



2024 Annual Report and Financial Statements

Farm Africa Limited
Company Number: 01926828



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Part 1

Trustees' report

Report of the Chair

As I step down as Chair of Trustees, I reflect on the extraordinary journey we've shared since I joined as a trustee ten years ago.

I joined Farm Africa due to my belief that agriculture is the sector with the most potential to transform the lives of people living in Africa. Ten years on, I remain convinced of this. Today, our mission is all the more important due to the escalating challenges facing rural communities including climate change, migration and geopolitical instability.

In 2024, Farm Africa reached 770,000 people, an increase of more than 150,000 people from 2023. As you'll read in this report, our support varies from helping displaced refugees to become self-sufficient, to supporting smallholder farmers to adopt climate-resilient practices, to working with mothers to improve their children's nutrition.


Core to all our work is a focus on increasing incomes, improving access to markets, conserving the environment and boosting communities' resilience to shocks, taking care to ensure that our support reaches those who need it most.

Whether you've donated, fundraised or partnered with us, you've made our work possible. Fundraising highlights in 2024 included a Farm Africa promotion on the sale of green beans by the retailer Sainsbury's, a new partnership with the restaurant chain Farmer J, and the GROW for Good challenge, which saw 12 women leaders from the UK food industry camp, cycle and work on regenerative agriculture farms in Kenya to raise funds for our work.

We also celebrated launches of our Giving Circle, with Sabrina Dhowre Elba as patron, and our engaging new website, which was subsequently nominated for a prestigious Webby award.

My thanks go to my fellow trustees, including Serena Brown who stepped down this year and Laketch Mikael who is also retiring from the board. I am delighted that longstanding trustee Jan Bonde Nielsen, who also stepped down this year, agreed to become President of Farm Africa. On a sadder note, we mourned the loss of our Tanzania Country Director Tunsime Kyando and former board chair Michael Collinson, who both died this year.

I end with thanks to Farm Africa's staff, whose expertise, commitment and passion underpin the organisation's impact. Serving alongside you has been a true honour. I will remain a champion of Farm Africa and the communities we serve. I welcome Amar Inamdar to the board. He is ably qualified to be the next Chair of Farm Africa.



John Reizenstein

Chair of Trustees, Farm Africa

10 June 2025

Report of the Chief Executive

As I write this letter in the spring of 2025, Farm Africa celebrates our 40th anniversary. Back in 1985, the charity's founders held the firm belief that developing small-scale agriculture was the key to reducing rural poverty.

Today, Farm Africa remains true to our roots, and would still be very recognisable to the founders and earliest project participants, staff and supporters. But we're also proud of our growth and development.

As you'll read on page 9, our largest ever project is now underway, working with the Mastercard Foundation to unlock work opportunities for 150,000 young entrepreneurs in the fish farming sector in Kenya. On page 13 you can find out how we help smallholder farmers earn money not just from selling crops, but also from carbon credits earned by planting trees. On page 14 you can read how we are supporting forest communities in Ethiopia to sell coffee to a large Japanese food company.

At the COP 29 climate change conference in December 2024, we were proud to be awarded a grant by the Global Environment Facility to scale up efforts to ensure finance for climate adaptation reaches those who need it most: smallholder farmers.

This year we amplified the voices of those we serve on an international stage including at the Oxford Farming Conference, New York Climate Week and the UK Parliament. We achieve the most impact when practices that deliver results are replicated by others. This year, we were pleased to see the Embu and Tharaka Nithi county governments in Kenya start to use private sector Village-based Advisors to promote regenerative agriculture practices, an approach key to our work with AGRA there.

I thank our outgoing Chair of Trustees, John Reizenstein, for guiding Farm Africa through a period of growth and resilience. I look forward to working with our new Chair Amar Inamdar as we enter the organisation's fifth decade.

To all our supporters: thank you. Together, we are enabling farmers in eastern Africa to grow more, sell more, and sell for more, while protecting the environment for generations to come.



Dan Collison

Chief Executive

10 June 2025

Strategic report

This section presents Farm Africa's mission, values and strategic goals, including the priorities outlined in the strategic plan (2021-2025), and the mid-term review of the strategy that took place in 2023. This section also summarises Farm Africa's achievements in 2024, and outlines our goals for 2025.

Vision

Farm Africa's vision is of a resilient rural Africa where people and the environment thrive.

Effective agriculture transforms lives, underpins resilient food systems and protects natural resources. Farm Africa supports a just rural transition for farmers and farming communities in eastern Africa, which improves yields, improves food quality and safety, and increases household incomes.

Our technical approaches to sustainable agriculture, market engagement and protecting the environment have the greatest impact when they are integrated into a holistic effort, connecting smallholder farmers to thriving markets and transforming subsistence agriculture into a sustainable business.

We are ambitious to expand our work and increase our impact: to lift more communities out of poverty; to open up more agricultural markets; to provide more expertise and help safeguard natural resources.

Our mission

To promote sustainable agricultural practices, strengthen markets and protect the environment in rural Africa.

Our values

- **Expert:** Expertise and insightful evidence-based solutions are at the heart of everything Farm Africa does.
- **Grounded:** Our teams and partners work closely with local communities, engaging them in every level of decision-making.
- **Impactful:** We deliver long-lasting change for farmers, their families and the environments they live in.
- **Bold:** We model innovative approaches and are not afraid to challenge strategies that are failing.

2021 – 2025 strategy

In 2021 we concluded a participatory process to develop a strategic plan for Farm Africa (2021-2025).

The great strength of our strategy is the clear articulation of Farm Africa's three thematic priorities: agriculture, market engagement and environment.

In agriculture, our programmes continue to support farmers to transition to commercial livelihoods. Access to better inputs, technology and information improves incomes and makes livelihoods more resilient to shocks. Our projects improve yields and quality across multiple value chains, including coffee, sorghum, livestock, edible oil seeds and horticulture. Our climate-smart approaches help mitigate the effects of climate change.

Market engagement improves farmers' linkages to local and international markets, emphasising business development, access to financial services and support to the small and medium-sized enterprises that are a crucial intermediary between producers and markets. Our links with food industry partners have strengthened our offer in corporate social responsibility.

Our work on protecting the environment builds on Farm Africa's experience in landscape management, including participatory forest management and payment for ecosystem services. Progress in avoiding deforestation has developed our role in carbon sequestering, promoted alternative livelihoods for forest communities, and we have seen our approaches endorsed and supported by governments in the region for replication at scale.

Our strategy is underpinned by five cross-cutting themes:

- **Climate action:** We will work to reduce greenhouse gas emissions and strengthen the resilience and adaptive capacity of communities to climate change.
- **Gender equality:** We will design projects to be gender-sensitive and include meaningful outcomes for women's economic empowerment.

- **Youth employment:** We will emphasise the creation of job opportunities for young people throughout the value chain.
- **Resilience:** We will enhance communities', enterprises' and ecosystems' ability to mitigate and adapt to shocks.
- **Agri-tech:** We will embrace the use of technology at all stages of the value chain.

The concept of food systems – describing the connections between producers, consumers, the environment and policy – provides a useful way of integrating the approaches and is the lens through which our approaches, interventions and programmes are analysed. Understanding Farm Africa's work in the context of food systems opens up new relationships with corporate partners, strengthens our connection to markets and business development, and provides a strong platform for scaling our work through advocacy.

The strategy not only sets out our programmatic directions, it is a plan for the whole organisation. It commits the organisation to a culture of 'One Farm Africa' – emphasising transparent communication, accountability in decision making, and learning across teams. The code of conduct, safeguarding policy and our security measures are prominent in this.

The plan also steers Farm Africa to a sustainable financial future, which maintains strong reserve levels and delivers steady growth in restricted and unrestricted income. International aid flows are shifting as donors change priorities, with the UK's decreasing aid budget a clear indicator of this. We are building new funding relationships to realise the strategy, including engaging with global climate funds and developing new ways of working with corporate partner organisations.

2023 mid-term strategy review

In 2023, we conducted a mid-point assessment of the current strategy. This involved extensive consultation with staff, partners and external advisors to understand the achievements of the strategy, updating our understanding of the regional and sector context, and determine priorities and objectives for the remaining strategy period.

Our initial assessment shows significant progress has been made against the strategic objectives even though there were major macro-economic challenges in the post-COVID external environment.

The review noted good progress in developing our programme strategies and results in areas such as

regenerative agriculture, climate-smart agriculture, landscape management and coffee cultivation. We've seen encouraging growth in our Kenya and Tanzania programmes, the development of our opportunities in eastern DRC, and a building on our experience of carbon markets. We have experienced challenges in the development of our Uganda programme and our work in livestock. We also noted good progress in steering Farm Africa to a sustainable financial future, including updating target reserves to appropriately reflect the level of risk in operations and the external environment.

The mid-term review highlighted the long-term decline in some of our critical fundraising channels, particularly our individual giving supporter base, a reflection of both the cost of living crisis and the natural attrition of charity givers. The Board of Trustees agreed to a series of investments aimed at building high-value giving, slowing the decline in individual giving, and building our brand, and we are looking forward to seeing a return on these investments during the second half of the strategy period. These investments are starting to bear fruit, in particular through relationships with a new group of major donors whose generous support has significantly advanced our mission. Their commitment reflects a shared belief in the impact of our work and strengthens the foundation for future growth.

Our activities and achievements

In 2024 we managed projects across five countries in eastern Africa, reaching 770,000 people.

The following six case studies outline highlights from various projects across Ethiopia, Tanzania, Uganda and Kenya, all united in aiming to support communities working in the agricultural sector to grow their incomes while also protecting their local environment for generations to come.

Growing together

In southeastern Ethiopia, nature-based solutions are bringing communities together in pursuit of a better future.

In 2024, Madina changed her life story from one of displaced refugee to self-reliant farmer. Her story speaks to the transformative power of inclusive, nature-based solutions.

"I am a refugee woman. I fled from civil war in Somalia in 2010 and transferred to Melkadida refugee camp," explains Madina. "Life was difficult,

and the humanitarian assistance provided, such as wheat and oil, was not enough,” she recalls of the life she and her children led there for 13 years.

Change came in 2023, when Farm Africa invited Madina and 39 other refugees to take part in a sustainable farming initiative. Together with 40 residents of Kalmasago kebele, a rural community that had agreed to host the project, the group formed a farming cooperative that would work towards inclusivity and shared prosperity for those living in this remote and arid landscape.

Accepting the offer, Madina and her children, left the refugee camp and started a new life in Kalmasago. “It was a good new day for my family,” she recalls. “The community welcomed us warmly.”

From aid to earning

The 80 members of the cooperative are just a few of the 65,000 people reached by Farm Africa’s Nature-based Solutions for Sustainable and Inclusive Development (NSSID) programme in 2024. The four-year programme, which is funded by the Swedish Embassy in Ethiopia, is working across Ethiopia to reduce poverty, build communities’ resilience to climate change and protect the environment with an aim to benefit more than 87,000 households.

At Kalmasago, Farm Africa provided training and start-up resources to help the cooperative members overcome their dry conditions with nature-friendly techniques such as small-scale irrigation, minimum tillage, mulching and use of drought-tolerant crop varieties. With that support, the farmers achieved two high-yield growing cycles in a row. By the end of 2024, they were covering their costs independently, relying on Farm Africa only for technical guidance.

“In this third season, we are self-sustaining,” says Madina proudly.

For Madina and her fellow cooperative members, the shift is a major milestone. With the income she has earned from the harvest, Madina has been able to improve her family’s living conditions, move into a larger home, enrol her children in school and ensure they receive adequate healthcare.

She’s also purchased poultry and 15 goats. “I sell some of the goats’ milk and eggs for daily income while keeping some for my children,” she explains.

Madina’s experience is shared by many. In 2024, the NSSID programme helped 11,646 people improve their food security.

From earning to providing

The members have named their cooperative Himilo, meaning ‘vision’. They aim to scale up their operations and export their produce, increasing their own income and providing livelihood opportunities for others.

“Our plan is to become a large cooperative of crop producers and export our yields. This will enable me to support my refugee brothers,” says Madina determinedly.

With Farm Africa well-placed to support with market linkages, it’s an achievable dream.

“It was a good new day for my family when we joined the Farm Africa farming programme. The community welcomed us warmly.”

Madina
Farmer and refugee, southeastern Ethiopia



Growing better, together

Through inclusive, nature-based solutions like those used by the Himilo Cooperative, the NSSID programme is sowing the seeds of a future where refugees and host communities thrive together, even in challenging landscapes. Our approach combines immediate livelihood support with long-term strategies for sustainable livelihood development, ensuring gender equality in economic opportunities.

