

CHARITY REGISTRATION NUMBER: 1189499



The International Roundtable for Sustainable Tea
Unaudited Financial Statements
31 March 2022

The International Roundtable for Sustainable Tea

Financial Statements

Year ended 31 March 2022

	Page
Trustees' annual report	1
Independent examiner's report to the trustees	13
Statement of financial activities	14
Statement of financial position	15
Notes to the financial statements	16

The International Roundtable for Sustainable Tea

Trustees' Annual Report

Year ended 31 March 2022

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 March 2022.

Reference and Administrative Details

Registered charity name	The International Roundtable for Sustainable Tea
Charity registration number	1189499
Principal office	44 Princes Street Oxford OX4 1DD

The trustees

Debra Coulter	
Krishanti Dharmaraj	
Aarti Kapoor	(appointed 17 October 2021)
Michael Pennant-Jones	(resigned 1 July 2021)
Nikhil Subbiah	
Stirling Smith	

Independent examiner	Theresa Warren FCA 8 The Old Yard Lodge Farm Business Centre Wolverton Road Castlethorpe Milton Keynes MK19 7ES
----------------------	---

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document and constitution

THIRST was established as a Charitable Incorporated Organisation on 15th May 2020 and is a registered charity with no share capital. The charity is governed by its constitution, dated 20 February 2019.

All trustees are members of the charity. The only persons eligible to be members of the charity are its trustees and any member who ceases to be a charity trustee automatically ceases to be a member of the charity. As at 31 March 2022 there were 5 members. In the event of the charity being wound up, no liability accrues to the members for settling the charity's debts and liabilities.

Organisational structure

The governance of THIRST is carried out by a Board of Trustees that meets quarterly. Day-to-day management is delegated to the Chief Executive Officer (CEO).

Recruitment, appointment and induction of Trustees

Charity trustees are appointed for a term of 3 years, with the passing of a resolution by the existing trustees. Trustees must have due consideration to the skills, knowledge and experience needed of the effective administration of the charity. Newly appointed trustees are provided with a copy of the current version of the charity's constitution, together with the latest Trustees' Annual Report and financial statements.

The International Roundtable for Sustainable Tea

Trustees' Annual Report *(continued)*

Year ended 31 March 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT *(continued)*

THIRST Board of Trustees and Staff Trustees

Aarti Kapoor (Appointed 17/10/2021)

Aarti is the founder and Executive Director of Embode, an international consultancy based in Bangkok and focused on human rights in business supply chains, child rights and protection as well as leadership development in non-profit organisations. Aarti is qualified as a lawyer in the UK and the US, and has almost 20 years of technical experience responding to human trafficking, forced labour, child exploitation, child labour and other related issues, particularly in the UK, Southeast Asia and Africa.

Debbie Coulter – Treasurer (Appointed 7/11/2018)

An active trade unionist for over 30 years, Debbie was elected Deputy General Secretary of the GMB Trade Union in 2003. She served as an ACAS Council Member and on the Women & Work Commission into Equal Pay and the Commission for Vulnerable Employment. She was Ethical Trading Initiative's Head of Programmes and now works voluntarily for many charitable organisations.

Krishanti Dharmaraj (Appointed 7/11/2018)

Krishanti is the Executive Director of the Center for Women's Global Leadership in New York and co-founder of WILD for Human Rights (Women's Institute for Leadership Development) and the Sri Lanka Children's Fund. Formerly, she was a spokesperson for Amnesty International USA.

Nikhil Subbiah – Chair (Appointed 7/11/2018)

Nikhil is an investment funds lawyer at a leading global law firm, with experience working with impact investments, development finance institutions and in emerging markets. He was previously a Churchill Memorial Trust Fellow and conducted a research trip to tea plantations in India and Sri Lanka.

Stirling Smith (Appointed 7/11/2018)

Stirling is an independent ethical trade consultant and former Chief Technical Adviser for the International Labour Organisation in India. He has worked for DFID, British Council, Fair Labour Association, trade unions, NGOs and several companies.

Michael Pennant-Jones (Appointed 7/11/2018) stepped down as a Trustee on 1/07/2021 due to potential conflicts of interest with his role as consultant at Impactt).

Founder and CEO

Sabita Banerji

An economic justice advisor who was born and raised on tea plantations in Kerala and Assam, Sabita has nearly 20 years' experience working in ethical trade and international development having held strategic posts at Oxfam and the Ethical Trading Initiative. She was previously a member of the Board of Directors of Just Change, UK – a voluntary community tea trading initiative.

Associate Consultants

Alysha Shivji

Alysha is a researcher with a PhD from the Business and Human Rights Catalyst at the Alliance Manchester Business School. She conducted a case study with the Fair Food Program and its Worker-driven Social Responsibility paradigm for her PhD and to support the Office of the High Commissioner's Accountability and Remedy Project. Prior to her doctoral studies, Alysha attended Stanford University for her undergraduate and master's in Sociology. Her master's research focused on anti-trafficking work. Alysha has also worked as a Research Analyst at Apple.

