Independent auditor's report to the members of the Fairtrade Foundation

Opinion

We have audited the financial statements of the Fairtrade Foundation ('the charitable company') for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Balance sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2024 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

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

Responsibilities of trustees

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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and

using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), taxation and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the recognition and classification of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance and Audit Committee about their own identification and assessment of the risks of irregularities,

sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Dipesh Chhatralia
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
London

The Fairtrade Foundation – Statement of Financial Activities for the year ended 31 December 2024

(including the Income and Expenditure Account)

		2024	2024	2024	2023
	Notes	Unrestricted	Restricted	Total	Total
		£ 000	£ 000	£ 000	£ 000
Income from:					
Donations and legacies	2	201	-	201	149
Grants	4	-	239	239	260
Investment income		79	-	79	35
Licence fees		10,429	-	10,429	9,787
Partnership and other income	5	837	1,532	2,369	3,153
Total income		11,546	1,771	13,317	13,384
Expenditure on:					
	6				
Raising funds		178		178	185
Charitable activities					
Empowerment of farmers & workers		5,375	1,947	7,322	7,827
Growth & Innovation		4,668	-	4,668	3,707
Advocacy & Citizen Engagement		2,186	-	2,186	2,156
Total charitable activities		12,229	1,947	14,176	13,690
Total expenditure		12,407	1,947	14,354	13,875
Net income/(expenditure), being net movement in funds	9	(861)	(176)	(1,037)	(491)
Reconciliation of funds:					
	17				
Fund balances brought forward		5,979	356	6,335	6,826
Fund balances carried forward		5,118	180	5,298	6,335

The Fairtrade Foundation - Balance Sheet as at 31 December 2024

	Notes	2024 £ 000	2023 £ 000
Fixed assets			
Intangible assets	11	-	-
Tangible assets	12	33	47
Current assets			
Debtors	13	4,697	4,725
Cash at bank and in hand	20	2,639	4,585
Total current assets		7,336	9,310
Liabilities			
Creditors: amounts falling due within one year	14	(1,903)	(2,882)
Net current assets		5,433	6,428
Total assets less current liabilities		5,466	6,475
Creditors: amounts falling due after one year	14	(37)	(9)
Provision for liabilities and charges	15	(131)	(131)
Net assets		5,298	6,335

The funds of the charity:

	17		
General funds		5,085	5,846
Designated funds – Fairtrade Future		-	87
Designated funds – Fixed Assets		33	46
Unrestricted funds		5,118	5,979
Restricted funds		180	356
Total funds		5,298	6,335

The financial statements, including the balance sheet, were approved and authorised for issue by the Board of Trustees on 25 June 2025, and were signed below on its behalf by



Nyagoy Nyong'o
 Chair of the Board
 Company number: 02733136

The Fairtrade Foundation - Statement of cash flows for the year ended 31 December 2024

	Notes	2024 £ 000	2023 £ 000
Cash flows from operating activities			
Net cash provided by operating activities	20	(1,942)	(312)
Cash flows from investing activities			
Purchase of property, plant and equipment	11&12	(4)	(50)
Change in cash and cash equivalents in the year		(1,946)	(362)
Cash and cash equivalents at 1 January		4,585	4,947
Cash and cash equivalents at 31 December		2,639	4,585

The Fairtrade Foundation - Notes to the financial statements for the year ended 31 December 2024

Accounting policies

1.1 Company information

The Fairtrade Foundation is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 21 July 1992 (company number: 02733136) and registered as a charity on 3 February 1995 (charity number: 1043886).

1.2 Basis of preparation of accounts

The financial statements have been prepared under the historical cost convention in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – effective 1 January 2015.

The functional currency of the Foundation is considered to be GBP because that is the currency of the primary economic environment in which the Foundation operates.

Going concern

After reviewing the Foundation's forecasts and projections, including taking into consideration the impact of economic uncertainty as a result of the global trade war triggered by the new US regime, cost of living crisis, the ongoing war in Ukraine, active review of our income pipeline and the potential financial impact of the principal risks set out in the Trustees' report, the Trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. The Foundation therefore continues to adopt the going concern basis in preparing its consolidated financial statements. There are no material uncertainties about the charity's ability to continue.