The success of this approach is evident in the thriving cooperative Madina now leads. As their elected chairperson, she represents 80 farmers from both refugee and host communities. “Through the project, I have enjoyed good integration, synergy and peaceful coexistence with my fellow cooperative members,” she says.

When communities come together to cultivate not just crops but also trust, the harvest is a brighter future for all.

65,000

people reached through the NSSID programme in 2024.

24,903

(including 9,682 women) people supported by the NSSID programme to improve farm productivity through climate-smart agriculture in 2024.

Creating waves for young people

Farm Africa and partners are inspiring thousands of young women and men in Kenya to develop thriving careers in the fish farming sector.

Demand for fish in Kenya is increasing rapidly. The fish farming sector has huge potential to boost youth employment and food security, but is often overlooked by young job hunters. In late 2023, the Mastercard Foundation joined forces with Farm Africa and partners to launch the Youth in Sustainable Aquaculture (YISA) programme, which is redefining what opportunity looks like in rural areas where youth unemployment is stubbornly high.

YISA is no small undertaking. Implemented with our partners Echo Network Africa, Lattice, Aquarech, Ramogi Institute of Advanced Technology (RIAT), Hydro Victoria and Livingwood Consultants, the five-year programme aims to create 150,000 dignified and sustainable jobs in aquaculture across six counties in Kenya by November 2028. But it's not just about the numbers — it's about who's being reached.

Opportunities for women

In 2024 alone, over 10,000 YISA participants secured employment in the fish farming value chain. Notably, women made up more than 70% of programme participants. In a traditionally male-dominated industry, that's revolutionary.

"Through the programme's revolving loan fund, our group was able to acquire a motorised fishing boat," says Bettina, chair of a women's group in Homa Bay County. "This has allowed us to access fish independently without relying on exploitative arrangements with male fishermen."

She's referring to *Jaboya*, a transactional practice at Lake Victoria's fisheries where women are coerced into exchanging sex for access to fish. YISA tackles this exploitation head-on by empowering women to manage their own supply chains and become financially independent.



Economic empowerment is central to the YISA model. Over 5,400 young people, 83% of them women, have accessed catalytic funds to launch or expand their aquaculture enterprises. This capital has made successes possible such as 215 young women setting up 12 large fish cages stocked with over 420,000 fingerlings (young fish), anticipated to yield over 130 metric tonnes of fish in just seven months.

Black Soldier Fly farming

For others, innovation has come through unconventional but promising avenues, like farming maggots. Specifically, Black Soldier Fly (BSF) larvae, which are rich in protein and now in high demand as fish feed. Once viewed as dirty and unhygienic, BSF farming is being rebranded as a low-cost, high-yield solution that supports circular agriculture and reduces dependency on commercial fish feeds. It's cost-efficient, sustainable — and now, thanks to YISA, a business venture for 670 enterprises owned by young women and men.

An inclusive approach

For persons with disabilities, the project has been just as transformative. In Alupe in western Kenya, the Chakol and Amase Persons with Disabilities (PWD)

groups are now active players in the aquaculture sector. With support from YISA and Kenya's agricultural research institutes, they've both planted 30 acres of soybeans, an ingredient in fish feed.

"Our group has 45 members, most of whom are unable to secure employment due to their disability status," said Agnes Auma, chairperson of Chakol. "Following our partnership with Farm Africa, we have received comprehensive training that has enabled us to take up the journey of successful soybean cultivation."

Business training

The programme's training modules cover topics including financial literacy, business planning and practical techniques in fish feed production and farming. The training, which has been praised by participants for its interactive and hands-on design, is helping young people build not just businesses, but confidence.

"The process was seamless, and the expertise provided was invaluable. The business development curriculum in YISA is a game-changer, you see your business plan on paper and then implement it step by step," said Frank Thoya, one young entrepreneur.

As a digital platform prepares to link entrepreneurs across the aquaculture value chain, YISA's vision is clear: sustainable fish farming isn't just about food. It's about addressing youth unemployment, gender inequality and exclusion.

10,274

young people in work in the aquaculture value chain in 2024.

5,265

young people received US\$ 966,041 investment from the revolving fund.

6,725

young people producing soybeans for fish feed in 2024.

Improving nutrition for rural families

Climate-smart farming practices and access to markets are boosting incomes and nutrition in Tanzania.

The soil is dry and cracked, the sun relentless. Farmers in rural Tanzania face an ongoing battle against nature, planting seeds in fields that yield too little, waiting for rains that come too late or not at all. Malnutrition is a major challenge.

In central-northern Tanzania, more than 40% of the population face food insecurity. In the Southern Highlands, approximately 500,000 children under five years old suffer from stunted growth. But a quiet transformation is underway.

After learning about climate-smart agriculture practices like proper seed spacing and applying the right amount of fertiliser, Damaris Machite, a farmer from the Dodoma Region, now stands a better chance of producing a good yield of nutritious food crops, whatever the weather. Best of all, as a lead farmer she's sharing this knowledge with the other farmers in her village.



Damaris is a participant in our NOURISH project, which works to equip smallholder farmers across Tanzania with the tools and knowledge to escape poverty and food insecurity. Launched in 2024, the project, funded by the Norwegian Agency for Development Cooperation (NORAD) and implemented in partnership with SNV, aims to reach 123,000 households by 2028.

Addressing systemic challenges

The problem facing Tanzanian farmers isn't just

unpredictable weather. It's also markets that work against them.

Farmers struggle to obtain high-quality seeds, leaving them with low yields. Without proper soil testing, they often overuse or underuse fertiliser. And when they do produce a surplus, access to buyers remains a challenge - many are forced to sell their crops to middlemen at rock-bottom prices.

Female farmers face additional barriers. Many do not own the land they farm, and without land titles, securing loans for better equipment or seeds is nearly impossible.

NOURISH is training farmers in agriculture techniques that boost productivity and resilience to climate change, such as agroforestry, crop rotation, crop diversification, use of soil cover, soil and water management, nutrient management and integrated pest management. These techniques help to improve soil fertility and protect land from degradation. NOURISH is also strengthening market connections, ensuring that farmers can buy drought-tolerant seeds and sell their produce at fair prices.

The project encourages farmers to grow common beans, sunflowers, sorghum and vegetables, all selected for their nutritional benefits, climate resilience and strong market demand.

"Today, I have the opportunity to share knowledge with this group of farmers through a demonstration plot, hoping for positive results."

Noema
Lead farmer, Songwe, Tanzania



Improving nutrition

In the Manyara region, small-scale farmer Loseku Saning'o's family diet never used to include fresh produce. But after attending a NOURISH nutrition training session, he planted vegetables in a kitchen garden.

"As a Maasai, we never valued vegetables," recounted Loseku. "After receiving nutrition education, my family and I started incorporating vegetables into our meals. I also changed the snacks I give my children. Instead of bringing home bottled juice or soda, I now bring fresh fruits."

Saning'o's experience highlights one of the project's key goals: improving nutrition. Many farming families in Tanzania lack dietary diversity, leading to widespread malnutrition. By encouraging farmers to grow and consume a variety of vegetables, NOURISH helps communities fight hidden hunger.

Signs of progress

Early results demonstrate NOURISH's scalable impact. By the end of 2024, a total of 477 lead farmers and 206 agricultural extension officers had been trained in climate-smart farming techniques. And 106 of these lead farmers had shared their learning with 817 smallholder farmers, creating a knowledge network that will grow and grow. More than 290 demonstration plots had been set up to showcase best practices. Nearly 10,000 agroforestry trees seedlings had been planted in nurseries to combat soil infertility and erosion.

Access to agricultural inputs is also improving. Through supply chains supported by the project, farmers purchased over 23 metric tons of quality sorghum seed and nearly 23 kg of vegetable seeds.

Women are at the forefront of this shift. They are receiving agricultural training, gaining access to financing and adopting farming methods that increase their productivity. They are stepping into leadership roles. NOURISH is showing that change is possible through investment in skills, knowledge and access to resources.

477

lead farmers trained in climate-smart agriculture practices.

10,000

trees planted to combat soil erosion and improve soil health.

A female focus from farm to fork

In eastern Uganda we've worked with CARE to support female farmers to grow, sell, prepare and consume healthy foods.

In the remote drylands of eastern Uganda's Karamoja sub-region, two thirds of people live in poverty¹. Rural communities' heavy reliance on natural resources renders livelihoods sensitive to ever more frequent climate extremes, such as droughts, heavy rains and high winds.

Caring for children largely falls on women in Karamoja, yet many of these women lack ownership of property and do not earn income. When extreme weather events devastate their crops, mothers are left with minimal access to both nutrition and money, and face significant challenges in providing food for their children.

Low awareness about the importance of eating a balanced diet, coupled with lack of access to nutritious foods, mean most families eat a limited diet of cereal grains and wild leaves. Chronic malnutrition is prevalent, particularly amongst women and children.

CASCADE

With funding from the Dutch Government, last year Farm Africa worked in partnership with CARE's CAlyzing Strengthened policy aCtion for heAlthy Diets and resilienceE (CASCADE) programme to put women in Karamoja in the driving seat of improving the diets of their young children and themselves, even in the face of climate shocks.

The six-month pilot project, which launched in July 2024, helped rural women in four districts (Moroto, Napak, Abim and Kotido) to grow a range of nutritious foods, learn about healthy eating and overcome some of the cultural barriers holding them back.

Climate-smart farming

Using an approach called Farmer Field and Business Schools, we helped a total of 12,388 farmers, 75% of whom were women, to learn about the production, consumption and marketing of foods that are both climate-resilient and nutritious. The participants, who

were organised into 546 groups, attended demonstrations at 174 learning sites to find out more about producing crops such as vegetables, iron-rich beans and orange-fleshed sweet potatoes using affordable technologies, such as crop rotation and watering of crops from nearby water points.

Community-based facilitators also visited the farmers in their own fields to recap the lessons learnt at the learning sites and encourage adoption of the practices. Lessons covered not just growing, but also how to safely harvest, dry and store crops to preserve their freshness.

Access to seeds

High-quality seeds are essential for healthy harvests, but remain scarce in rural Uganda. We put the farmers' groups in touch with two private sector dealers selling quality seeds. We also helped eight of the farmers' groups to establish businesses producing and selling Quality Declared Seeds for iron-rich beans and orange-fleshed sweet potatoes, helping ensure the other groups benefited from easier access to high-quality, reliable and affordable seeds.

Christine now farms orange-fleshed sweet potatoes and maize rich in vitamin A. At home she grows a variety of vegetables. She's also planted fruit trees and started to rear chickens.



Healthy eating

From holding food and cooking demonstrations to working with Village Health Teams to taking part in radio talk shows, we worked to spread the word far and wide about the benefits of healthy, nutritious diets for children, mothers, adolescents and babies. Emphasis was put on making use of locally available foods to create meals including carbohydrates, proteins, fats, vitamins and minerals. Sources of carbohydrate included millet flour, maize flour, rice

¹ <https://reliefweb.int/report/uganda/uganda-karamoja-region-ipc-food-security-nutrition-snapshot-march-july-2022-published-may-31-2022>

and orange-fleshed sweet potatoes. Protein could come from beef, silver fish, groundnuts, beans and eggs, while fruits and green vegetables are a good source of vitamins and minerals.

We also engaged men and boys in discussions on the need to challenge the social norms, beliefs and practices that restrict women and children's access to nutritious foods. This has led to more husbands sharing household duties with their wives and involving them in decision making.

12,388

farmers trained in climate-smart agriculture practices.

56

cooking demonstrations conducted, reaching 2,387 people.

Growing green

By planting trees on their farms and entering carbon markets, farmers in central Kenya are growing a greener future for us all.

In Embu and Tharaka Nithi counties, farmers once struggling with declining harvests are improving productivity, creating job opportunities and protecting the local environment, all while mitigating climate change.

The catalyst for the change has come through Farm Africa's agroforestry project, an extension of the regenerative agriculture project, which we've been running in partnership with AGRA since 2020.

Agroforestry for security and sustainability

Through the project, farmers have been supported to adopt agroforestry across 14,175 hectares of land. Agroforestry is a technique that integrates trees into traditional farming systems to enhance soil health, conserve water, increase biodiversity and improve crop productivity. At the same time, the trees yield high-value crops like fruit and nuts to diversify diets and income.

Farmers adopting the method have improved soil water retention by 30-50%, a crucial factor in this drought-prone area. Seeing a 30-50% boost in soil organic matter, they've also been able to reduce their use of fertiliser by 20-40%. "My family is financially and food secure, based on the number of fruit trees that I have planted alongside the cash crops", says seasoned farmer Peter Kabuthe, who has planted over 100 trees.