Caroline Sloan

Caroline qualified as a lawyer and has years of experience in the international energy sector. She now provides research, training and advisory services on sustainability, human rights and corporate accountability, and is an Associate Lecturer at Oxford Brookes Business School.

The International Roundtable for Sustainable Tea

Trustees' Annual Report *(continued)*

Year ended 31 March 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT *(continued)*

THIRST Board of Trustees and Staff *(continued)*

Designer (pro bono/freelance)

Maia Bergh

Volunteer

Caroline Sloan

OBJECTIVES AND ACTIVITIES

Principal Objectives

THIRST (The International Roundtable for Sustainable Tea) is established to promote sustainable development for the benefit of the public by providing a platform for civil society organisations to work together for:

- a) the preservation, conservation and the protection of the environment and the prudent use of natural resources in tea growing areas;
- b) the prevention and relief of poverty and the improvement of the conditions of life among the socially and economically disadvantaged communities on tea plantations and small tea farms;
- c) the promotion of sustainable means of achieving economic growth and regeneration of tea growing areas.

THIRST champions human rights in the global tea industry.

THIRST is a collaborative platform for all committed to transforming the tea industry into a fair and thriving industry for all involved. It is funded through grants, contributions from tea industry stakeholders, consultancy fees and income from tickets for events.

It provides a space for civil society, tea workers and farmers to work together towards systemic change via collaboration, transparency, mutual understanding and respect. Its vision is a fair and sustainable tea industry which respects and empowers tea workers and farmers, and protects their rights and environment.

THIRST's goals align with the UN Sustainable Development Goals, the UN Guiding Principles on Business and Human Rights, and the International Labour Organisation Conventions.

It seeks decent work and living wages, gender equity, improved health, housing, safety and benefits, protected environments and fair, effective and transparent systems.

The Trustees have complied with their duty to have due regard to the guidance, published by The Charity Commission (specifically PB2), on public benefit in exercising their powers or duties.

Why THIRST exists

The problems

Tea production is estimated to employ around 13 million people around the world. A growing number of these – around 9 million so far – are smallholder farmers, and the rest live and work on tea estates, also referred to as tea plantations or tea gardens.ⁱ Multiple reportsⁱⁱ have found that the human rights of many tea workers and small tea growers are being breached – with particular emphasis on wages, housing, healthcare and water & sanitation.

Women form the majority of workers in the lowest-paid plantation roles and, like their sisters all over the world, bear the burden of unpaid domestic work and often lack the capacity to speak out on their rights. The shortage of adequate health services on tea estates – along with poor nutrition – puts them at higher risk of maternal health related problems.ⁱⁱⁱ

The International Roundtable for Sustainable Tea

Trustees' Annual Report *(continued)*

Year ended 31 March 2022

OBJECTIVES AND ACTIVITIES *(continued)*

Why THIRST exists

Meanwhile, the growing numbers of small tea farmers – like small farmers everywhere – lack the bargaining power individually to ensure the best possible prices for their tea.

Formal tea plantations are finding it more difficult to survive economically; some are closing leaving their workers without an income, others are extending the use of mechanised harvesting, which can lead to unemployment for hand pluckers and occupational health problems for machine operators.

What lies behind the problems?

Much of the tea industry perpetuates a rigid 19th century system built on strict hierarchies in which tea estate workers are almost wholly reliant on their employers, particularly in India where the system was first established by British colonialists in the late 19th century, when tea production was highly profitable.

From the perspective of tea estate owners and managers – as well as many of their workers – this reliance is a benign form of patronage. They see themselves as caring for and looking after their workers despite increasingly difficult financial circumstances. They provide permanent workers and their families with housing, education, healthcare, subsidised food and more. Many on both sides see the relationship as paternal rather than feudal, and in many ways the lives of tea workers are more secure than other low-paid labourers. Owners point to the low rate of COVID-19 infections on tea plantations as evidence of this.

But other workers and their champions – including many trade unions, NGOs, academics and activists – see the relationship as one of exploitation amounting to forced labour. They contend this is because housing is reliant on working on the estate, cash wages are too low to afford escape and workers often end up in debt. They say that when the legally mandated benefits are provided (and often they are not), they are of very poor quality. As a result, in some regions, health (and other social) indicators for tea workers are worse than for the population in general or for other agricultural labourers.^{iv}

Tea has gone from being a relatively rare, high value delicacy traded within the framework of a powerful economic and political empire, to a cheap and over-plentiful commodity traded between a few large and powerful companies and hundreds of smaller producers. Almost every report on tea begins with the statement that tea is the second most popular drink in the world, after water. It is a ubiquitous, yet deeply undervalued staple in most of the world's kitchens and cafés. And with the undervaluing of the product, comes the under-payment of the majority of workers who produce it. This, alongside a significant oversupply of low quality tea on the global market, underlies many of the problems described here.