Judgements, estimates and assumptions

In the application of these accounting policies, Trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

In the view of the Trustees, the most significant estimates and judgements which may have a material effect on the amounts recognised in the financial statements are as follows:

- the level of provision for dilapidations (see detail in note 15)

- Licence fee is invoiced quarterly in arrears and is based on a percentage of the products' wholesale value or the volume of the Fairtrade commodity sold. Accurate billing is reliant on receiving timely reports of wholesale value or volume from licensees. Since the year end £3m was billed relating to 2024 following submissions by licensees (and is included as an accrual within debtors – see note 13). Due to most data having been collected and reflected in the financial statements at the time the financial statements are signed the level of actual estimation is very low.
- the level of bad debt provision is estimated at £269k (2023: £255k). We review aged debt on an account basis and provide in full for debt that is over 60 days old and 50% for those between 30-60 days as at the year end that is still outstanding as at the date the account is produced. Other factors such as the licensing status of the customer, their going concern status etc may also impact the level of provision made.

1.3 Fund accounting

Restricted funds arise from grants and donations given to the Fairtrade Foundation for specific areas and activities of the Foundation's work in furthering its objectives. The aim and use of each material restricted fund is set out in Note 17.

Unrestricted funds include the general funds of the Foundation (including fixed assets) and arise from surpluses of income over expenditure, which may be used at the discretion of the Trustees in accordance with the objectives of the charity.

Designated funds comprises unrestricted funds that had been set aside by the Trustees for particular purposes. The aim and use of the designated fund is set out in Note 17.

1.4 Income

All income is included in the Statement of Financial Activities when the charity is legally entitled to the income, receipt is probable and the income can be measured with sufficient reliability.

The Foundation receives **licence fees** from companies marketing products carrying the Foundation's FAIRTRADE Mark, which means producers and businesses have met internationally agreed standards that have been independently certified. The fees contribute to the costs of work to increase our impact in the global south by increasing the volume of commodities sold on Fairtrade terms, increasing the number of farmers and workers who benefit from work on climate change, gender, productivity and hired labour and the costs of public education and awareness-raising work. Fees are either calculated as a percentage of the products' wholesale value or based on the volume of the Fairtrade commodity sold, and are largely invoiced quarterly in arrears. Licence fee is recognised in the period the sale is made by the licensee. Monitoring and auditing of all UK licensees since 2020 was undertaken directly by FLOCERT.

Donations and grants will be recognised on a receivable basis, where there are no performance-related conditions, where the receipt is probable and the amount can be reliably measured. Legacies are recognised at the earlier of cash received or notification of an interim distribution or when estate accounts have been settled.

Donated services are included as 'other income' at their estimated value to the charity when received, and under the appropriate expenditure heading depending on the nature of the service provided, at the same value and time.

Partnership and other income is included as earned in line with the satisfaction of the contract and underlying services.

1.5 Expenditure

All expenditure is included on an accruals basis. All costs have been attributed to one of the categories of resources expended in the Statement of Financial Activities and include a proportion of the support costs as detailed in Note 6. Support costs have been apportioned based on the number of staff engaged in each activity and all other costs have been apportioned based on the staffing costs of each activity in order to reflect the demands each activity makes on central support resources.

Governance costs are included within support costs. They include costs attributable to the governance of the charity and those relating to compliance with constitutional and statutory requirements. The costs associated with the additional support provided to Fairtrade International towards developing and improving governance across the Fairtrade movement is included in this category of expenditure.

Raising funds includes all costs incurred in raising funds from, and reporting back to, government, the European Commission, charitable trusts and foundations, and individual donors.

Costs of charitable activities include all costs incurred in seeking to achieve the charity's charitable purposes.

Empowerment of farmers & workers includes the cost of establishing and supporting supply chains, and support provided directly to producer groups and their regional networks.

Growth & innovation includes the monitoring and audit of supply chains of products licensed to carry the FAIRTRADE Mark, both in the UK and internationally, establishing and maintaining licence agreements and relationships with companies producing and distributing Fairtrade products, and the cost of exploring new markets and ways of working in order to deepen our impact for producers.

Advocacy & Citizen Engagement includes the activities funded to promote knowledge and awareness of the FAIRTRADE Mark and the need for Fairtrade in the interests of disadvantaged producers. It aims to deepen the emotional commitment to Fairtrade, and to our mission of fighting poverty through trade.

1.6 Intangible fixed assets

Intangible fixed assets represent software costs capitalised in accordance with FRS102. These are stated at historical cost and amortised on a straight-line basis over the period for which revenue is expected to be generated (typically four years).

Amortisation is recognised in the Statement of Financial Activities as part of expenditure and is allocated across the expenditure headings on the same basis as support costs.

1.7 Fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Assets are included where the cost exceeds £1,000.

Depreciation is provided at 20 percent or 25 percent (depending on the nature of the asset) in order to write off the cost of fixed assets over their useful lives on a straight-line basis. A full year of depreciation is taken in the year of acquisition.

Depreciation is recognised in the Statement of Financial Activities as part of expenditure and is allocated across the expenditure headings on the same basis as support costs.