Capturing carbon to grow livelihoods

Although the improved productivity has been welcomed by farmers, the real game-changer came in 2023, when the project integrated with carbon markets, enabling 21,000 farmers to earn extra income through Rabobank's Acorn programme for the tree seedlings they planted.

How does it work? Trees capture carbon, and the Acorn programme provides a system for farmers to quantify the carbon they are capturing as Carbon Removal Units (CRUs), with each unit representing one tonne of carbon removed. Acorn then provides a market platform for selling the CRUs to corporations for emission offsetting, returning 80% of the revenue generated to the farmers.

So far, the farmers in Tharaka Nithi and Embu have reduced carbon emissions by a total of 24,945 tonnes of carbon dioxide and earned income through the sale of an equivalent number of CRUs.

As an experienced local farmer who doubles as a community advisor for the regenerative agriculture programme, Rosebeth has personally educated more than 1,000 farmers on the importance of planting trees alongside other crops. This move has seen the majority of farmers from her region earn income from carbon credits. She relates the impact for her family and her community:

"When I was paid the first amount, I paid school fees for my child - now she cannot stay out of school! My other child was joining campus when another payment was made. I used all that money to purchase a laptop for her. The other money that will come in soon will be used to pay school fees for my children who are in primary school.

"I have received success stories from many farmers who were paid carbon credits and managed to pay school fees for their children. This has motivated them to plant more trees and has also inspired those who were not recruited into the programme to seek recruitment."

Creating jobs while fighting climate change

The opportunity presented through carbon credits has been strong enough to prompt Simon, a computer scientist from Embu, to pursue his long-standing passion for climate action and establish a nursery. Still in its first year, the nursery already hosts 46 varieties of trees, with more than 160,000 seedlings in production, and demand is high.

"In the next five years, I see myself employing close to 100 people with tree nurseries spread across five sub-counties," he predicts.

The future is green

As Peter, Rosebeth and Simon continue to nurture their trees and reap the rewards of their efforts, they feel optimistic about the future. Peter aspires to motivate more young people in the region to plant trees, and Rosebeth has observed "that the farmers themselves go round telling others about the benefits of trees and not cutting them down."

As for Simon, he is following his passion. "I'm sure I am playing a big role in the fight against climate change, and feel very motivated when people purchase tree seedlings from me. I am convinced that they have the desire to make the county greener and better."

"In the next five years, I see myself employing close to 100 people with tree nurseries spread across five sub-counties."

Simon
Owner, Vuma Tree Nursery



Find out more about the programme in our report Growing Green at www.farmafrica.org/growinggreen

Change is brewing

A landmark partnership is opening international markets for forest coffee cooperatives protecting Ethiopia's Harena Forest.

Last year, we reported on the impressive progress of forest management cooperatives in Ethiopia's Harena Forest, where we are working with local communities to protect trees and biodiversity while creating economic opportunities. This year, we celebrate another big step forward.

In 2024 the Garen Bale Forest Cooperative Union entered a green business partnership with Zensho Trading Co Ltd, a move that facilitated the export of 19,200kg of specialty grade organic forest coffee and lays the groundwork for consistent, high-volume exports in the years ahead.

Local impact

How did Harena Forest's coffee farmers benefit? The Union represents 40 forest management cooperatives operating in the Bale Eco-region: a robust network established with support from Farm Africa. The coffee sold was supplied by three of the member cooperatives who are working closely with Farm Africa and Forests of the World on a project aiming to improve forest conservation by improving the profitability of forest-friendly coffee farming.

It is the second international export sale for these three cooperatives and the first time the farmers have negotiated directly with the buyer, who agreed to pay a premium price if the coffee could obtain Japanese Agricultural Standard certification.

The 55 farmers who supplied coffee for the three cooperatives to sell have earned a net average of ETB 544,624 (£3,208) each.

The three cooperatives have also each earned a net average of ETB 600,682 (£3,538) in commission, which will be invested in local livelihood development and conservation.

One of the benefitting farmers is Abdurahman Kul, a founding member of Gutiti cooperative. He supplied 4,000 kg of coffee for the sale.

"We formed the forest management cooperative to grow together. The cooperative is for all—the poor as well as the rich", he says, encapsulating in 21 words the vision that's driven over a decade of collaborative effort to reach this milestone.

Charting a course for sustainability

Earlier Farm Africa initiatives laid the groundwork. With support from the European Union and the Norwegian Embassy in Addis Ababa, we've strengthened coffee cooperatives and established a robust network of Participatory Forest Management Cooperatives, who now protect the forest and promote forest-friendly enterprise within their designated zones.

Building on those foundations, in partnership with the local government agricultural office, Farm Africa has been working closely with selected cooperatives on a targeted project to improve the quality and quantity of Bale's forest coffee. Once graded at levels four and five, the coffee is now being recognised at grades one and two - internationally sought-after standards.

The transformation was made possible through extensive training, access to post-harvest materials, the determined commitment of coop members and ongoing support from Forests of the World, financed by Danida.

"The training opened my eyes", says Abdurahman. "Because of it, I've learnt to produce high-quality coffee and improve my post-harvest handling. With the money I've earned, I plan to buy furniture and send my children to school. The more training I receive, the more changes I can make to my life."



Establishing the green export partnership with Zensho, a Japanese-based company, called for a different type of collaboration. Farm Africa helped navigate the complex certification processes by supporting the three cooperatives to obtain Japanese Agricultural Standard (JAS)

certification for organic coffee. We also facilitated the acquisition of an export licence for the Garen Bale Forest Cooperative Union, enabling smooth transactions and long-term market engagement.



Scrupulous attention to post-harvest handling has transformed the quality of forest coffee. Photo: Farm Africa

Global reach

The financial success of these coffee farmers has implications beyond individual prosperity. It strengthens the local economy, provides resources to improve local education and infrastructure, and incentivises conservation efforts. By proving that sustainable practices can lead to significant economic gains, the project is setting a precedent for ethical and environmentally friendly coffee farming worldwide.

As partnerships grow and appreciation of their specialty forest coffee spreads, the future holds even greater promise for the farmers of Bale. For now, they can take pride in knowing that their dedication and hard work have placed their coffee on the global stage.

"We formed the forest management cooperative to grow together. The cooperative is for all—the poor as well as the rich."

£3,208

Average net income earned per farmer contributing to the sale.

£3,538

Average commission earned by each of the three forest management to invest in local livelihood development and conservation.

Our Key Performance Indicators

Farm Africa collected its second year of six project Key Performance Indicators (KPIs), directly linked to Farm Africa's work and thematic implementation strategies. They are viewed as organisational performance metrics that help convey a snapshot of the results to a wider audience.

The KPIs complement other impact, knowledge and learning products produced by Farm Africa such as donor reports, annual reports, case studies etc. The indicators are not meant to be exhaustive of Farm Africa's work, but they provide a relatively good picture of the performance of a critical mass of Farm Africa projects.

KPI	2024
KPI1: Total number of people supported to improve their resilience to effects of climate change.	340,158
KPI2: Total number of people supported to improve access to agri-technologies, inputs and services per year.	188,915
KPI3: Total number of people supported to enhance their production practices per year.	265,929
KPI4: Total number of enterprises supported to enhance their operations for growth and sustainability (SMEs, MSMEs, coops etc).	8,427
KPI5: Total number of people and enterprises supported to improve their access to financial services (Savings and Loans)	46,579
KPI6: Total amount of financing extended to supported people and businesses/ enterprises.	\$3,365,921

They only capture unique participant engagements as per the definition of the KPI and to avoid 'double counting' they cannot be added together.

For example, if stakeholder A was trained on good agricultural practices (GAP) and issued with drought-resistant seeds, in addition to accessing a loan via being a member of a project-supported village savings and loan association (VSLA) then stakeholder A is reported in KPI 2 (access to inputs), in KPI 3 (access to capacity building trainings), and also in KPI 5 (access to financial services). Adding together the numbers reported in KPI 2, KPI 3 and KPI 5 would result in certain stakeholders being 'double counted'.

Performance against objectives

To aid our planning we have broken down the strategic objectives into a set of annual goals. These goals are more specific and time-bound than the strategic objectives. The table below sets out how we performed against our key goals for 2024.

Strategic objective	Annual goal	Outcome
Achieve growth through diversity in funding	We will raise £15.9 million of restricted grant funding for 2024, including extending relationships with key strategic donors, diversifying our grant funding portfolio geographically and thematically with a key focus on DRC.	Grant expenditure in 2024 was £14.4 million. This represents 91% of the target for the programme portfolio, despite climate, insecurity and political risk in the geographies concerned. The shortfall against the target was driven by delays to projects in Ethiopia and DRC in particular. The strategic aim of diversification continued with growth in the Kenyan portfolio, successful start-up and delivery of the NORAD food security grant in Tanzania, and successes in building the Uganda programme, which secured funding from CARE and AGRA by year end. The DRC focus continued with the completion of a proposal for the Central African Forest Initiative but this is likely to be delayed well into 2025/26 pending insecurity in North & South Kivu.
	We will raise £2.0 million of unrestricted funding in 2024, including from the growth of our major giving programme and campaigns to acquire a new cadre of individual donors.	<p>Total unrestricted income raised in 2024 was £2.8m. The competitive UK fundraising market, combined with the ongoing cost of living crisis, has made it increasingly challenging to raise unrestricted funds across our fundraising portfolio.</p> <p>We are thankful to our supporters who have included a contribution to Farm Africa in their will. Farm Africa received £1.3m of legacy income in 2024.</p> <p>Farm Africa supporters continued to respond generously to appeals, but natural donor attrition has resulted in reduction of overall income from individual giving. Plans to test digital acquisition were postponed, delaying progress to rebuild the individual supporter base until 2025.</p> <p>We have also seen promising growth in our major giving programme and with a strong pipeline in place, further growth is expected in 2025.</p> <p>Events income performed well, with fundraising efforts driven by the London Marathon, employee fundraising by company United Molasses, and our first London to Paris cycle challenge.</p> <p>Sainsbury's ran a successful instore promotion raising funds for Farm Africa in September 2024. We launched a partnership with Farmer J and the GROW challenge to Kenya performed well, boosting income from corporate partnerships and partially offsetting a reduction in the number of Food for Good membership renewals.</p>

Strategic objective	Annual goal	Outcome
	We plan for our new website to be live by the end of July 2024.	The new Farm Africa website launched in August, with refreshed branding and messaging. The site has been well received and we are seeing increases in engagement and online income. This lays a solid foundation for growth as we build our online presence and drive more traffic to the site.
	We will participate for the first time in New York Climate week in September 2024, aiming to grow our network in the USA and spotlight the role of Farm Africa USA.	<p>Farm Africa's presence at New York Climate Week was well received, raising Farm Africa's profile and growing our network in the US.</p> <p>Farm Africa's showcase event, hosted by the law firm White & Case, has opened up promising conversations with a number of prospective supporters, and secured a new member of the US Board of Trustees.</p>
Transforming rural livelihoods	We will continue to build on the positive impact of our forestry projects by completing the sale of carbon credits on behalf of partners in Ethiopia.	In 2024 Farm Africa successfully registered 2.8 million tonnes of carbon credits on the VERRA carbon registry. This was a protracted process following changes in monitoring standards and developments within the voluntary carbon market. Our REDD+ project in Ethiopia was the first to receive a Letter of Authorisation from the Ethiopian authorities in relation to Article Six of the Paris Climate Agreements, and to be included within the wider jurisdictional REDD+ programme. With these credits registered the next step is to secure sales on behalf of the partners and communities in Ethiopia.
	DRC presence and management structure in place to support the anticipated start of the new Coffee Cooperatives and Forest Cover project.	<p>The year saw the full development and submission of the Coffee and Agroforestry proposal to the DRC FONAREDD Secretariat in October 2024. Additionally, Farm Africa secured a \$0.1m grant to ensure that all 12 cooperatives now are registered and to ensure traceability for the forthcoming EU Deforestation Regulations.</p> <p>Given the recent insecurity that has affected North and South Kivu, Farm Africa has now submitted a continuity plan to consider what could be authorised for implementation once the security situation has fully stabilised.</p>
	We will demonstrate impact for 750,000+ community members in 2024.	<p>A total of 771,721 people were reached through our programmes in 2024.</p> <p>This number incorporates people directly targeted by our programmes; farmers, agro-pastoralists, livestock herders, fish farmers, MSMEs, cooperatives, local county government, extension workers, agro-dealers, traders and the household members of certain stakeholders.</p> <p>The number of people reached has exceeded our target, and is 26% higher than in 2023.</p>