Yet the global popularity of tea persists, generating sufficient profits for some companies to thrive. In common with many – if not most – agricultural commodities, profits are concentrated at the branding and retail end of the value chain.

Constructive dialogue rather than blame

It would be easy to respond to this complex picture by focusing on the negative, pointing fingers and laying blame – identifying goodies and baddies – but that is unlikely to lead to constructive solutions. Indeed it has failed to do so, so far.

THIRST was established to provide a platform for civil society and the wider tea stakeholder family to bring together its knowledge, experience and voices to challenge and support the industry to change. One of the six principles that civil society organisations set for THIRST is that "In pursuing our primary goal of improving the lives of tea workers, tea farmers and their families, [we] recognise that each stakeholder in the tea sector is part of a complex, interdependent economic and social ecosystem and act accordingly."

The International Roundtable for Sustainable Tea

Trustees' Annual Report *(continued)*

Year ended 31 March 2022

OBJECTIVES AND ACTIVITIES *(continued)*

Many worthy attempts to improve the lives of tea workers and farmers in specific ways have been and continue to be made. These efforts date back to the birth of the industry, but unilateral efforts can only ever have a limited impact because of this complex set of global interdependencies. To THIRST's knowledge, no studies so far have analysed the drivers of human rights breaches across the sector as a whole.

A brave new era for the tea sector

THIRST believes that the best way to address the systemic issues driving human rights breaches in the tea sector is to analyse the sector itself – the whole sector, not just parts of it – to help build mutual understanding between its stakeholders of the factors that are driving those breaches, to seek out and share good practice and innovative solutions, and to foster constructive dialogue that can lead to positive action.

Tea's ecosystem needs a social, political and economic reset. And this will require global action on multiple levels, giving birth to a fair and sustainable tea industry where workers and farmers are empowered and their rights are protected. THIRST aims to be a midwife to that process.

Since THIRST's establishment in 2018 we have been laying the foundations to do that.

PERFORMANCE AND ACHIEVEMENTS APRIL 2021 - MARCH 2022

Research and analysis

Human Rights Impact Assessment Of The Tea Sector

In 2021 THIRST began work on a three-year initiative to examine the impact of the tea sector on the human rights of the workers and farmers at the beginning of the value chain, and on their communities.

Working with civil society and industry across the world, it began exploring how the human rights of women and men working in tea can be better protected.

The goals of the study:

1. For the tea industry to have a pragmatic, time-bound "highway map" co-created with civil society stakeholders – including tea workers' and farmers' representatives – for their empowerment and full realisation of their human rights. This can frame roadmaps developed by other industry and civil society actors.
2. For civil society organisations to have a shared body of evidence on which to base their advocacy and programmes providing a deeper, shared understanding of the dynamics of the industry, how they may be driving breaches of human rights and how these breaches impact differently on women and on men.

Why is it needed?

According to the UN Guiding Principles on Business and Human Rights (UNGPs): "In order to identify, prevent, mitigate and account for how they address their adverse human rights impacts, business enterprises should carry out human rights due diligence. The process should include assessing actual and potential human rights impacts, integrating and acting upon the findings, tracking responses, and communicating how impacts are addressed."

Breaches of the human rights and labour rights of tea workers – the majority of whom are women – have been reported for many decades. Issues such as low pay, poor living conditions and sexual abuse frequently hit the headlines. Over the almost 200 years of the global tea trade's history, many organisations and companies have attempted to address problems such as poverty, poor housing, sanitation and healthcare. This has resulted in many local improvements.

The International Roundtable for Sustainable Tea

Trustees' Annual Report *(continued)*

Year ended 31 March 2022

PERFORMANCE AND ACHIEVEMENTS APRIL 2021 - MARCH 2022 *(continued)*

Some business enterprises are also beginning to conduct human rights impact assessments in parts of their tea supply chain, as recommended in the UNGPs. However, as the recent HRIA of Lidl GB's Kenyan tea supply chain found; "Most impacts result from market dynamics and the way that suppliers and producers within Lidl's supply chain operate, as opposed to resulting solely from Lidl's direct activities." The same is likely to apply to any individual company. Other impacts may be the result of sector-wide practices, cultural norms, economic pressures etc.

To really tackle the underlying problems, we need to examine those market dynamics and other sector-wide factors that are driving human rights breaches for tea workers and farmers. And that is exactly what THIRST is now doing.

What is THIRST doing?

THIRST is conducting a human rights impact assessment (HRIA) with a strong gender lens, taking into consideration the very dynamics of the tea industry itself, its global nature, the interdependence of its various parts and the context within which it operates.