1.8 Stock

Stock of merchandise is included in the accounts at the lower of cost and net realisable value.

1.9 Pensions

All staff employed by the Fairtrade Foundation are eligible for membership of a defined contribution group personal pension plan.

The scheme is contributory (the Foundation pays up to 10 percent of salary depending on the level of the staff member's contribution). Pension contributions are charged to the Statement of Financial Activities in the period to which they relate. Further details are provided in Note 22.

1.10 Redundancy/termination payments

Redundancy and termination payments are accounted for in the period in which they are agreed or communicated with the other party.

1.11 Operating leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

1.12 Value Added Tax

The charity is registered for VAT. In common with many other registered charities, the Fairtrade Foundation is unable to fully recover input VAT. During the accounting period, the total irrecoverable VAT suffered by the charity was £101,000 (2023: £67,000).

This irrecoverable VAT is included in the appropriate categories of expenditure within the Statement of Financial Activities.

1.13 Taxation

The Fairtrade Foundation is a registered charity and, as such, is exempt from taxation on its income to the extent it is applied to its charitable purposes.

1.14 Foreign currency

Assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling at the date of the transaction. Exchange differences are taken to the Statement of Financial Activities and recorded as a support cost.

1.15 Provisions

Provisions are recognised when the charity has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

1.16 Financial Instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method.

Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors.

A specific provision is made for debts for which recoverability is in doubt.

Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital.

Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year-end exchange rate.

1.17 Grants payable

Grants payable are recognised in the year that an unconditional commitment is communicated to the grant recipient. In the case of multi-year grants, subsequent distributions are only recognised in expenditure once all reporting conditions have been met by the recipient and reviewed by the Foundation.

2. Donations and legacies

	Unrestricted	Restricted	2024	2023
	£ 000	£ 000	Total	Total
			£ 000	£ 000
Triodos Bank Fairtrade Saver Account	28	-	28	21
The TUUT Charitable Trust	12	-	12	-
Legacies	22	-	22	-
Other donations	139	-	139	128
Total donations	201	-	201	149

The Triodos Bank income is generated through the promotion of their Fairtrade Saver Account to individual savers. Triodos Bank donates the equivalent of 0.25 percent of the average balance of funds held in the year and the individual savers also have the opportunity to donate a portion or all of the interest earned on the account to the Foundation.

3. Use of volunteers

Additional resources were provided by general unpaid volunteers who contributed approximately 360 hours of work in the year. Volunteers provided administrative, research, project management, media, supply chain, and campaigning support. These contributions are highly valued by the charity but, in line with the Charities SORP, are not recognised in the accounts due to difficulties in measuring their value.

4. Grants

	2024	2023
	Total	Total
	£ 000	£ 000
GIZ		
Building and Supporting Resilience for Cotton Farmers	-	6
Green People's Energy Uganda	-	10
Accelerate Access to Green Energy Products and Technologies	-	189
EPRM		
Improved ASMO Access to finance	54	5
Waterloo Foundation		
Developing Fairtrade Market Solutions to Financing Education	10	-
Aldi		
Aldi Flowers Programme Ethiopia	100	50
M&S		
West Guji Improved Cookstove Distribution Programme	50	-
Child Labour and Forced Labour Prevention and Remediation Programme	25	
Total Grants	239	260

All grants in 2024 are restricted.

5. Partnerships and other income

	Unrestricted £ 000	Restricted £ 000	2024 Total £ 000	2023 Total £ 000
Cross-border sales administration fees	327	-	327	345
Expertise and commercial partner-funded programmes	313	1,486	1,799	2,608
Consultancy fees	160	-	160	144
Other fees and royalties	37	46	83	56
Sale of awareness-raising items	-	-	-	-
Total partnership and other income from charitable activities	837	1,532	2,369	3,153

Cross-border sales administration fees: the Foundation invoices UK licensees for licence fees due on UK and non-UK sales. National Fairtrade Organisations outside the UK invoice the Foundation for the licence fee on non-UK sales less an administration fee.

6. Expenditure

	Direct staff costs £ 000	Other direct costs £ 000	Support costs £ 000	2024 Total £ 000	2023 Total £ 000
Raising funds	115	20	43	178	185
Charitable activities:					
Empowerment of farmers & workers	1,510	5,244	568	7,322	7,827
Growth & Innovation	2,680	981	1,007	4,668	3,707
Advocacy & Citizen Engagement	1,225	501	460	2,186	2,156
Total charitable activities	5,415	6,726	2,035	14,176	13,690
Total expenditure in 2024	5,530	6,746	2,078	14,354	
Total expenditure in 2023	4,857	7,267	1,751	13,875	13,875

Other direct costs and support costs include payments made to Fairtrade International eV, FLOCERT GmbH and other National Fairtrade Organisations around the world. Membership contributions of £1.7 million (2023: £1.6 million) support Fairtrade International's functions in setting the international framework and co-ordination of Fairtrade, including the setting and development of Fairtrade Standards, supporting producers and traders to match supply and demand, and supporting smallholders and workers participating in Fairtrade.