Strategic objective	Annual goal	Outcome
Technical leadership and advocacy	Programme offers on gender, agri-tech, living income and agri-insurance agreed with thematic focus on participatory rangeland management.	<p>All programme packages were reviewed and updated in August 2024, these include Climate Resilience and Recovery; Regenerative Agriculture, Ecosystems (forestry/rangeland); Market Value Chains; Coffee, Business Advisory and Supply Chains. New Gender Youth Inclusion & Agroforestry packages were also developed.</p> <p>Agri-insurance was framed in a paper for the Programme Advisory Committee in June 2024, and then progressed further in the GEF (Global Environment Facility) application and the new partnership with Humanity Insured.</p> <p>Advocacy work continued in Kenya and Ethiopia on issues of scaling regenerative agriculture and participatory forest management policy, including a partnership with Tree Aid in Ethiopia with a shared advocacy resource that will frame a shared country advocacy strategy.</p>
Deepen our partnerships	We will establish new partnerships to further explore the potential of Farm Africa projects to access carbon markets.	<p>The year 2024 saw new partnerships established, and some existing partnerships growing.</p> <p>In the carbon and climate space Farm Africa extended its relationship with Rabobank on the ACORN agroforestry and carbon project, developing plans to expand this work to new communities in Kenya and Tanzania</p>
	We will build on our programme expertise and reputation to extend our technical and funding networks.	<p>Farm Africa participated in several key technical and networking forums in 2024. The first was the Global Evergreening Alliance where Farm Africa presented on the REDD+ model in the Bale Eco-region in Ethiopia, gaining partnership with SCI Ventures, Tree Aid, Cross Boundary and confirming the idea for a community adaptation fund. In September 2024, a small delegation represented Farm Africa at the AGRA Food Systems Summit in Kigali, firming up partnerships with FCDO, World Veg Centre, Farm to Market Alliance, Acumen Capital, as well supporting two Village-based Advisors to attend courtesy of AGRA funding.</p> <p>Farm Africa built on its relationship with the UBS Optimus Foundation to achieve the prestigious breakthrough of an award from the Global Environment Facility (GEF) at COP29 for our work in smallholder farmers' access to finance for climate resilience. We also started a new programme in Ethiopia on gender and climate resilience with the African Development Bank under the African Climate Change Fund, and established a new partnership with Care International in Uganda with a focus on healthy diets and tackling malnutrition. We built on our relationship with AGRA in Kenya to expand to new work in Uganda and Ethiopia, and in Kenya a new relationship with a Danish partner Access 2 Innovation successfully piloted work in biochar for soil improvement.</p>

Strategic objective	Annual goal	Outcome
		In the UK retail sector our partnership with the Waitrose Foundation on the horticulture supply chain in Kenya continued to flourish, and Sainsbury's held a successful instore promotion for Farm Africa in October 2024.
One Farm Africa	Develop and implement staff survey actions.	Actions from the 2023 staff survey were implemented, the most significant of which was the review and benchmarking of remuneration against the market. Salaries were reviewed in Kenya, Tanzania and the UK. Action was taken for a number of roles that were notably out of step with the market.
	Continue to build our culture of regular internal communications (bi-monthly newsletter), cross-team learning and collaboration opportunities, and all-staff meetings.	We have continued to build our culture of 'One Farm Africa' through using internal communication channels to share news and learning across the organisation. This includes our regular internal newsletter, and also our series of 'project learning exchanges', which create the opportunity for staff to share one or two current project case studies, outlining successes and challenges and offering learning points for other teams. All-staff meetings have been held twice a year for the purposes of sharing important information such as annual accounts and budgets.
	Refresh our staff handbooks to ensure legal compliance and people management best practice.	The refresh of staff handbooks was delayed due to the prioritisation of a cost savings project in Q3 and Q4 2024. This work is now set to be carried out in Q3 of 2025.
A sustainable financial future	Our Fit for Purpose exercise shows the need for investment in core systems and processes in Farm Africa. We lack an integrated HR system across the organisation, and would benefit from investment in IT and knowledge management.	There have been continued improvements in systems and processes, including an upgrade of our finance system in November 2024, and we have identified opportunities to increase efficiency through automation in our procurement system. The challenge of matching rising costs with income, which has been felt across the entire charity sector, has continued to put pressure on financial sustainability, and in response to that Farm Africa introduced a number of cost-saving measures at the end of 2024, including an office move in the UK.

Outlook for 2025

Farm Africa's 40th year, 2025, presents a mix of opportunity and challenge for the organisation. The external environment is expected to become more complicated and unpredictable. Rapid and deep cuts to the international aid system, in particular to USAID, will make competition for resources more intense, UK government and other European governments continue to reduce their own aid budgets, and CSR commitments from the corporate sector are under similar pressure. In the eastern Africa region insecurity in eastern DRC continues to delay the long-awaited start-up of the new coffee cooperatives programme.

In light of uncertainty in the external environment, our Board of Trustees has decided to extend our current strategy (2021-2025) for an extra year through to the end of 2026. This provides the organisation with time to focus on adjusting Farm Africa's business model to new realities as well as to new opportunities.

Farm Africa's grants pipeline is well developed for 2025 and 2026. At the end of Q1 2025 we have secured 100% of the grants budget for the year, with good progress made for 2026 and beyond. New sources of multi-year unrestricted income have been secured through our philanthropy network, and new and interesting opportunities in the carbon and sustainable supply sectors are being explored, including sales of high-quality Ethiopian coffee directly to buyers in east Asia.

Strategic objective	Annual goal
Achieve growth through diversity in funding	We will raise £14.8 million of restricted grant funding for 2025, including extending relationships with key strategic donors, diversifying our grant funding portfolio geographically and thematically.
	We will raise £1.9 million of unrestricted funding in 2025, including from the growth of our major giving programme, our relationships in philanthropy and campaigns to acquire a new cadre of individual donors.
	Global Environment Facility (GEF) programme development advances Farm Africa's advocacy agenda on access to climate finance as well as relationships with new partners.
	Deliver plans for Farm Africa's 40 th year including: BBC Radio Four Appeal, Staff Conference and a Supporter Event in the summer.
Transforming rural livelihoods	We will continue to build on the positive impact of our forestry projects by completing the sale of carbon credits on behalf of partners in Ethiopia and supporting the scale up of the jurisdictional REDD+ work through the Oromia Forest Landscape Programme.
	We will demonstrate impact for 800,000 community members in 2025.
Technical leadership and advocacy	Further refine programme offers on gender, agri-tech, living income and agri-insurance with thematic focus on participatory rangeland management.
Deepen our partnerships	Strengthen our partnerships in carbon projects, including work with Tree Aid, including leading to new programme investment and technical cooperation in Tanzania as well as in sustainable supply including a focus on coffee exports from Ethiopia.
	Strengthen relationships with corporate partners in the UK to raise brand awareness and income and build on previous success.
One Farm Africa	Carry out the bi-annual staff survey.
	Continue to strengthen our structure, governance and culture, including recruitment of a new Chair for the Farm Africa board, establishment of a new board of trustees for Farm Africa in Uganda and expansion of our US board membership.
	Refresh our staff handbooks to ensure legal compliance and people management best practice.
A sustainable financial future	Agree a two-year transition plan to achieve organisational sustainability and resilience, including Cost Recovery Improvement Plan, Fundraising Strategy Review and an evaluation of commercial opportunities that could be complementary to Farm Africa's charitable objectives.

Financial report

In this section we set out the financial performance of Farm Africa Limited and its subsidiaries ('Farm Africa') in 2024 and review its position at the end of the year. This year we pay particular attention to the growth in our programmes, with the launch of the YISA (Youth in sustainable aquaculture) project in Kenya, and the significant contribution to income by supporters in the form of legacies. The resulting increase in unrestricted income has enabled Farm Africa to launch a schedule of investments agreed by trustees as part of the Mid-Term Strategy Review in 2023. We continue to see pressures on income and cost driven by economic factors, which put pressure on Farm Africa's reserves. We highlight here the implications for the trustees' assessment of the organisation's going concern status.

Financial performance

Income

Farm Africa receives income principally from three sources:

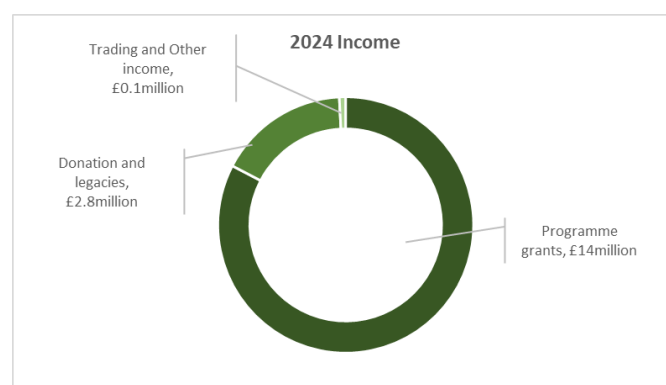
- Grants from governments, institutions and other major donors to fund specific projects (restricted funding);
- Corporate sponsorship income via our trading subsidiary Farm Africa Trading Limited (unrestricted funding);
- Donations, legacies and other fundraising activities (unrestricted funding).

Total income in 2024 was £16.9m (2023: £11.0m). This was due mainly to an increase in the value of programme grants received from donors and the timing of receipts according to the terms of new grants signed. This also reflects an increase in legacy income.

Programme grants remained the largest funding stream at £14.0m (2023: £9.0m). This included income on three projects: YISA (Kenya), funded by the Mastercard Foundation, Forests for Sustainable Development programme, funded by the Royal Norwegian Embassy to Ethiopia and Nature-Based Solutions for Sustainable and Inclusive Development (NSSID), funded by the Swedish International Development Agency in Ethiopia (Sida).

Donations and legacies increased to £2.8m (2023: £1.8m), due to the receipt of several significant legacies totalling £1.3m (2023: £0.4m).

The chart following shows the breakdown of income between the principal sources:



Expenditure

Farm Africa's expenditure falls into three main categories:

- Direct costs of implementing programmes in Africa;
- Fundraising costs;
- Support costs, including head office staff and governance.

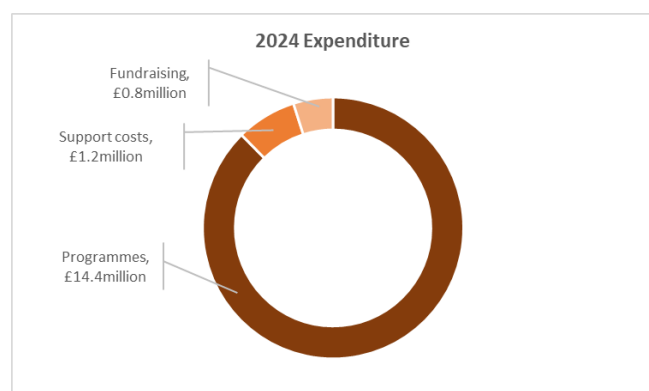
Total expenditure in 2024 increased to £16.5m (2023: £14.3m).

Programme spend increased by £1.9m to £14.4m (2023: £12.5m) with the launch of the YISA project in Kenya and the maturation of projects in Ethiopia. There has also been an increase in programme expenditure in Uganda as we continue to build the country programmes and diversify Farm Africa's grant funding portfolio.

Support costs increased by £0.12m to £1.23m (2023: £1.11m). This was due to inflation and investment in country office and programme support capacity required to manage the growing project portfolio.

Fundraising costs increased to £0.8m (2023: £0.7m), which included investment in donor acquisition and development of a new Farm Africa website.

The chart following shows the breakdown of expenditure between the main categories:



In the Statement of Financial Activities support costs are allocated to spend on charitable activities (programmes) and fundraising, but in this analysis, these are shown separately.

Financial results and closing reserves

Farm Africa reported a surplus of £0.4m for 2024 (2023: deficit £3.2m). This is made of a surplus on restricted funds of £0.4m (2023: deficit £2.7m) and a breakeven position on unrestricted funds (2023: deficit £0.5m).

Unrestricted funds comprise income from general fundraising activities and income earned by our trading subsidiary. This funds the organisation's operating and programme support costs.

The results for the year was a break-even position due to an increase in legacy income amid pressure on a number of fundraising income streams, a shortfall in cost recovery, cost pressures and the launch of investment plans. Additionally, devaluation of East African currencies has affected cost recovery targets and given rise to foreign exchange losses.