Over a three year period, starting in June 2021, it is working with a wide range of civil society actors, industry and other stakeholders as well as technical experts to deliver the HRIA in four phases:

Phase 1: ASSESSMENT (2021-22)

- review the extensive literature available on human rights issues in the tea sector
- fill in the gaps (for example there is plenty of information about Assam, very little on Indonesia)

Phase 2: ANALYSIS (2022-23)

- conduct a global survey of tea producers to understand what is helping and hindering them from providing tea workers' and farmers' with conditions that meet international human rights standards
- conduct interviews with actors along the whole value chain from workers to consumers, and including stakeholders such as trade unions, NGOs and governments
- work with technical experts to look at the wider political economy, and the commercial, social and legislative context within which the tea sector operates
- conduct field studies to assess alternative approaches to business models, finance, employment etc in tea production and trading
- analyse the findings against a framework of ILO and human rights standards, prioritise the human rights risks and assess what leverage the industry has to address the underlying causes of breaches.

Phase 3: ACTION (2023-24)

- conduct multi-stakeholder roundtable meetings to verify the findings and develop work plans to act on them publish the findings

Phase 4: ACCOUNTABILITY (2024 onwards)

- monitor and report on the impact of these solutions on tea workers and farmers,
- assess the need for further research and/or action, fostering learning on positive initiatives.
- continue to encourage and facilitate dialogue between civil society and the tea industry in order to hold duty bearers to account for realising human rights in the tea sector.

The International Roundtable for Sustainable Tea

Trustees' Annual Report *(continued)*

Year ended 31 March 2022

PERFORMANCE AND ACHIEVEMENTS APRIL 2021 - MARCH 2022 *(continued)*

Who is involved?

To deliver this ambitious study, THIRST is working closely with civil society organisations and academic institutions around the world who are already working in this field, drawing on existing initiatives and suggesting additional ones where the need arises. We also work closely with the tea industry and its representatives to ensure that findings are well informed and invite them to participate in shaping recommendations so that they are realistic and practicable.

- **Lead Researcher and Project Manager**
THIRST CEO, Sabita Banerji
- **Technical Advisors**
Caroline Brodeur, Business and Human Rights Specialist, Oxfam America
Céline Gilart, Head of Social Impact & Sustainability, Twinings
Ella Frankel, Senior Advisor: Food, Farming & Fisheries, Ethical Trading Initiative
Jenny Costelloe, Executive Director, Ethical Tea Partnership
Justin Rippon, Tea Procurement Consultant
Narendranath Dharmaraj, Strategic Advisor and Operations Consultant in Tea
Ottile Cunningham, Tea Buyer, Fortnum & Mason
- **Research & Communications Assistant**
Alysha Shivji, Doctoral Researcher in the Business and Human Rights Catalyst at the Alliance Manchester Business School

How is it funded?

Phase 1 was supported by the Ethical Trading Initiative, IDH (The Sustainable Trade Initiative) and an anonymous donor (not connected with the tea sector). Consultancies commissioned by IDH and by Fairtrade International helped to generate information that has fed into the study.

Progress at 31st March 2022

Phase 1 was completed with the publication in May 2022 of the literature review Human Rights in the Tea Sector – The Big Picture.

On 31 May 2022, THIRST convened an international multi-stakeholder Roundtable meeting to discuss the findings. A group of close to 50 tea sector stakeholders took part, including representatives of tea brands, producers, national tea associations, NGOs, multi-stakeholder initiatives and law firms etc, and joined from Canada, Germany, India, Iran, Kenya, Nepal, the Netherlands, Sweden, Thailand, UK, USA and Vietnam. The purpose of the roundtable was to bring a multi-stakeholder perspective to the issues raised by the review and to start to explore collaborative ways to address the problems.

Plans have been put into place to conduct a Global Tea Producers Survey and a series of Key Stakeholder Interviews as part of **Phase 2 – Analysis** to deepen our understanding of the root causes of the gap between the human rights in principle and in practice for tea workers and farmers.

The International Roundtable for Sustainable Tea

Trustees' Annual Report (continued)

Year ended 31 March 2022

PERFORMANCE AND ACHIEVEMENTS APRIL 2021 - MARCH 2022 (continued)

Other activities:

Inspiring dialogue

In addition to the HRIA roundtable mentioned above, THIRST facilitated the following TEA Talks:

- **Technology, transparency and tea**

Panellists: **Bhathiya Bulumulla**, Director/CEO – Elpitiya Plantations PLC and Chairman of the Planters Association of Ceylon; **Supriya Sahu**, CEO of INDCOSERVE, a tea cooperative federation of 30,000 small tea farmers, manufacturing 13 million kgs of Black Tea annually. Using new technology from electronic tea weighing scales ensuring accurate payment directly into tea pluckers' bank accounts to mobile apps that help farmers in the procurement of good quality leaf; Darjeeling Organic Tea Estates' CEO, **Indroneel Goho**, whose company is using facial recognition software to ensure the tea pluckers that work on the estate are paid accurately and the technology behind the company's leaf to cup transparency drive.

- **Can tea and forests healthily co-exist?**

Panellists, **Sheeba Sen** of Alaap, **Thwango Ndalama** of the Ethical Tea Partnership and **Sammy Kirui** of Finlays talked about how they and their organisations are helping not only to stem the destruction of forests, but how they are recreating them and, in so doing, creating livelihood opportunities for the communities around them so that both the forests and the communities can become 'self-sustaining ecosystems'.