Certification fees of £66,000 (2023: £70,000) are payable to FLOCERT, an independent certification company offering Fairtrade certification services.

Producer Network contributions of £2.1 million (2023: £1.9 million) are distributed to Producer Networks by Fairtrade International.

Other National Fairtrade Organisations invoice their non-UK licensees for licence fees due on UK and non-UK sales, and the Foundation invoices the National Fairtrade Organisations for the licence fees on UK sales less administration fees of £24,000 (2023: £32,000).

Support costs of £2.1 million (2023: £1.8 million) have been allocated across activities. Support costs have been apportioned based on the staffing costs of each activity in order to reflect the demands each activity makes on central support resources.

The breakdown of support costs by activity is shown below:

	2024	2023
	£ 000	£ 000
People	601	467
Finance & Business Intelligence	597	456
Information Technology	72	64
Management and administration	64	95
Governance	186	119
Facilities	558	550
Total support costs	2,078	1,751

7. Grants payable to institutions

	Statement of Financial Activities heading	2024 £ 000	2023 £ 000
Fairtrade Africa and other African partners	Empowerment of farmers & workers	81	661
Fairtrade Finland	Empowerment of farmers & workers	425	769
Latin American and Caribbean Network of Fair Trade Small Producers and Workers (CLAC)	Empowerment of farmers & workers	113	136
Fairtrade Germany	Empowerment of farmers & workers	-	13
Fairtrade International	Empowerment of farmers & workers	-	20
Network of Asia and Pacific Producers and other Asian partners	Empowerment of farmers & workers	-	-
Total grants payable		619	1,599

We have a programmes guideline we follow when making grants to other organisations. We undergo a due diligence assessment of the organisations to ensure we have a reasonable level of assurance that they are suitable to engage with. A due diligence assessment form – covering ethical standards, labour practices and human rights, general risk factors (i.e. operational, financial and reputational risks), alignment to our values and our relationship with the organisation – is completed to ensure the organisation is right for us to engage with following a broad assessment. A Memorandum of Understanding or a grant agreement is put in place, which sets out the purpose of the grant and the responsibilities of all relevant parties before the grant is paid.

The grants to Fairtrade Africa and other African partners are in relations to Climate Resilient Supply Chains Strategy, Farmer Resilience Platform in response to Covid, Co-operative strengthening and Women's School of Leadership.

The grant to Fairtrade Finland is in relation to Dignity for All - Ethiopia Flowers Programme, the Livelihood Ecosystem Advancement Programme and the Living Income verification.

The grant to the CLAC and Latin American partners is in relations to the Productivity improvement programme, Colombia Coffee Project and Responsible Peruvian gold programme.

As at 31 December 2024, we had grant commitments of £75k, payable over the next 1 year (2023: £1.8 million). Grant commitments are funded from funding received from external donors.

See Note 17 for further details.

Support costs of £52k (2023: £108k) have been allocated to grant-making activities.

8. Governance costs

Activities to enable the Foundation to function as a registered charity and a company registered in England and Wales include:

	2024	2023
	£ 000	£ 000
Trustee expenses	30	17
Fees payable to the charity's auditors for the audit of the charity's annual accounts	27	25
Other governance costs	12	8
Staff costs	117	69
Total costs	186	119

No remuneration was paid to Trustees in the year (2023: nil).

Trustee expenses relate to travel expenses reimbursed for attendance at Board and sub- committee meetings, other meetings at the Foundation and external events to represent the Foundation. £30k (2023: £17k) was reimbursed this year to 7 of the Trustees (2023: 6 Trustees). The Foundation meets the airfare, hotel and subsistence costs of the producer representatives while they are in the UK attending Board meetings. In 2024, all Trustee and committee meetings were in person or hybrid and we had 3 internationally based trustees attending the meetings in person.