In respect to the surplus on restricted reserves of £0.4m (2023: deficit £2.7m), the level of restricted fund surplus or deficit fluctuates from year to year due to the differences in timings between the receipt of grant income and the corresponding project expenditure. In 2024 this figure is a surplus having received funds during the year. Under charity accounting rules and our accounting policies, income is recognised in full

when certain recognition criteria are met, even if the corresponding expenditure is incurred in a different accounting period. Such timing differences may result in restricted fund deficits in some years and surpluses in other years.

Farm Africa has a closing restricted fund balance of £2.3m (2023: £1.8m).

The unrestricted reserves of Farm Africa of £1.4m compares to our target for unrestricted reserves of £2.5m. The process by which the reserves target is set is explained in the section below, "Reserves policy".

Farm Africa's unrestricted reserves have risen from £1m at 2021 to their current level of £1.4m. Farm Africa continues to be in transition to a sustainable financial model in which unrestricted income and expenditure are in balance. It has not been possible to build reserves in 2024, however steps have been taken in 2024 to reduce Farm Africa's cost base with a view to achieving this goal.

The annual budget for 2025 plans a small deficit before investments and one-off costs associated with cost savings plans. Management and trustees have agreed a transition plan with actions to be taken across 2025-6 to modify Farm Africa's business model. The goal of the transition plan is to move to a business model which generates a surplus from 2027, thereby enabling the organisation to build reserves to £2.5m and restore financial resilience.

The organisation's forecast and financial sustainability is considered further in the section below, "Going concern".

Reserves policy

The Board of Trustees has determined that in addition to the minimum unrestricted reserves of £0.6m to cover cost of closure, Farm Africa needs unrestricted reserves of £1.6m to provide financial security through:

- Providing working capital to manage seasonality of income and for the effective running of the organisation;
- Protecting against unrestricted income fluctuations;
- Protecting against unforeseen project expenditure due to working in inherently risky situations and to manage foreign exchange volatility.

In addition, the trustees aim to build designated reserves of £0.3m to enable Farm Africa to invest in unforeseen funding and growth opportunities.

Going concern

The trustees have assessed Farm Africa's ability to continue as a going concern. The trustees have considered several factors when forming their conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements, including a review of updated forecasts for a period of 12 months from the date of signing the accounts, including cash flows, the level of unrestricted reserve and a consideration of key risks that could negatively affect the charity.

The key risks in our financial model are a decline in income from unrestricted donations and legacies, and a decline in restricted income from donors to fund programmatic activity leading to lower programme expenditure and recovery of core costs. Responses to appeals have exceeded expectations, however we remain cautious given the wider economic uncertainties still facing households across the country. Furthermore, security and economic factors such as inflation present challenges for project delivery, thereby limiting recovery of core costs.

Farm Africa has maintained good relationships with donors and other stakeholders in country operations. The focus on programme implementation and impact in communities gave Farm Africa unique opportunities to secure funding from existing and new donors in 2024. The entity is on track to achieve programme funding targets in 2025 with projects already secured or very likely to be secured with contracts. Farm Africa maintains a long-term view of the programme proposal pipeline process managed by a dedicated programme funding team. Currently the pipeline has more than £53m worth of proposals covering multiple years. The pipeline also ensures diversity of country portfolios in line with Farm Africa's strategic aim to achieve geographic spread of programmatic impact.

Cash management controls are in place to ensure sufficient working capital at all times. Additionally, Farm Africa would expect to be able to secure an overdraft facility to cover the expected period of heightened liquidity risk.

The actual 2024 closing unrestricted reserve is £1.4m and is forecasted to increase to £1.6m by the end of 2025. This is mainly due to a receipt of income from carbon sales. This reserve balance is expected to further increase to the £2.5m target through implementation of the plan to transition to a new strategy in 2027.

The trustees review actual and forecasted results on a regular basis to assess the potential financial impact on Farm Africa and remain positive on the outlook of the organisation. The trustees and management continue to focus on cost consciousness and actively pursue further measures to increase fundraising income for future years and maintain robust funding for programmatic expenditure.

After considering these factors, the trustees have concluded that the charity has adequate resources to continue in operational existence for the foreseeable future and have continued to prepare the financial statements on the going concern basis.

Structure, governance and management

In this section we set out how Farm Africa is governed, its charitable objects and how it delivers public benefit. We also describe several key policies regarding the operations of the charity.

Statement of trustees' responsibilities

The trustees (who are also the directors for the purposes for company law) are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom generally accepted accounting practice (United Kingdom accounting standards) and applicable law.

Under company law the directors 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 company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

So far as the trustees are aware, there is no relevant audit information of which the charitable company's auditor is unaware. The trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

Governance and organisational structure

Farm Africa's officers and advisors are as shown on page 30 of this report.

Sir Michael Palin CBE kindly agreed to continue as patron of Farm Africa during 2024.

Farm Africa is governed by a board of trustees and authority is delegated by them to the chief executive to manage the organisation. Changes to the board of trustees are shared in the officers and advisors section on page 30.

Trustee recruitment is undertaken through a range of routes dependent on the identified needs. For example, when seeking a trustee with audit experience, we have targeted advertising through selected accountancy firms. This is followed by an interview process with a panel of trustees and approval by the board. The trustees are then formally elected by the members at the next annual general meeting. New trustees receive a personalised induction, including briefings from the chair, chief executive and other senior management team members. They are encouraged to visit our project work when the opportunity arises. Trustees also receive ongoing training, either one to one or through briefings at board

meetings and as and when specific training needs are identified.

The Finance, Risk and Audit Committee (FRAC) met regularly throughout 2024. Nick Allen stepped down as treasurer during the period, with Keith Pickard assuming the role in July 2024. FRAC normally comprises at least two trustees, together with external members as required. FRAC reviews and agrees the external audit plan, reviews the external auditor's management letter and monitors the implementation of resulting actions. FRAC also undertakes a detailed review of the annual budget, quarterly management accounts, the risk register, the annual report and accounts before their submission to the board. It approves the annual internal audit plan and oversees the implementation of recommendations arising from internal audit reports.

The Programme Advisory Committee (PAC) met throughout 2024 under the chairmanship of Laketch Mikael. PAC comprises at least two trustee members and external members from a wide range of disciplines. PAC has two objectives:

- to ensure, on behalf of the board, that systems are in place to monitor programme quality and strategic fit
- to provide management with advice and a sounding-board on aspects of its programme work.

The nomination committee continued its work during the year, chaired by John Reizenstein. It comprises no fewer than three trustees appointed by the board, with the chief executive as a non-voting member of the committee. The committee takes responsibility for identifying and proposing new board members and for their induction, support and development.

A separate Remuneration Committee was formed with responsibility for considering salary increments for senior staff, cost of living increases for UK staff and salary increments for the chief executive. The Committee puts forward recommendations on these matters for Board approval. The Remuneration Committee is also responsible for the consideration and approval of pay policy and any ex-gratia or similar payments. We are supported by Farm Africa USA Inc, which is a US non-profit 501(c)(3) organisation that promotes and improves agriculture, natural resource management and food production in an effort to alleviate hunger and poverty in Africa.

Charitable objects

While there has been huge progress in bringing global poverty levels down, sub-Saharan Africa has benefitted the least. Today, more than half of the

world's extreme poor live in sub-Saharan Africa. The vast majority work in agriculture in rural areas. We tackle the three big challenges trapping people in rural Africa in poverty: ineffective agriculture, environmental destruction and their lack of access to markets.

This work is guided by our charitable objects:

- to relieve the poverty of farmers, agricultural workers and herders, enabling them to improve the effective management of their natural resources
- to promote the improvement of agriculture, horticulture, food production, storage and distribution and conduct research in these subjects. To publish the results of such research and to disseminate knowledge for the benefit of the public and to encourage skill and industry in husbandry
- to promote the improvement of livestock and poultry and the prevention and eradication of disease therein
- to promote the education of the public in, and the furthering of, the interests of agriculture, horticulture, arboriculture, apiculture, animal husbandry and related industries.

We implement these objects through pursuing our organisational mission, values and strategy.

Public benefit statement

Charity trustees have a duty to report in the trustees' annual report on their charity's public benefit. They should demonstrate that:

- *The benefits generated by the activities of the charity are clear.* This report sets out in some detail the activities which Farm Africa has carried out in the year to further each of our strategic benefits;
- *The benefits generated relate to the objectives of the charity.* All activities undertaken are intended to further Farm Africa's charitable objectives
- *The people who receive support are entitled to do so according to criteria set out in the charity's objectives.* All Farm Africa projects are centred around African farmers (pastoralists, agro-pastoralists, smallholders and forest-dwellers), the target beneficiary group specified in our first charitable object

The trustees have therefore satisfied themselves that Farm Africa meets the public benefit requirements and they confirm that they have taken due regard of guidance contained in the Charity Commission's general guidance on public benefit and the specific guidance on the prevention or relief of poverty for the public benefit where applicable.

Legal structure

Farm Africa Limited is a registered charity (registration number 326901) and is constituted as a company registered in England and Wales and limited by guarantee (registration number 01926828) approved and adopted on 29 May 1985 and last updated by special resolution on 23 June 2004. Its objects and powers are set out in its Memorandum and Articles of Association. Details of Farm Africa's subsidiary entities are included in note 12 to the accounts.

Tax status

Farm Africa Limited has charitable status and is exempt from corporation tax because all of its income is charitable and is applied for charitable purposes. Tax charges may arise in the trading subsidiary, in relation to any taxable profits not gifted to the parent charity in the year.

Auditor appointment

A resolution confirming the reappointment of Crowe UK LLP as auditors will be proposed at the Farm Africa annual general meeting.

Subsidiaries

During 2024, Farm Africa Limited had one directly owned and active subsidiary, Farm Africa Trading Limited, which enables us to receive sponsorship income from corporate partners in a tax efficient manner.

Farm Africa Trading Limited made a profit for the year before taxation of £45,623 (2023: loss of £29,426). Our corporate sponsorship income is variable as it is dependent on the number of high-profile events in a particular year and thus results can differ from one year to another.

Risk management

The board is responsible for ensuring that there is an appropriate process for risk management in Farm Africa. Assisted by senior staff, the board regularly reviews and assesses the major risks to which Farm Africa is exposed, in particular those relating to the operations and finances of the organisation. Risks are recorded and monitored on an organisational risk register that includes an assessment of the likelihood and potential severity of impact of each risk. Farm Africa's risks are reviewed every month by the senior management team. The Finance, Risk and Audit Committee review the risk register periodically in detail with the senior management to monitor the status of those risks, the mitigating actions and controls that are in place. The board receives a report on the top risks and any issues that require attention of the board.

Farm Africa's current risks are reviewed and managed by the board of trustees include the following:

i) *Farm Africa fails to address financial sustainability*

Farm Africa continues to experience pressures on income and cost driven by economic factors, which have presented challenges for financial sustainability, making it difficult to build reserves to the £2.5m target. This risk is further exacerbated by global trends in development funding.

Farm Africa continues to be in transition to a sustainable financial model in which unrestricted income and expenditure are in balance. It has not been possible to build reserves in 2024, however steps have been taken in 2024 to reduce Farm Africa's cost base with a view to achieving this goal.

Management and trustees have agreed a transition plan with actions to be taken across 2025-6 to modify Farm Africa's business model. The aim of the transition plan is to move to a business model that generates a surplus from 2027, thereby enabling the organisation to build reserves to £2.5m and restore financial resilience.

ii) *Organisational capacity and capability during a period of growth*

Farm Africa is experiencing a period of growth and this presents the risk that organisational capacity and capability cannot support the scale of programmes. Management and the board of trustees have agreed an initial set of investments to build capacity in fundraising, communications and programme funding. A capacity gap assessment has been done, and a prioritised set of further investments agreed, some of which were actioned in 2024. There remains a risk of overstretch in core teams and an independent 'fit for purpose' review of structure and resource allocation is underway to guide management action over the rest of the strategy period and beyond.

iii) *Risk of shortfall in fundraising income*

The competitive UK fundraising market, combined with the ongoing cost of living crisis, has made it increasingly challenging to raise unrestricted funds across our fundraising portfolio.