Sharing knowledge

- **Publications**

THIRST [Progress Report 2018-2021](#)

- **Media interviews**

- [Jing Tea](#) for their company website (1,168 views and 32 likes on LinkedIn)
- [Tea for Me Please](#) (2,530 views and 66 reactions on LinkedIn) tea blog,
- [Eighty Degrees](#) specialist tea magazine published in Italy (hard copy magazine out soon).
- [TeaBiz](#) about the HRIA
- [Financial Times](#) quoted in two article on how human rights and fair pay must be a consideration in Unilever's sale of its tea business. Did another interview for an FT podcast on same issue and role of investment companies in tea and human rights.
- **The Independent** – background information call with journalist for exposé on Assam tea workers.

- **Monthly news updates**

THIRST has continued to publish its monthly News Update throughout the period, bringing together media reports on issues relating to the lives, livelihoods and environment of tea workers and farmers around the world. These are emailed to subscribers, and are also available on THIRST's [What's New](#) web pages.

Feedback:

"Thanks for this excellent overview of the recent development in the tea sector. Your monthly updates are an incredible support to keep track of these developments and to refine my view on the sector, especially since you point at the often controversial opinions concerning labour, wages, etc" Miriam Wenner, Universität Göttingen.

"Excellent and useful summary - thank you" Louise Nicholls, MD Suseco

"Highly recommend subscribing to these updates, they are really informative!" Jenny Stanger, Anti-slavery Taskforce, Australia

The International Roundtable for Sustainable Tea

Trustees' Annual Report (continued)

Year ended 31 March 2022

PERFORMANCE AND ACHIEVEMENTS APRIL 2021 - MARCH 2022 (continued)

- Knowledge Hub**

THIRST has also continued to update its online [Knowledge Hub](#) of reports and resources on a wide range of social and environmental issues affecting tea workers and farmers around the world. These have been used by members of the tea industry and by civil society to inform their work.

Feedback: "I have found your knowledge hub really insightful (I have ordered two books you listed!)." Céline Gillart at Twinings

- Social media**

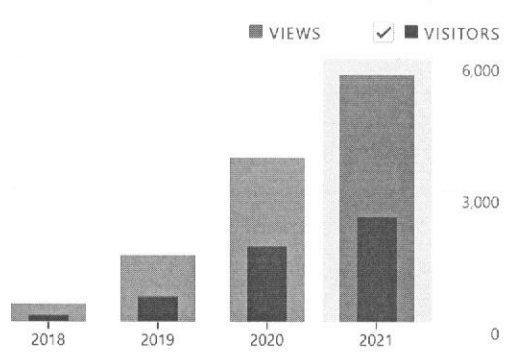
THIRST regularly posts news and opinions about tea workers' and farmers' conditions on Twitter and LinkedIn, as well as writing blogs published on our own website as well as others, including the Ethical Trading Initiative. Statistics at March 2022:

PLATFORM	Followers/subscribers last quarter	Followers/subscribers this quarter
LinkedIn – Sabita	1,555	1,620
LinkedIn – THIRST	112	166
Twitter	391	434
Monthly update	174	193

Highlight: Over 7,000 [7,211] views and over 100 'likes' of [LinkedIn post](#) commenting on investors pulling out of buying Unilever tea business over human rights concerns.

- Website**

Views of THIRST website are steadily increasing:



Advocacy

- Raised question at **Tesco** Shareholder Meeting (and will attend Sainsbury's AGM in July) on sexual abuse and human rights in tea. Responsible Sourcing Team has asked for meeting.
- Discussed **Lujeri** issue with Peter McAllister, ED ETI
- ETI NGO Tea group considering **joint letter** to ETI corporate members re-Lujeri
- THIRST coordinated responses from ETI NGO members to ETI company members connected with Lujeri – the tea plantation where several women brought a legal case against the company's owner, PGI, for sexual abuse, including rape. This included a joint letter to the companies asking for information on their response to the allegations and what measures they were putting in place to address them, and offering support. THIRST facilitated NGO feedback on ETP response proposal – pushed for greater focus on systemic issues, rather than on on-the-ground projects, and for involvement of NGOs at sector level.

The International Roundtable for Sustainable Tea

Trustees' Annual Report (continued)

Year ended 31 March 2022

PERFORMANCE AND ACHIEVEMENTS APRIL 2021 - MARCH 2022 (continued)

Networking, collaborations etc.