9. Net Income/ (expenditure)

Net income / (expenditure) is stated after charging:

	2024	2023
	£ 000	£ 000
Depreciation of fixed assets	18	29
Fees payable to charity's auditors for the audit of the annual accounts for the current year	27	25
Fees payable to charity's auditors for other accountancy services	2	-
Operating lease rentals and service charge: land and buildings	193	239

10. Staff costs

	2024	2023
	£ 000	£ 000
Wages and salaries	5,224	4,691
Employer's National Insurance costs	567	499
Employer's contribution to defined contribution pension schemes	468	410
Agency staff	291	63
Staff costs	6,550	5,663
Staff recruitment costs	103	136
Number of employees whose emoluments, excluding National Insurance contributions and employer pension costs, fell within the band:	2024	2023
£60,000 - £69,999	8	6
£70,000 - £79,999	1	4
£80,000 - £89,999	3	1
£90,000 - £99,999	1	1
£100,000 - £109,999	1	-
£110,000 - £119,999	-	-
£120,000 - £129,999	1	1

The Foundation's highest salary was 4.3 times the lowest salary during 2024, in line with our policy to ensure the highest salary is no more than five times the lowest salary.

Contributions in the year for the provision of defined contribution pension schemes to higher paid staff were £109k (2023: £90k).

The senior management team comprised the Chief Executive, the Chief Financial Officer, the Director of Advocacy & Engagement and the Partnerships Director. The total employee benefits of key management personnel of the charity were £473k (2023: £492k).

Average headcount in 2024 was 105 (2023: 101).

Redundancy/termination payments agreed and paid in the year came to £44,000 (2023: £169,000).

11. Intangible Fixed Assets

	Software and website £ 000
Cost at 1 January 2024	191
Additions	-
Disposals	-
At 31 December 2024	191
Amortisation at 1 January 2024	191
Charge for period	-
Disposals	-
At 31 December 2024	191
Net book value at 1 January 2024	-
Net book value at 31 December 2024	-

12. Tangible Fixed Assets

	Office equipment £ 000	Fixtures and fittings £ 000	Total £ 000
Cost at 1 January 2024	80	263	343
Additions	4	-	4
Disposals	(2)	(8)	(10)
At 31 December 2024	82	255	337
Amortisation at 1 January 2024	71	225	296
Charge for period	6	12	18
Disposals	(2)	(8)	(10)
At 31 December 2024	75	229	304
Net book value at 1 January 2024	9	38	47
Net book value at 31 December 2024	7	26	33

13. Debtors

	2024	2023
	£ 000	£ 000
Licence fee debtors	3,817	4,039
Accrued licence fee	209	-
Amounts due from Fairtrade International and other Fairtrade organisations	109	239
Prepayments, accrued income and other debtors	562	447
Total debtors due within one year	4,697	4,725

14. Creditors

	2024	2023
	£ 000	£ 000
Creditors: amounts falling due within one year		
Trade creditors	191	141
Amounts due to Fairtrade International and other Fairtrade organisations	147	271
Social security and other taxes	521	645
Other accruals and deferred income	1,044	1,825
Total creditors due within one year	1,903	2,882

	2024	2023
	£ 000	£ 000
Creditors: amounts falling due after one year		
Accruals	37	9
Total creditors due after one year	37	9

15. Provision for liabilities and charges

	Provision at 1 Jan 2024 £ 000	Charged to SOFA £ 000	Provision released £ 000	Provision at 31 Dec 2024 £ 000
Dilapidations	131	-	-	131
Total provision	131	-	-	131

The provision relates to the office lease dilapidations clause. The lease under our current premises ends in 2028.

16. Share Capital

The Fairtrade Foundation is a company limited by guarantee and with no share capital. Each of the sixteen members is liable to contribute a sum not exceeding £1 in the event of the company being wound up.

17. Fund Movements

	Funds at 1 January 2024 £000	Income £000	Expenditure £000	Transfer funds £000	Funds at 31 December 2024 £000
Restricted Funds					
Empowerment of farmers & workers					
Responsible Peruvian Gold	(21)	54	(79)		(46)
Climate-Change and Organisational Strengthening Programme	-	584	(584)		-
LEAP Programme	-	702	(702)		-
Accelerate Access to Green Energy Products and Technologies	29	-	(115)		(86)
Developing Fairtrade Market Solutions to Financing Education	-	10	(10)		-
Cotton Breeding Programme	77	-	-		77
Dignity for All: Ethiopia Flowers Programme	(5)	100	(87)		8
Farmer Resilience Platform in response to Covid	7	7	(1)		7
Colombia Coffee Project	24	-	(24)		-
Co-op sponsored Programmes	20	20	(40)		-
Climate Resilient Supply Chains Strategy	12	-	(12)		-
Women School of Leadership	45	50	(50)		45
Living income payment verification	134	130	(155)		109
Fairtrade cotton collaboration	-	46	(46)		-
M&S sponsored programmes	-	75	(2)		73
Exploring the economic benefit of FT premium	17	-	(17)		-
Ben & Jerry’s Sponsored Programmes	17	17	(17)		
Total Restricted funds	356	1,771	(1,947)	-	180
Unrestricted funds					
General funds	5,846	11,546	(12,320)	14	5,086
Designated funds – Fairtrade Future Fund	87	-	(87)	-	-
Designated funds – Fixed Asset funds	46	-	-	(14)	32
Total Unrestricted Funds	5,979	11,546	(12,407)	-	5,118
Total funds	6,335	13,317	(14,354)	-	5,298