Farm Africa supporters continue to respond generously to appeals, but natural donor attrition has resulted in reduction of overall income. Plans to test digital acquisition are in progress in 2025 and the team continues to focus on diversification of our unrestricted income streams, including through building our network of major donors and philanthropic funders.

iv) Security risk

Farm Africa maintains a global security management policy, a stand-by crisis management plan, and country level security plans. During 2024 security risks and incidents were actively and effectively managed in Ethiopia and DRC. Team communication is facilitated and movement control is enforced where necessary with robust usage of security protocols. Careful monitoring and clear action on staff security kept Farm Africa teams and partners safe during this period.

v) Slower programme spend impacting cost recovery

Like any other development organisation, the risk of lower cost recovery remains due to programme spending impacted by multiple factors, for example, delays in key delivery of processes (recruitment, procurement) and the economic, political and security situation in Ethiopia causing disruption and logistical challenges for Farm Africa and its partners. To mitigate this risk, Farm Africa's management team and board conduct periodic reviews of programme performance. The Programmes and Finance teams review detailed cost recovery at the project level every month, and take corrective actions where necessary. Country teams also repeat the same at country level to ensure phasing of spend (including partner spend) is adequately monitored.

Farm Africa's overall approach is to recognise and accept an appropriate level of risk, in particular ensuring that risk management does not deter innovation and learning. The board fully supports this strategy, and is satisfied that the management systems in place provide reasonable assurance that identifiable risks are managed appropriately.

Grant-making policy

Farm Africa works with a number of delivery or implementation partners where generally Farm Africa is the lead grant recipient and the delivery partners act as sub-grant recipients.

Partner selection is done on a grant-by-grant basis. The criteria for partner selection include specialist expertise that will broaden Farm Africa's technical expertise (for example, the International Water Management Institute, which works alongside us on natural resource management projects), geographical reach to enable more effective programme delivery (for example, SOS Sahel in Ethiopia), and a complementary core competence.

Before a formal grant agreement is signed all potential grantees are subject to a due diligence process based upon the OCAT (Organisational Capacity Assessment Tool).

A signed grant agreement is put in place with all partners, which covers joint ways of working, delivery criteria and reporting requirements. Grant reporting requirements are generally governed by Farm Africa's grant agreement with the primary donor.

Remuneration policy

Farm Africa does not compete with salaries in the private sector but our salaries are pitched at a level to allow us to attract effective, energetic and innovative leaders who will enable us to increase our impact and achieve our vision of a resilient rural Africa where people and the environment thrive.

Farm Africa has a track record of world class technical expertise and delivery and around 200 staff internationally. This provides the organisational context in which to set our remuneration policy.

Farm Africa aims to pay around the median level for a charity of our size; for this purpose we benchmark all salaries in the UK and internationally annually against sector-specific salary surveys and cross-reference them against local cost of living indices. This data is translated into salary scales for the UK and each operational country and approved by Farm Africa's senior team. All staff are paid in line with these salary scales.

The remuneration committee uses the benchmark data to review and fix annual senior salary increases. We believe that our senior salaries paid as a result of this process are a proper reflection of the skills, knowledge and experience required to run an organisation like ours. The bandings for senior staff remuneration are disclosed in Note 10.

Fundraising disclosure

In 2024 Farm Africa conducted all of its fundraising practices "in house" and did not engage any agency to provide fundraising acquisition on its behalf. Farm Africa raises funds from individuals, events, corporate partners, trusts and foundations. All fundraising activity was overseen by the Director of External Relations and all activity was compliant with the Fundraising Regulator.

Farm Africa is a voluntary member of the Fundraising Regulator and as such ensures compliance with the Fundraising Code of Conduct.

Farm Africa did not receive any formal complaints in relation to its fundraising in 2024 (2023: nil) but does have a complaints procedure in place, which can be actioned if required to do so.

In order to protect vulnerable people, Farm Africa ensures that all communication with donors is

recorded on a secure database. Should there be any concerns that a supporter is vulnerable, as per Farm Africa's safeguarding policy, appropriate action is taken to prevent requests for donations from these supporters.

Investment policy

Farm Africa has an agreed investment policy covering both programme-related investments and assets held to fund planned expenditure. As the majority of Farm Africa's funds are held to support planned expenditure the aim of the investment policy is to minimise risk and protect capital security and therefore such assets are held as cash, invested to obtain a yield where possible.

Statement of compliance with Charity Governance Code

The Charity Governance Code consists of seven key principles. These are underpinned by the core role and responsibility of the trustees:

1. Organisational purpose
2. Leadership
3. Integrity
4. Decision-making, risk and control
5. Board effectiveness
6. Diversity
7. Openness and accountability

In 2021 Farm Africa comprehensively updated the Board Guide, providing a clear induction for new and existing trustees on the specific responsibilities of board members.

Farm Africa considers that it is compliant with the Charity Governance Code.

Safeguarding

Farm Africa's approach to safeguarding is codified in our Safeguarding Policy. Farm Africa is committed to:

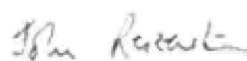
- Promoting good practice and work in a way that prevents harm, abuse and coercion occurring;
- Ensuring that any allegations of abuse or suspicions are investigated promptly and robustly. And where the allegation is proven it will be dealt with appropriately;
- Taking any action within our powers to stop abuse occurring and ensure the person who has experienced the abuse receives appropriate support;
- Being transparent and open by reporting any cases of abuse to the appropriate authorities.

In order to create a working environment that safeguards our beneficiaries Farm Africa will:

- Promote the rights of the people we work with to live free from abuse and coercion;
- Ensure the wellbeing of the people we work with;
- Manage our work in a way that promotes safety and prevents abuse.

The board has appointed a designated Safeguarding Lead who acts on behalf of the trustees to monitor adherence to Farm Africa's safeguarding policy and procedures, participate in the investigation and resolution of any reported incidents, and act as a source of guidance for other trustees on safeguarding matters.

Approved by the board of Trustees of Farm Africa Limited on 10 June 2025 including, in their capacity as company directors, the strategic report contained therein, and signed on its behalf by:



John Reizenstein, Chair

Reference and administrative details

Patron

Sir Michael Palin CBE

Chair

John Reizenstein

Trustees

John Reizenstein (Chair)
Keith Pickard (appointed as Treasurer on 1 July 2024)
Nick Allen (resigned as Treasurer on 30 June 2024)
Serena Brown (retired 6 September 2024)
Ken Caldwell
François Jay
Julian Marks
Laketch Mikael
Caroline Miller Smith
Jan Bonde Nielsen (retired 6 September 2024)
Jane Ngige
Anna Onyango
Victoria Sekitoleko (retired 9 June 2025)
Vicky Unwin

Ambassadors

Kate Adie OBE
Judith Batchelar OBE
Baroness Minette Batters DL
General Sir Peter de la Billière KCB KBE DSO MC DL
Ashley Palmer-Watts
Charles Reed

Registered Charity Number

326901

Registered Company Number

01926828

Registered Office and Principal Office

1 St John's Lane
London EC1M 4BL

Auditors

Crowe UK LLP
Chartered Accountants and Registered Auditor
55 Ludgate Hill
London EC4M 7JW

Bankers

Barclays Bank PLC
1 Churchill Place
London E14 5HP

Lawyers

Hogan Lovells International LLP
Atlantic House
Holborn Viaduct
London EC1A 2FG

Part 2

Independent auditor's report

Independent auditor's report to the members of Farm Africa

Opinion

We have audited the financial statements of Farm Africa Limited ('the charitable company') and its subsidiaries ('the group') for the year ended 31 December 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charitable Company Balance Sheets, the Consolidated Statement of Cash Flows 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 group's and the charitable company's affairs as at 31 December 2024 and of the group's 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 group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's or the group'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 group and 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 set out on page 25, 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 and group 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 and the group's ability to

operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR) and Employment legislation. We also considered compliance with local legislation for the group's overseas operating segments.

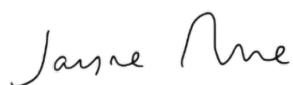
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of voluntary and grant income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Finance, Risk 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, for our audit work, for this report, or for the opinions we have formed.



Jayne Rowe
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

Date: 4 July 2025

Part 3

Financial statements

Consolidated statement of financial activities

(incorporating income and expenditure account) for the year ended 31 December 2024

	Note	2024 Unrestricted funds £'000	2024 Restricted funds £'000	2024 Total funds £'000	2023 Unrestricted funds £'000	2023 Restricted funds £'000	2023 Total funds £'000
Income from							
Donations and legacies	2	2,795	-	2,795	1,813	-	1,813
Charitable activities							
General		-	13,947	13,947	-	9,043	9,043
Total income from general charitable activities	3	-	13,947	13,947	-	9,043	9,043
Other trading activities	4	51	-	51	87	-	87
Investments	4	44	6	50	42	-	42
Other income	4	30	4	34	36	4	40
Total income		2,920	13,957	16,877	1,978	9,047	11,025
Expenditure on							
Raising funds	6	811	-	811	677	-	677
Charitable activities							
Agriculture		651	4,154	4,805	482	3,135	3,617
Market Engagement		876	5,599	6,475	644	4,192	4,836
Environment		592	3,784	4,376	682	4,435	5,117
Total expenditure on charitable activities	7	2,119	13,537	15,656	1,808	11,762	13,570
Total expenditure		2,930	13,537	16,467	2,485	11,762	14,247
Net income/(expenditure) for the year	5	(10)	420	410	(507)	(2,715)	(3,222)
Other recognised gain		3	172	175	-	73	73
Total funds brought forward		1,408	1,751	3,159	1,915	4,393	6,308
Total funds carried forward	16	1,401	2,343	3,744	1,408	1,751	3,159

All the above results derived from continuing activities. There are no recognised gains and losses other than those stated above. The notes on pages 39 to 54 form an integral part of these financial statements.

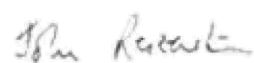
Consolidated and charity balance sheets

As at 31 December 2024

	Note	2024 Group £'000	2024 Charity £'000	2023 Group £'000	2023 Charity £'000
Fixed assets					
Tangible assets	11	93	93	115	115
Intangible assets		67	67	20	20
		160	160	135	135
Current assets					
Debtors	13	1,684	1,748	737	938
Cash at bank and in hand		2,999	2,993	2,754	2,628
		4,683	4,741	3,491	3,566
Creditors					
Amounts falling due within one year	14	(948)	(920)	(435)	(418)
Net current assets		3,735	3,821	3,056	3,148
Total assets less current liabilities		3,895	3,981	3,191	3,283
Provisions for liabilities and charges	15	(151)	(151)	(32)	(32)
Net assets		3,744	3,830	3,159	3,251
The funds of the group and charity					
Restricted funds	16	2,343	2,343	1,751	1,751
Unrestricted funds - general	16	1,401	1,487	1,408	1,499
Total funds	16	3,744	3,830	3,159	3,250

The surplus for the financial year dealt with in the financial statements of the parent company was £538,000.

Approved by the Board and authorised for issue on 10 June 2025 and signed on their behalf by:



John Reizenstein
Chair



Keith Pickard
Treasurer

Registered Company No.: 01926828

The notes on pages 39 to 55 form an integral part of these financial statements.

Consolidated statement of cashflows

For the year ended 31 December 2024

	Note	2024 £'000	2023 £'000
Cash flows from operating activities:			
Net cash provided by/(used in) operating activities	A	282	(3,440)
Cash flows from investing activities:			
Dividends, interest and rent from investments		50	42
Disposal of tangible fixed assets and capital grants		-	5
Purchase of tangible fixed assets and capital grants		(87)	(66)
Net cash used in investing activities		(37)	(19)
Change in cash and cash equivalents in the reporting period		245	(3,459)
Cash and cash equivalents at the beginning of the reporting period		2,754	6,213
Cash and cash equivalents at the end of the reporting period		2,999	2,754

	At the start of the year £'000	Cashflows £'000	Foreign Exchange Movements £'000	At the end of the year £'000
Cash	2,754	354	(109)	2,999
Cash equivalents	-	-	-	-
Total	2,754	354	(109)	2,999

Notes to the statement of cash flows**A. Reconciliation of cash flows from operating activities**

	2024 £'000	2023 £'000
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	585	(3,149)
Adjustments for:		
Depreciation	58	69
Profit on the disposal of fixed assets	-	(5)
(Increase) in debtors	(948)	(57)
Increase/(Decrease) in creditors falling due within one year	513	(116)
Increase/(Decrease) in provisions	119	(156)
Dividends, interest and rents from investments	(50)	(42)
Other adjustments	5	16
Net cash provided by/(used in) operating activities	282	(3,440)

B. Analysis of cash and cash equivalents

	2024 £'000	2023 £'000
Cash at bank and in hand in the UK and overseas	2,999	2,754
	2,999	2,754

Notes to the consolidated financial statements

1. Accounting policies

Farm Africa Limited ('the charity' or 'the charitable company') is a private limited company (registered number 1926828) which is incorporated and domiciled in the United Kingdom. The address of the registered office is 1 St John's Lane, London, England, EC1M 4BL. The charity is a public benefit entity. More detail on how the trustees have satisfied themselves that Farm Africa has met the public benefit requirements is given in the trustees' report on page 26.