THIRST connected with a wide range of civil society and industry stakeholders during the course of the year, to share knowledge and/or make introductions to other stakeholders to improve the impact of their work. Contacts included:

- **Traidcraft** and **Business and Human Rights Resource Centre** – on tea supply chain transparency
- **Narendranath Dharmaraj** – Former CEO of Harrison Malayalam (S Indian tea producer) advocating for “de-estating” and formation of cooperatives.
- **Bedanga Bordoloi** – Consultant working with IDH and others on small tea growers. Introduced him to **Subhra Tudu, NAPP** (Fairtrade Asia) representative.
- **Sanjay Awasti** – International Organisation for Migration, reached out re-collaboration re-migrant workers in tea estates. Possible topic for inclusion in HRIA
- **Sheeba Sen** founder of Alaap an organisation that creates forests and helps locals find alternative income sources – invited as panellist on TEA Talk.
- Introduced **Pooja Adhikari, Oxfam Germany** (India) to **Ines Meyer, University of Cape Town** as both are working on living wages in South Africa.
- Made connections with **Centre for Child Rights and Business, Happy Larder Tea, Teasigma & Tata Consulting Services** (on use of technology for farm diaries),
- **Supriya Sahu Indcoserve** – small farmer cooperative in South India,
- **Rainforest Alliance,**
- **Partner Africa.**
- Was approached by **Tom Franks, Executive Director of Camellia Plc** – a major tea growing and trading company – to meet and learn more about THIRST (meeting December 13th).
- Held an **ETI NGO Tea Group meeting** on December 2nd to share updates on work in human rights and tea.
- **Louise Nicholls of Suseco** - business and human rights consultant.
- **Colleen Theron of Ardea International** - business and human rights consultant.
- **Sasha Notley, Director of Sustainability at Fortnum and Masons** “to talk to us about worker welfare issues and what you think we should focus on to make the biggest impact.”

Advice

- Was consulted as part of the recruitment process for the **Chair of ETP** (also advised two potential candidates who approached me separately).
- Interviewed by **Commerce Equitable (Fair trade) France** on their study investigating the sustainability issues and the impacts of fair trade on the tea sector in Darjeeling & Sri Lanka.
- Provided feedback on **Oxfam Research Backgrounder “Risk Factors for Gender-based Violence: The Case of Indian Agriculture”**
- Advised **Business and Human Rights Resource Centre** on tea supply chain transparency issues and local contacts.
- Advised **Darjeeling Organic Tea Estates Pvt Ltd** on human rights and communications – introduced to Oxfam tea buyer.
- **Ergon Associates** approached THIRST to discuss a Human Rights Impact Assessment of **Aldi's Assam tea supply chain**.
- **Ekaterina** – introductory call with the sustainability team following the sale of Unilever's tea division to CVC Capital Partners.
- **Camellia** –CEO Tom Franks, and Group General Counsel/Company Secretary, **Amarpal Takk** for update on Malawi sexual harassment settlement.
- **Typhoo** interview with new Responsible Sourcing Manager and a consultant for advice on their new Corporate Social Responsibility Strategy.
- **Fairtrade** on “how workers’ rights could be better furthered by Fairtrade Standards”
- **Business and Human Rights Resource Centre** - along with Traidcraft, THIRST advised on initiative resulting in launch of the Wiki tracking transparency in tea supply chains.

• The International Roundtable for Sustainable Tea

Trustees' Annual Report *(continued)*

Year ended 31 March 2022

PERFORMANCE AND ACHIEVEMENTS APRIL 2021 - MARCH 2022 *(continued)*

- **Ethical Tea Partnership** re-when India's new labour laws would replace the PLA.
- **New Weather Institute** – to find out about investment companies buying up tea companies and what impact this is likely to have on sustainability.
- **Partner Africa** to give feedback on M&S and Waitrose Kenya tea HRIA report

CEO & Trustees Talks & lectures

- **University of Michigan Erb Institute** Tea Festivus Event organised by PhD candidates. The focus was on women workers in the tea industry and on the personal experience of the CEO from being brought up on tea plantations to witnessing the uprising of Munnar's women tea workers and establishing THIRST. A \$200 honorarium was paid for the talk.
- **Rosa Luxemburg Foundation's** event "From the cup to the tea plant – transparency in tea trade". Spoke on why transparency is essential to enable civil society organisations to monitor and protect human rights.

Consultancies

- **Fairtrade International** commissioned THIRST to write a literature review report on human rights and environment issues in five tea sourcing countries; China, India, Kenya, Malawi and Sri Lanka.
- **IDH** – The Sustainable Trade Initiative, commissioned THIRST to produce a discussion paper on the implications of the transition from plantations to small-holder tea growers that the sector is currently experiencing, (and provided funding to complete the THIRST HRIA literature review.)

FINANCIAL REVIEW

THIRST made numerous funding applications to grant giving bodies. Of 14 submissions, only two were partially successful. This prompted Trustees to propose moving away from this approach to fundraising and to approach stakeholders within the tea industry instead. Although initially THIRST was reluctant to do this as it would risk undermining our credibility, without funds from other sources, this was the only way that THIRST could continue operating. We have included a clause in our agreements with organisations and companies that have contributed to our work that ensures our independence and the freedom to conduct public advocacy against them if the need arises. THIRST views this approach as a pragmatic way of ensuring that we are able to continue our work, and is in keeping with our goal of supporting the tea industry in its efforts to improve conditions for tea workers and farmers.