Description of Funds

Restricted Funds

Tackling the challenges in Artisanal and Small-Scale gold mines

This project, funded by the Dutch government, aims to tackle child labour in Artisanal and Small-Scale Mining. The project will be looking to change existing attitudes to using children in the gold mining process through education and an emphasis on the economic benefits of a different approach. Our project work in Uganda is supporting mining communities to improve the environmental footprint of their mining activities and to tackle a range of social issues, including child labour. Core activities include supporting mines sites to access finance to invest in cleaner, more efficient mining equipment which will reduce their reliance on harmful chemicals and increase the productivity of mining. In partnership with other organisations, including UNICEF, we are also supporting work at the community level to open up opportunities for young people away from mining, including supporting children into a quality school education.

Responsible Peruvian Gold

This project, funded by the Dutch government, aims to support the formalisation of the operations of 4 Artisanal and Small-scale Mining Organisations (ASMOs) from Puno, South Peru and providing them with the technical and financial capabilities required to export into premium export markets.

Climate-Change and Organisational Strengthening Programme

This programme is in partnership with Mondelez and aims to enhance the offerings and reach of Cocoa Life and to develop and implement programs which will socially, economically and environmentally benefit local communities, workers and producers.

Livelihood Ecosystem Advancement Programme (LEAP)

Fairtrade, ECOOKIM (a union of cocoa, coffee and cashew farmer groups across Côte d'Ivoire) and Mars have co-created the LEAP programme, a five-year initiative launched in September 2022. Together, we are working across three priority areas: Strengthening co-operatives to be more efficient and strategic with their resources, and support their members with a with a range of tailored services to help them to grow more cocoa and earn higher incomes; Diversifying farmer incomes through piloting viable new products and services with farmers and co-operatives; Expanding access to financial services such as loans and mobile banking so that farmers can invest in their farms and futures.

COVID Response

This funding is provided by GIZ to support the most vulnerable cotton farmers during COVID-19 in India through the provision of food and income security for smallholder cotton farmers to mitigate the impact of COVID-19 on their livelihoods and incomes.

Green People's Energy Uganda

This funding is provided by GIZ to improve the livelihood of marginalised groups within cooperatives through increasing access to their access to sustainable financial products and productive clean energy assets.

Accelerate Access to Green Energy Products and Technologies

This funding is provided by GIZ to scope, develop and implement a standardised and scalable access to energy approach in Fairtrade communities. Looking to establish and launch the **Fairtrade Inclusive Energy Fund** (IEF) to support agricultural cooperatives in **Fairtrade Africa's** network to increase farmers' access to clean and green energy solutions and expand use of solar powered systems at cooperative level.

Developing Fairtrade Market Solutions to Financing Education

This project is funded by the Waterloo Foundation to explore Fairtrade's role in the shea nut supply chain, helping farmers to gain traction and form market linkages.

Cotton breeding programme

This funding is provided by TRAIID for a breeding programme for non-GM cotton seeds for 1,500 farmers in Vasudha co-operative.

Dignity for All: Ethiopia Flowers Programme

The programme seeks to improve labour relations among workers, employers and labour unions; empower workers, especially women, by improving women's empowerment in Fairtrade certified flower farms in Ethiopia; and ensure a sustainable livelihood for workers in the sector through creating decent working conditions, promoting inclusiveness and ensuring workers' rights.

Farmer Resilience Platform in response to Covid

This project aims to create a Farmers Resilience Platform in response to Covid 19:

Development of a web based platform to monitor and predict farmer's resilience to Covid-19 and similar shocks that may occur in the future.

Migrant Roadmap towards equal rights, benefits, and decent working conditions

Fyffes contribute towards this programme which aims to build a better understanding and baseline on migrant realities and gaps in access to rights, benefits and decent working conditions in the Dominican Republic.

Colombia Coffee Project

The is project, funded by John Lewis Partnership, offers regional support to coffee producers in Tolima Colombia through the funding of a training centre at ASOPEP and a training programme. It aims to deliver a regional training centre which has a positive impact on productivity, cup score, market access and inspiring the next generation of coffee farmers.

The Co-op sponsored programmes

This includes contributions towards the Women School of Leadership programme and Productivity improvement programme.