Basis of accounting

The consolidated financial statements of Farm Africa Limited and its subsidiaries ('the group' or 'Farm Africa') have been prepared under the historical cost convention and in accordance with the charities SORP (FRS102), applicable accounting standards and the Companies Act 2006.

The results and balance sheet of the charitable company's subsidiaries have been consolidated on a line-by-line basis and have the same accounting reference date as the charity. The charity has taken advantage of the exemptions in FRS 102 from the requirements to present a charity only Cash Flow Statement and certain disclosures about the charity's financial instruments.

No statement of financial activities is presented for the charitable company alone because the results of the subsidiary companies are separately identified within the group accounts and the charitable company is exempt from presenting such a statement under s408 Companies Act 2006. The net surplus of the charitable company was £636,000 (2023: deficit £3,072,000).

Going concern

The trustees have assessed Farm Africa's ability to continue as a going concern. The trustees have considered several factors when forming their conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements, including a review of updated forecasts for a period of 12 months from the date of signing the accounts, including cash flows, the level of unrestricted reserve and a consideration of key risks that could negatively affect the charity.

The key risks in our financial model are a decline in income from unrestricted donations and legacies, and a decline in restricted income from donors to fund programmatic activity leading to lower programme expenditure and recovery of core costs. Responses to appeals have exceeded expectations, however we remain cautious given the wider economic uncertainties still facing households across the country. Furthermore, security and economic factors such as inflation present challenges for project delivery, thereby limiting recovery of core costs.

Farm Africa has maintained good relationships with donors and other stakeholders in country operations. The focus on programme implementation and impact in communities gave Farm Africa unique opportunities to secure funding from existing and new donors in 2024. The entity is on track to achieve programme funding targets in 2025 with projects already secured or very likely to be secured with contracts. Farm Africa maintains a long-term view of the programme proposal pipeline process managed by a dedicated programme funding team. Currently the pipeline has more than £53m worth of proposals covering multiple years. The pipeline also ensures diversity of country portfolios in line with Farm Africa's strategic aim to achieve geographic spread of programmatic impact.

Cash management controls are in place to ensure sufficient working capital at all times. Additionally, Farm Africa would expect to be able to secure an overdraft facility to cover the expected period of heightened liquidity risk.

The 2024 closing unrestricted reserve is £1.4m and is forecasted to increase to £1.6m by the end of 2025. This is mainly due to a receipt of income from carbon sales. This reserve balance is expected to further increase to the £2.5m through implementation of the plan to transition to a new strategy in 2027.

The trustees review actual and forecasted results on a regular basis to assess the potential financial impact on Farm Africa and remain positive on the outlook of the organisation. The trustees and management continue to focus on cost consciousness and actively pursue further measures to increase fundraising income for future years and maintain robust funding for programmatic expenditure.

After considering these factors, the trustees have concluded that the charity has adequate resources to continue in operational existence for the foreseeable future and have continued to prepare the financial statements on the going concern basis.

Key areas of estimation uncertainty

In the application of the charity's accounting policies, trustees are required to make judgements, estimates and assumptions about the carrying values 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 affects the current and future periods.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a

material adjustment to their carrying amounts in the next financial year.

Fund accounting

Funds held by the charitable company are:

- restricted funds – these are funds which are subject to specific conditions imposed by the donors or when funds are raised for particular restricted purposes, and
- unrestricted funds: general – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Income

Income, including donations, gifts and legacies, gifts in kind and grants are recognised where there is entitlement, there is probability of receipt and the amount is measurable.

In respect of legacy income we consider this to be the earlier of (a) receipt of the income; and (b) grant of probate, confirmation from the executors that there are sufficient assets in the estate (after settling any liabilities) to pay the legacy, and that any conditions attached to the legacy are either within the control of the charity or have been met. Additionally with regard to residuary legacies we consider the amount is measurable where it has been calculated independently by the executors and the estate's assets can be measured with sufficient reliability.

Tax recovered from income received under Gift Aid is recognised when the related income is recognised and is allocated to the income category to which the income relates. Where income is received in advance of the point of recognition it is deferred.

Gifts in kind for use by the charity and donated services are included in the accounts at their approximate market value at the date of receipt. No amount has been included in the financial statements for services donated by volunteers.

When donors specify that donations and grants given to the charitable company must be used in future accounting periods, the income is deferred until those periods.

Income from other trading activities is recognised as it is earned, that is as the related goods or services are provided.

Investment and rental income are recognised on a receivable basis.

Expenditure

Expenditure is recognised when a liability is incurred. Irrecoverable VAT is included within the expense item to which it relates.

Expenditure on charitable activities is reported as a functional analysis of the work undertaken by Farm Africa, against our three thematic priorities of our strategy: agriculture, market engagement (previously 'business') and environment. Under these headings are included grants payable and costs of activities performed directly by the charitable company, together with associated support costs. These costs include salaries and associated

employment costs including pensions and any termination payments required.

Grants payable to other institutions for development projects are included in the statement of financial activities when funds are transferred to these institutions on the basis that future funds are only payable upon receipt of satisfactory expenditure reports for all amounts previously advanced.

Expenditure on raising funds comprises salaries, direct expenditure and overhead costs of UK-based staff who promote fundraising from all sources including institutional donors, trusts, companies and individuals.

Support costs include UK central functions, and have been allocated to cost categories on a basis consistent with the level of activity.

Pension costs

The charitable company operates a defined contribution group personal pension plan for the benefit of its employees, and also makes payments to other defined contribution schemes for employees who are not members of the group scheme. Pension costs are recognised in the month in which the related payroll payments are made.

Foreign currencies

The functional currency of Farm Africa is considered to be the pound sterling because that is the currency of the primary economic environment in which the group operates. The consolidated financial statements are presented in pounds sterling.

Transactions in foreign currencies are recognised at the rate of exchange at the date of the transaction or at an average exchange rate for the month. All non-sterling current assets and liabilities are translated into sterling at the exchange rate on the balance sheet date. All exchange differences are recognised through the statement of financial activities.

Operating leases

Rental payments under operating leases are charged as expenditure incurred evenly over the term of the lease. The benefit of any reverse premium received is also spread evenly over the term of the lease.

Fixed assets

Fixed assets used within specific projects and purchased from funds donated for those projects are not capitalised but are written off on acquisition as direct project expenditure. This policy is employed because ownership of the property does not always pass to Farm Africa upon project completion. The initial cost of fixed assets purchased within the last four years and presently employed in current projects is referred to in note 11.

All other assets costing more than £500 are included in the financial statements as fixed assets at cost less depreciation. Depreciation has been calculated to write off the cost of tangible fixed assets by equal instalments over their expected useful lives as follows:

Vehicles	25% per annum
Computer equipment	33% per annum
Intangible assets	33% per annum
Equipment & machinery	25% per annum

Where the recoverable amount of a tangible asset is found to be below its net book value, the asset is written down to its recoverable amount and the loss on impairment is charged to the relevant expenditure category in the statement of financial assets. Where an asset is not primarily used to generate income its impairment is assessed by reference to its service potential on its initial acquisition. The charitable company currently has no tangible fixed assets to which impairment provisions apply.

Intangible fixed assets are stated at historical cost less accumulated amortisation and impairment losses. Website and software development costs are capitalised as intangible assets and amortised on a straight-line basis over a three-year period from the date of operation.

Individually acquired software assets costing less than £1,000 are written off in the period of acquisition. Impairment reviews are conducted when events and changes in circumstances indicate that an impairment may have occurred. Any impairment value is recognised immediately in the Statement of Financial Activities.

Provisions are recognised when Farm Africa 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.

Farm Africa has financial assets and liabilities of a kind that qualify as basic financial instruments. Financial assets comprise cash at bank and in hand, short term deposits, trade and other debtors. Financial liabilities include trade and other creditors and loans. Basic financial instruments are recognised at transaction value and subsequently measured at amortised cost. Details and carrying value of these financial assets and liabilities are given in notes 13 to 15.

2. Income from donations and legacies

	Unrestricted funds	Restricted funds	Total funds	Total funds
	2024	2024	2024	2023
	£'000	£'000	£'000	£'000
General				
Committed giving	394	-	394	412
Appeals and donations	522	-	522	515
Legacies	1,312	-	1,312	383
Fundraising events	146	-	146	305
Corporate donations	80	-	80	4
Gifts in kind: donated services (legal and digital)	249	-	249	66
	2,703	-	2,703	1,685
Grants				
Trusts and foundations	92	-	92	128
	92	-	92	128
Total donations and legacies	2,795	-	2,795	1,813

3. Income from charitable activities

	Restricted funds 2024 £'000	Restricted funds 2023 £'000
Grants from government, institutional and other similar donors		
Agricultural Markets Development Trust	-	99
Africa Climate Change funds	90	-
A&O Shearman	50	50
Agriculture Business Initiative Trust	13	-
AGRA	275	259
CARE International	171	-
Danida	32	35
European Union	540	1,215
Forests of the World	101	109
Hartree Environmental Development	-	24
Jersey Overseas Aid Commission	-	198
Mastercard Foundation	4,410	11
Medicor Foundation	10	100
Norwegian Agency for Development Cooperation	352	102
Rabobank Foundation	358	287
Royal Norwegian Embassy in Addis Ababa	2,039	1,661
Swedish International Development Co-operation Agency	3,138	2,004
The Deutsche Gesellschaft für Internationale Zusammenarbeit	26	144
Virunga Foundation	-	65
Vitol Foundation	77	-
Waitrose Foundation	659	783
World Food Programme	723	1,419
Vi Agroforestry	136	-
UN Women	-	51
Other international agencies and other donors	747	427
Total grants from government, institutional and other similar donors	13,947	9,043
Total income from charitable activities	13,947	9,043

4. Other income

	Unrestricted funds	Restricted funds	Total funds	Total funds
	2024	2024	2024	2023
	£'000	£'000	£'000	£'000
Other trading activities				
Trading	149	-	149	87
Trading adjustment*	(98)	-	(98)	-
Total other trading activities	51	-	51	87
Investment income				
Deposit interest	44	6	50	42
Total investment income	44	6	50	42
Other income				
Sub-lease of office space and other miscellaneous income	30	4	34	35
Profit on sale of assets	-	-	-	5
Total other income	30	4	34	40
Total	125	10	135	169

* adjustment relates to difference in accounting treatment of a prior year adjustment included within the Farm Africa Trading accounts in 2023.

5. Net income for the year

This is stated after charging:	Total	Total
	2024	2023
	£'000	£'000
Depreciation and amortisation	58	69
Payments under operating leases	156	147
Tax advisory	5	5
Audit fee - Country offices	24	52
Auditor's remuneration for the annual statutory audit:		
Charitable company	40	37
Subsidiary companies	2	2

6. Expenditure on raising funds

	2024	2023
	£'000	£'000
Donations and legacies		
Fundraising costs	713	503
Support costs allocated (note 9)	61	45
	774	548
Charitable activities		
Fundraising costs	20	16
Support costs allocated (note 9)	2	2
	22	18
Other trading activities		
Fundraising costs	14	102
Support costs allocated (note 9)	1	9
	15	111
Total	811	677

7. Expenditure on charitable activities

	Operational programmes	Grants payable	Support costs*	Total	Total
	2024	2024	2024	2024	2023
	£'000	£'000	£'000	£'000	£'000
		(note 8)	(note 9)		
Agriculture	2,800	1,628	377	4,805	3,617
Market Engagement	4,194	1,773	508	6,475	4,836
Environment	2,900	1,132	344	4,376	5,117
Total	9,894	4,533	1,229	15,656	13,570

* It is not appropriate to split support costs between activities undertaken directly and grant making activities due to the method of operation of the programme support team.

8. Grants to partner organisations (note 7)

	2024	2023
	£'000	£'000
Ethiopia projects		
Frankfurt Zoological Society	62	489
International Water Management Institute	161	256
Melca – Ethiopia	128	79
Mercy Corps	-	(45)
Organization for Rehabilitation and Development in Amhara	152	109
PHE Ethiopia Consortium	253	601
SOS Sahel	596	1,739
Sustainable Environment and Development Action	120	111
TechnoServe	-	7
Union of Ethiopian Women Charitable Association	79	158
Environment and Coffee Forest Forum	99	189
KIT - Royal Tropical Institute	12	1
Kenya projects		
Aquarech Limited	147	-
Echo Network Africa	1,249	-
Hydro Victoria Farm Ltd	154	-
Livingwood Consultants	46	-
Ramogi Institute of Advanced Technology	139	-
Lattice Aquaculture Ltd	1,136	-
Tanzania projects		
TCCIA Manyara	-	2
MEZZANINE	-	13
Biztech	-	114
	4,533	3,823

Grants were payable during the year to partners working on restricted projects. At year end there were seven payments totalling £520,000 outstanding SOS Sahel, International Water Management Institute, PHE Ethiopia, Frankfurt Zoological Society and Lattice Aquaculture Ltd (2023: £32,000 outstanding to partners).