In the last quarter of this FY THIRST set up CAF donation page. We also began charging for tickets to certain events. As a result, THIRST has generated sufficient income to make it possible for the CEO to focus the majority of her time on THIRST and to engage consultants as necessary.

During the year the charitable organisation received total income of £71,991 (2021: £60,538), of which £32,515 (2021: £Nil) related to Restricted Fund activities.

Total expenditure was £66,186, of which £29,950 (2021: £Nil) related to Restricted Fund activities. These figures include amounts of £27,574 (2021: £60,133) in relation to unrestricted, in kind, donated services.

The charity generated a surplus for the year of £5,805 (2021: Deficit £2,873), of which £2,565 related to Restricted Funds.

At the year end the charity had total funds of £2,565 (2021: Deficit £2,873), of which £367 (2021: Deficit £2,873) were Unrestricted Funds and £2,565 (2021: £Nil) were Restricted Funds.

The International Roundtable for Sustainable Tea

Trustees' Annual Report (continued)

Year ended 31 March 2022

PLANS FOR FUTURE PERIODS

THIRST will continue to work on its Human Rights Impact Assessment (HRIA) of the Global Tea Sector, moving into the Analysis, Action and Accountability phases in 2023 and 2024. It will continue to support monitoring the progress and effectiveness of the actions agreed in Phase 3. As we reach the end of the HRIA, we will also begin to explore how climate change is impacting on tea workers and farmers and their communities, and what they and the companies that employ and buy from them can do to prevent and mitigate climate impacts.

We will continue to provide our monthly updates and Roundtables (formerly called TEA Talks), will keep updating our Knowledge Hub, respond where ad hoc events call for advocacy and will seize every opportunity to promote the human rights, wellbeing, and empowerment of tea workers and farmers and for measures that will ensure their environment, and the global environment, is protected from harm.

THANKS AND ACKNOWLEDGEMENTS

THIRST would like to offer our heartfelt thanks to everyone who has supported our work through voluntary work, advice, financial and moral support and who have provided encouragement, support, advice, donations, subscribed to THIRST updates and participated in our roundtables.

The trustees' annual report was approved on 26-04-23 and signed on behalf of the board of trustees by:



Nikhil Subbiah
Chair of Trustees

i Global Market Report: Tea Sustainable Commodities Marketplace International Institute for Sustainable Development Series 2019.

<https://www.iisd.org/system/files/publications/ssi-global-market-report-tea.pdf>,

ii See, for example, Human Rights in Assam Tea Estates – The Long View. THIRST 2020.

<https://thirst.international/wp-content/uploads/2020/02/The-long-view-THIRST-Feb-2020.pdf>

iii See, for example, A matter of life and death: Surviving Childbirth on Assam's Tea Plantations.

Nazdeek. 2018 <https://indd.adobe.com/view/aaf00c7a-8407-4ea0-982c-ca8b3555168a>

iv See, for example, Rajbangshi, P.R., Nambiar, D. "Who will stand up for us?" the social determinants of health of women tea plantation workers in India. *Int J Equity Health* 19, 29 (2020).

<https://doi.org/10.1186/s12939-020-1147-3>

The International Roundtable for Sustainable Tea

Trustees' Annual Report *(continued)*

Year ended 31 March 2022

I report to the trustees on my examination of the financial statements of The International Roundtable for Sustainable Tea ('the charity') for the year ended 31 March 2022.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Theresa Warren FCA
Independent Examiner

8 The Old Yard
Lodge Farm Business Centre
Wolverton Road
Castlethorpe
Milton Keynes
MK19 7ES

27/4/23.

The International Roundtable for Sustainable Tea

Statement of Financial Activities

Year ended 31 March 2022

		Year to 31 Mar 22			Period from 15 May 20 to 31 Mar 21
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	4	39,210	—	39,210	60,428
Charitable activities	5	266	32,515	32,781	110
Total income		<u>39,476</u>	<u>32,515</u>	<u>71,991</u>	<u>60,538</u>
Expenditure					
Expenditure on raising funds:					
Costs of raising donations and legacies	6	1,200	—	1,200	—
Expenditure on charitable activities	7,8	35,036	29,950	64,986	63,411
Total expenditure		<u>36,236</u>	<u>29,950</u>	<u>66,186</u>	<u>63,411</u>
Net income/(expenditure) and net movement in funds		<u>3,240</u>	<u>2,565</u>	<u>5,805</u>	<u>(2,873)</u>
Reconciliation of funds					
Total funds brought forward		(2,873)	—	(2,873)	—
Total funds carried forward		<u>367</u>	<u>2,565</u>	<u>2,932</u>	<u>(2,873)</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 16 to 20 form part of these financial statements.