Climate Resilient Supply Chains Strategy

This programme funded by the Co-op aims to deliver a Climate Change Strategy embedded within Fairtrade Africa's 2021-2025 strategy to ensure sustainable farming systems amongst the 1.1 million farmers and workers supported across Africa. It will support a series of scalable and sustainable interventions, across different commodities and regions, whose objective is to enable Producer Organisations to adapt to a changing climate and maintain adequate productivity levels, that guarantee supply chain stability and return on investment.

Carbon Innovation Fund

This project funded by the Co-op Foundation aims to support food and farming projects that are tackling the climate crisis by reducing greenhouse gas emissions.

Living income verification

The project looks to verify the Living Income differential payments made to cocoa farmers in Cote D'Ivoire, as part of the work on moving farmers towards achieving a living income.

Fairtrade cotton collaboration

Lead in developing and implementing the global cotton & textiles strategy.

Exploring the economic benefit of the FT Premium

Research study exploring the economic benefit of FT premium for banana farmers in Colombia and Dominican Republic and flower workers in Kenya.

Ben & Jerry's sponsored programmes

This includes contributions to a co-operative strengthening programme in Cote d'Ivoire and a living income verification programme.

Designated Funds

Fairtrade Future Fund

Funds set aside to invest in developing, implementing and unlocking the full potential of our 2021 – 2025 strategy to maximise the impact the Foundation can generate for producers.

Fixed Asset Fund

This fund represents the depreciated cost of fixed assets used by the Foundation in its work.

Below is the prior year comparison of the fund movement in 2023

18. Analysis of fund balances held as at 31 December 2023

	Funds at 1 January 2023 £000	Income £000	Expenditure £000	Transfer funds £000	Funds at 31 December 2023 £000
Restricted Funds					
Empowerment of farmers & workers					
Improved ASMO Access to finance	16	5	(21)	-	-
Responsible Peruvian Gold	112	-	(133)	-	(21)
Climate-Change and Organisational Strengthening Programme	-	550	(550)	-	-
LEAP Programme	-	1,187	(1,187)	-	-
COVID Response	(6)	6	-	-	-
Green People's Energy Uganda	(10)	10	-	-	-
Accelerate Access to Green Energy Products and Technologies	348	189	(508)	-	29
Developing Fairtrade Market Solutions to Financing Education	52	-	(52)	-	-
Cotton Breeding Programme	77	-	-	-	77
Dignity for All: Ethiopia Flowers Programme	3	50	(58)	-	(5)
Farmer Resilience Platform in response to Covid	8	-	(1)	-	7
Migrant Roadmap towards equal rights, benefits and decent working conditions	-	7	(7)	-	-
Colombia Coffee Project	24	-	-	-	24
Co-op sponsored Programmes	20	90	(45)	-	65
Climate Resilient Supply Chains Strategy	19	90	(97)	-	12
Carbon Innovation Fund	-	34	(34)	-	-
Living income payment verification	(1)	219	(84)	-	134
Fairtrade cotton collaboration	2	76	(78)	-	-
Exploring the economic benefit of FT premium	-	17	-	-	17
Ben & Jerry's Sponsored Programmes	-	54	(37)	-	17
Total Restricted funds	664	2,584	(2,892)	-	356
Unrestricted funds					
General funds	5,710	10,800	(10,643)	(21)	5,846
Designated funds – Fairtrade Future Fund	427	-	(340)	-	87
Designated funds – Fixed Asset funds	25	-	-	21	46
Total Unrestricted Funds	6,162	10,800	(10,983)	-	5,979
Total funds	6,826	13,384	(13,875)	-	6,335

19. Breakdown of 2023 Statement of Financial Activities into restricted and unrestricted

	Notes	2023 Unrestricted £ 000	2023 Restricted £ 000	2023 Total £ 000	2022 Total £ 000
Income from:					
Donations and legacies	2	149	-	149	208
Grants	4	-	260	260	814
Investment income		35	-	35	12
Licence fees		9,787	-	9,787	9,719
Partnership and other income	5	829	2,324	3,153	2,031
Total income		10,800	2,584	13,384	12,784
Expenditure on:					
	6				
Raising funds		185	-	185	255
Charitable activities					
Empowerment of farmers & workers		4,935	2,892	7,827	6,690
Growth & Innovation		3,707	-	3,707	3,199
Advocacy & Citizen Engagement		2,156	-	2,156	2,308
Total charitable activities		10,798	2,892	13,690	12,197
Total expenditure		10,983	2,892	13,875	12,452
Net income/(expenditure), being net movement in funds	9	(183)	(308)	(491)	332
Reconciliation of funds:					
	17				
Fund balances brought forward		6,162	664	6,826	6,494
Fund balances carried forward		5,979	356	6,335	6,826