9. Analysis of support costs

	Management costs	Office costs	Finance & IT costs	HR costs	Governance costs	Total	Total
	2024	2024	2024	2024	2024	2024	2023
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Charitable activities (note 7)							
Agriculture	43	83	143	34	75	378	296
Market Engagement	57	112	192	45	101	507	395
Environment	39	76	130	31	68	344	419
	139	271	465	110	244	1,229	1,110
Expenditure on raising funds (note 6)							
Donations and legacies	7	14	23	6	13	63	46
Charitable activities	-	-	2	-	-	2	1
Other trading activities	-	-	1	-	-	1	9
	7	14	26	6	13	66	56
	146	285	491	116	257	1,295	1,166

Support costs allocated are UK costs only. They have been apportioned proportionally to activity. Overseas office costs have been directly attributed to the costs of delivering charitable activities in country.

10. Employees

	2024	2023
	£'000	£'000
Staff costs		
Wages and salaries (including life assurance)		
Overseas contracted staff	4,535	3,945
UK contracted staff	1,760	1,601
	6,295	5,546
Social security costs	145	135
Pension costs	108	98
	6,548	5,779

Wages and salaries include £15,000 redundancy (2023: £15,000) and termination payments which are paid out in accordance with our redundancy policy and the legal requirements of each country in which we work.

The key management personnel of the charitable company comprise the Chief Executive, the Director of Resources, the Director of Fundraising, the Director of Programmes, the Director of Finance, the Head of Human Resources, Country Directors and Country Representative. The total employee benefits paid to these individuals (including employer's pension and national insurance) was £907,000 (2023: £887,000).

	2024	2023
	No.	No.
Employees with remuneration in the range of £60,001 to £70,000	1	-
Employees with remuneration in the range of £70,001 to £80,000	-	2
Employees with remuneration in the range of £80,001 to £90,000	2	-
Employees with remuneration in the range of £90,001 to £100,000	1	1
Employees with remuneration in the range of £100,001 to £110,000	1	3
Employees with remuneration in the range of £110,001 to £120,000	1	-

The average number of employees for the group during the year analysed by function were:

	2024	2023
	No.	No.
Overseas contracted staff		
Farm Africa	220	200
UK contracted staff		
Fundraising and communications	14	13
Programmes support	4	3
Management and administration of charity	8	10
	246	226

Neither the trustees nor any persons connected with them have received any remuneration during the current or preceding year.

One Trustee was reimbursed £200 in travel expenses incurred on behalf of the organisation. In addition, £3,015 travel cost was paid directly to suppliers in respect of trustees travelling to board meetings and programmes. The cost incurred by the charity for the trustee indemnity insurance was £3,800 in 2024 (2023: £3,800).

Farm Africa makes contributions for its employees to various defined contribution schemes. The amount of contributions due to these schemes at the year ended 31 December 2024 was £27,950 (2023: £17,550).

11. Fixed assets**Group and charity**

	Leasehold improvements £'000	Vehicles £'000	Machinery & equipment £'000	Computer equipment £'000	Intangible assets £'000	Total £'000
Cost						
At 1 January 2024	27	187	41	153	20	428
Additions	-	-	2	32	53	87
Disposals	-	-	-	-	-	-
At 31 December 2024	27	187	43	185	73	515
Depreciation						
At 1 January 2024	(17)	(111)	(37)	(127)	-	(292)
Charge for the year	(8)	(25)	(2)	(17)	(6)	(58)
Disposals	-	-	-	(5)	-	(5)
At 31 December 2024	(25)	(136)	(39)	(149)	(6)	(355)
Net book value						
At 31 December 2024	2	51	4	36	67	160
At 31 December 2023	10	76	5	24	20	135

The tangible fixed assets purchased within the last four years, presently employed in current projects but not capitalised in these financial statements, have a total initial cost of approximately £306,000 (2023: £168,000). The accounting policy relating to fixed assets is referred to in note 1(i).

Intangible asset consists of website and software development cost.

	Intangible Assets 2024 £'000	Total 2024 £'000	Total 2023 £'000
Website development	44	44	20
Software development	23	23	-
Total	67	67	20

12. Investments

The table below shows the charity's interests in subsidiaries and investments at 31 December 2024:

Company	Company Status	Investment classification	Country of incorporation	Proportion of voting rights and ordinary share capital held	Nature of business
Farm Africa Trading Limited (company number: 7398449)*	Active	Subsidiary	UK	100% owned by Farm Africa	Trading activities
Farm Africa Enterprises Limited (company number: 9359340)*	Dormant	Subsidiary	UK	100% owned by Farm Africa	Holding company
Farm Africa Intellectual Property Limited (company number: 7401279)*	Dormant	Subsidiary	UK	100% owned by Farm Africa	IP and registered trade marks

* Registered office: 1 St John's Lane, London, EC1M 4BL

The results for the year of the active subsidiaries are shown below.

Farm Africa Trading Limited		
	2024 £'000	2023 £'000
Total incoming resources	80	94
Total resources expended	(34)	(123)
Retained surplus / (deficit) for the year	46	(29)
Total assets	12	139
Total liabilities	(98)	(270)
	(86)	(131)

13. Debtors

	2024 Group £'000	2024 Charity £'000	2023 Group £'000	2023 Charity £'000
Amounts owed by subsidiary undertakings	-	69	-	214
Trade debtors	157	152	92	79
Other debtors	90	90	55	55
Prepayments	145	145	178	178
Accrued income – other	102	102	22	22
Accrued income – project grants	1,190	1,190	390	390
	1,684	1,748	737	938

14. Creditors: Amounts falling due within one year

	2024 Group £'000	2024 Charity £'000	2023 Group £'000	2023 Charity £'000
Trade creditors	46	46	36	21
Deferred income	24	-	13	13
Other creditors and accruals	358	354	353	351
Grant obligations	520	520	33	33
	948	920	435	418

Charity and group – Grant Obligations

	2024 £'000	2023 £'000
At 1 January	33	128
Grants paid to partners in settlement of obligations at year-end	(33)	(128)
New grant obligations	520	33
As at 31 December	520	33

15. Provisions for liabilities and charges**Group and charity**

	Severance £'000	Dilapidations £'000	Potential non-recoverable project costs £'000	Redundancies £'000	Total 2024 £'000	Total 2023 £'000
At 1 January	3	5	24	-	32	189
Amounts charged to the statement of financial activities	112	-	-	15	127	15
Amounts used during the year	(8)	-	-	-	(8)	(172)
As at 31 December	107	5	24	15	151	32

Provisions comprise the following:

- Contract severance provisions for staff on non-UK contracts. Under employment law in some of the countries where Farm Africa operates there is an entitlement to severance payments when an employee leave. The amount payable is determined by the salary and length of service of each employee. The provision represents the accumulated entitlements of all such employees. The provision is released when payments are made to employees upon their departure from Farm Africa. Provision was increased in 2024 to account for the under provision created by the devaluation of the Ethiopian Birr. Farm Africa's liability is based on the prevailing Pound Sterling equivalent, when an employee leaves the organisation.
- Dilapidation provisions to cover estimated future costs of restoring properties to their required condition at the end of their lease. The provision will be released at the end of the lease, based on dilapidation costs required, provided the lease is not renewed.
- Non-recoverable project costs provision made related to a programme due to translational impact between reporting currency (US dollar) and pound sterling.

16. Movements in funds

	At 1 January 2024	Income	Expenditure	At 31 December 2024
	£'000	£'000	£'000	£'000
Ethiopian programmes	498	6,447	(5,353)	1,592
Kenyan programmes	1,378	6,010	(6,632)	756
Tanzanian programmes	(22)	1,106	(1,157)	(73)
Ugandan programmes	14	319	(298)	35
UK programmes	(158)	75	(96)	(179)
Other miscellaneous restricted funds	(8)	-	(1)	(9)
Movement on restricted funds	1,702	13,957	(13,537)	2,122
Other recognised gains	49	-	172	221
General funds	1,408	2,920	(2,927)	1,401
Total movement on reserves	3,159	16,877	(16,292)	3,744

The movement on restricted reserves represents the net of monies received and expended on projects that are funded by grants from specific donors. The movement on restricted funds above has been aggregated by country. A more detailed analysis by individual fund is available on request. Negative balances are only carried forward on funds where there is a reasonable expectation that funds will be received in a future period from a donor or funder to meet the costs incurred.

The movements in funds in 2023 are presented below.

	At 1 January 2023	Income	Expenditure	At 31 December 2023
	£'000	£'000	£'000	£'000
Ethiopian programmes	3,458	5,409	(8,369)	498
Kenyan programmes	909	1,753	(1,284)	1,378
Tanzanian programmes	82	1,712	(1,816)	(22)
Ugandan programmes	10	107	(103)	14
UK programmes	(143)	64	(79)	(158)
Forestry programme	59	(59)	-	-
Other miscellaneous restricted funds	42	61	(111)	(8)
Movement on restricted funds	4,417	9,047	(11,762)	1,702
Other recognised gains	(24)	88	(15)	49
General funds	1,915	1,978	(2,485)	1,408
Total movement on reserves	6,308	11,113	(14,262)	3,159

17. Net assets analysis (Group)

	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
Fund balances at 31 December 2024 are represented by:			
Tangible and intangible fixed assets	160	-	160
Net current assets	1,241	2,343	3,584
Total	1,401	2,343	3,744
Fund balances at 31 December 2023 are represented by:			
Tangible and intangible fixed assets	135	-	135
Net current assets	1,273	1,751	3,024
Total	1,408	1,751	3,159

18. Constitution

The charitable company, which is limited by guarantee, does not have share capital and is constituted as a charity. Every member undertakes to contribute an amount not exceeding £2 in the event of winding-up. The income and property of the charitable company cannot be transferred to the members by way of dividend.

19. Commitments: Operating leases

At 31 December 2024 Farm Africa has the following commitments under non-cancellable operating leases:

	Equipment £'000	Property £'000	Total 2024 £'000	Total 2023 £'000
In less than one year	25	90	115	133
Between one and five years	26	164	190	46
Later than five years	-	-	-	-
	51	254	305	179

20. Related party transactions

Trustees donated £17,450 to Farm Africa in 2024. There were no other related party transactions requiring disclosure other than transactions with subsidiaries (2023: Nil).

During the year, the charity received legal services, free of charge, from White & Case LLP, valued at £122,331. One of the partners of the firm, is also a trustee of the charity. The trustee was not involved in the decision to engage the law firm and did not take part in any discussions or decisions relating to the provision of services, in accordance with the charity's conflict of interest policy. The estimated value of these donated services has been recognised in the financial statements as both income (Gifts in Kind) and an equivalent expenditure.

Farm Africa Limited charged a management fee of £18,840 (2023: £18,937) to Farm Africa Trading Limited. At 31 December 2024, Farm Africa Trading owed £70,000 (2023: £214,000) to Farm Africa Limited.

21. Parent company result

The parent company generated a surplus £636,000 (2023: deficit £3,072,000).

The overall result of the charitable company is a combination of the unrestricted and restricted fund surplus or deficit. The nature of the restricted grants and timing of income recognition of restricted income vary significantly year by year. For example, in some years restricted grant funding is received in advance on a number of grants and in others the income already received is spent. Therefore, there are significant variations in the overall surplus or deficit of the charitable company.

22. Pension costs

As at 31 December 2024, Farm Africa operated one defined contribution scheme in the UK, provided by Friends Life part of the Aviva Group. It also makes contributions into other individual employee pension schemes. Farm Africa paid contributions at a rate of 8% of employee salary during the accounting period.

The pension cost included in the statement of financial activities for UK employees was £108,000 (2023: £98,000).

23. Legacies

The estimated value of legacies notified but neither received, nor for which we had received confirmation from the executors that a payment could be made as at the year end, and so not included in income is £370,000 (2023: £1,104,000).

24. Capital commitments

There were no capital commitments outstanding as at 31 December 2024 (2023: none).

25. Acting as agent

Farm Africa acted as an agent during the reporting period. The charity received £nil (2023: £nil) and paid £7,510 (2023: £14,600) as agent during the period, with a balance as at 31 December 2024 of £nil (2023: £nil).