The International Roundtable for Sustainable Tea

Statement of Financial Position

31 March 2022

	Note	2022 £	2021 £
Current assets			
Debtors	12	12,017	—
Cash at bank and in hand		<u>6,217</u>	<u>—</u>
		18,234	—
Creditors: amounts falling due within one year	13	<u>15,302</u>	<u>2,873</u>
Net current assets		2,932	(2,873)
Total assets less current liabilities		<u>2,932</u>	<u>(2,873)</u>
Net assets		<u>2,932</u>	<u>(2,873)</u>
Funds of the charity			
Restricted funds		2,565	—
Unrestricted funds		<u>367</u>	<u>(2,873)</u>
Total charity funds	14	<u>2,932</u>	<u>(2,873)</u>

These financial statements were approved by the board of trustees and authorised for issue on 26-04-23, and are signed on behalf of the board by:



Nikhil Subbiah
Trustee

The notes on pages 16 to 20 form part of these financial statements.

The International Roundtable for Sustainable Tea

Notes to the Financial Statements

Year ended 31 March 2022

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is a Charitable Incorporated Organisation. The address of the principal office is 44 Princes Street, Oxford, OX4 1DD

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

The International Roundtable for Sustainable Tea

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

The International Roundtable for Sustainable Tea

Notes to the Financial Statements (continued)

Year ended 31 March 2022

4. Donations and legacies

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Donations				
Donated services	27,574	27,574	60,133	60,133
General donations	885	885	295	295
Grants				
NGO Participation Fund	5,751	5,751	—	—
Van Neste Foundation	5,000	5,000	—	—
	<u>39,210</u>	<u>39,210</u>	<u>60,428</u>	<u>60,428</u>

5. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Fees received as part of direct charitable activities	<u>266</u>	<u>32,515</u>	<u>32,781</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Fees received as part of direct charitable activities	<u>110</u>	<u>—</u>	<u>110</u>

6. Costs of raising donations and legacies

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Costs of raising donations and legacies – Grants applications	<u>1,200</u>	<u>1,200</u>	<u>—</u>	<u>—</u>

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Roundtable and Tea Talk Event Costs	—	—	—
Research and Literature Reviews	—	29,950	29,950
Support costs	35,036	—	35,036
	<u>35,036</u>	<u>29,950</u>	<u>64,986</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Roundtable and Tea Talk Event Costs	4,700	—	4,700
Research and Literature Reviews	—	—	—
Support costs	58,711	—	58,711
	<u>63,411</u>	<u>—</u>	<u>63,411</u>

The International Roundtable for Sustainable Tea

Notes to the Financial Statements (continued)

Year ended 31 March 2022

8. Support Costs

	Unrestricted Funds 2022 £	Unrestricted funds 2021 £
Staff costs (including in kind time)	29,202	30,000
Website design	—	5,000
IT Costs	853	677
Bank charges	42	—
Governance costs:		
- Legal & professional fees	2,589	22,434
- Annual report fees	1,750	—
- Accountancy	600	600
	<u>35,036</u>	<u>58,711</u>

9. Independent examination fees

	Year to 31 Mar 22 £	Period from 15 May 20 to 31 Mar 21 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>600</u>	<u>600</u>

10. Staff costs

The average head count of employees during the year was 1 (2021: 1). The average number of full-time equivalent employees during the year is analysed as follows:

	2022 No.	2021 No.
Number of staff - type 1	<u>1</u>	<u>1</u>

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

11. Trustee remuneration and expenses

No remuneration or reimbursed expenses were received by the trustees during the period.

12. Debtors

	2022 £	2021 £
Prepayments and accrued income	<u>12,017</u>	<u>—</u>

13. Creditors: amounts falling due within one year

	2022 £	2021 £
Accruals and deferred income	5,650	600
Other creditors	9,652	2,273
	<u>15,302</u>	<u>2,873</u>

The International Roundtable for Sustainable Tea

Notes to the Financial Statements (continued)

Year ended 31 March 2022

14. Analysis of charitable funds

Unrestricted funds

	At 1 April 2021	Income	Expenditure	At 31 March 2022
	£	£	£	£
General funds	(2,873)	39,476	(36,236)	367

	At 15 May 2020	Income	Expenditure	At 31 March 2021
	£	£	£	£
General funds	—	60,538	(63,411)	(2,873)

Restricted funds

	At 1 April 2021	Income	Expenditure	At 31 March 2022
	£	£	£	£
IDH – Sustainable Trade Initiative	—	32,515	(29,950)	2,565

	At 15 May 2020	Income	Expenditure	At 31 March 2021
	£	£	£	£
IDH – Sustainable Trade Initiative	—	—	—	—

15. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds 2022
	£	£	£
Current assets	7,619	10,615	18,234
Creditors less than 1 year	(7,252)	(8,050)	(15,302)
Net assets	367	2,565	2,565

	Unrestricted Funds	Restricted Funds	Total Funds 2021
	£	£	£
Current assets	—	—	—
Creditors less than 1 year	(2,873)	—	(2,873)
Net assets	(2,873)	—	(2,873)