20. Notes to the cash flow statement

Reconciliation of net income/(expenditure) to operating cash flow		
	2024	2023
	£ 000	£ 000
Net income	(1,037)	(491)
Depreciation charge	18	28
(Increase)/ Decrease in stock	-	15
(Increase)/ Decrease in debtors	28	481
Increase / (decrease) in creditors excluding short term borrowings	(951)	(345)
Increase/ (decrease) in provisions	-	-
Net cash inflow from operating activities	(1,942)	(312)

Analysis of net funds

	Balance at 1 January 2024	Cash flow movement	Balance at 31 December 2024
	£	£	£
Cash at bank and in hand	4,585	(1,946)	2,639
Net funds	4,585	(1,946)	2,639

21. Financial commitments under operating leases

At 31 December the charity had total commitments under operating leases as follows:

	2024	2023
	£ 000	£ 000
Land and buildings		
Due within 1 year	170	170
Total due in years 2 to 5	398	568
Office equipment		
Due within 1 year	-	12
Total due in years 2 to 5	-	-
Total	568	750

Lease payments recognised as an expense were £183k (2023: £305k). They are included in support costs.

22. Pension funds – defined contribution scheme

The Foundation contributes towards a defined contribution scheme. The cost of this scheme is charged to the Statement of Financial Activities and amounted to £468,000 (2023: £410,000). It did not give rise to any provisions/reserves.

Employer pension contributions are allocated between activities, and between restricted and unrestricted funds based on a review of the role of each employee.

23. Related party declaration

The Foundation purchased an annual licence for a bespoke workplace happiness survey for £7,000 (2023: £6,000) from Engaging Works of which our former Chair, Lord Mark Price, is a Founder and a Shareholder.

Fairtrade Foundation Reference and Administrative Information

Legal status

A company without share capital limited by guarantee, registered in the United Kingdom, number 02733136.

Registered address and principal office

5.7 The Loom, 14 Gower's Walk, London, E1 8PY

Registered charity number

1043886

Directors/Trustees

Nyagoy Nyong'o (Incoming Chair)	Appointed October 2024
Mark Price (Outgoing Chair)	Appointed September 2018, retired April 2024
Alison Marshall	Appointed September 2016
Anita Chandraker	Appointed September 2021
David Paterson	Appointed September 2018
Keri Elborn (Treasurer and Interim Chair)	Appointed September 2021
Kerry Smith	Appointed September 2021
Simon Wright	Appointed December 2018
Titus Pinto, Producer trustee	Appointed June 2023
George Kporye, Producer trustee	Appointed June 2023
Dr Stephanie Barrientos, Member trustee	Appointed September 2023
Sarah King, Co-opted trustee	Appointed December 2023
Sean O'Neill, Co-opted trustee	Appointed December 2023

More information about our trustees can be found here: <https://www.fairtrade.org.uk/what-is-fairtrade/who-we-are/>

Executive Team

Michael Gidney	Chief Executive (until December 2024)
Eleanor Harrison	Chief Executive (from March 2025)
Fiona Kindness	Chief Financial Officer
Kerrina Thorogood	Partnerships Director
Marie Rumsby	Communications and Advocacy Director (from April 2024)
Zoe Abrams	Interim Director, Communications and Advocacy (until April 2024)

Company secretary

Michael Gidney (until December 2024)
Fiona Kindness (from December 2024)

Member organisations

All We Can
 Banana Link
 CAFOD#
 Christian Aid#
 Global Justice Now# (resigned as a member at the AGM in September 2024)
 National Campaigner Committee
 National Federation of Women's Institutes#
 Nicaragua Solidarity Campaign
 Oxfam#
 People & Planet
 SCIAF
 Shared Interest Foundation
 Soroptimist International Great Britain & Ireland
 Tearfund
 Traidcraft Exchange#
 United Reformed Church
 # Founder members

Bankers

CAF Bank Ltd, Kings Hill, West Malling, Kent ME19 4TA
 HSBC, 31 Holborn Circus, London EC1N 2HR

Solicitors

Bates, Wells and Braithwaite London LLP, 2-6 Cannon Street, London EC4M 6YH

Auditor

Crowe U.K. LLP, 55 Ludgate Hill, London EC4M 7JW



FAIRTRADE
FOUNDATION

Fairtrade Foundation,
5.7 The Loom, 14 Gower's Walk,
London E1 8PY
fairtrade.org.uk

Tel: +44 (0) 20 7405 5942

Email: mail@fairtrade.org.uk

Registered charity no.1043886

A company limited by guarantee, registered
in England and Wales no. 2733136