Company registration number 07014678 (England and Wales)

ETHICAL TEA PARTNERSHIP

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

ETHICAL TEA PARTNERSHIP

COMPANY INFORMATION

Directors	Mr R Byerley Ms A Leniger Mr J Jobling Mr S Michaelis Mr T Rubin Mr V Sheth Mr K Writer Mr T Franks Ms H Southwell
Secretary	Mr S L Gouais
Company number	07014678
Registered office	Unit 3.3 The Green House 244-254 Cambridge Heath Road London E2 9DA
Accountants	Richard Place Dobson Ground Floor 1 - 7 Station Road Crawley West Sussex RH10 1HT

ETHICAL TEA PARTNERSHIP

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ETHICAL TEA PARTNERSHIP

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

The directors present their annual report and financial statements for the year ended 31 December 2024.

Principal activities
The principal activity of the company is to promote a thriving tea sector which is socially just and environmentally sustainable.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Ms J Costelloe (Executive Director)	(Resigned 10 February 2025)
Mr R Byerley	
Ms C Gilart	(Resigned 24 September 2024)
Ms A Leniger	
Mr J Jobling	
Mr S Michaelis	
Mr T Rubin	
Mr V Sheth	
Mr K Writer	
Mr T Franks	
Ms H Southwell	
Ms E Willis	(Resigned 11 July 2024)
Ms N De La Vega	(Appointed 10 December 2024 and resigned 11 June 2025)

Chairman's narrative on annual accounts for period ended 31 December 2024

The Ethical Tea Partnership (ETP) continues to enjoy financial support from our member companies, and we remain grateful for their continued support. This is especially important as many not-for-profit organisations are preparing for a future with significant funding cuts from major donors, such as the United States Agency for International Development and the UK Government's Foreign, Commonwealth and Development Office. Our ability to draw on the support of our members is essential in the delivery of our programmes.

The Accounts for 2024 show a planned draw down on our reserves, which had built up since the pandemic. These have been used to support our gender-focused programmes in Kenya, Rwanda, and Indonesia. Our commitment to fund these programmes in future years is now shown separately as the designated fund.

ETP has not been immune from the financial pressures that organisations are facing globally, at a time of rising prices and limited margins we have had to consolidate to maintain our secure financial footing. This has been supported by the launch of our Finance and Risk committee, providing expert advice and oversight to our financial management

2024 saw us also enter a new chapter of leadership. After five years of dedicated service, Jenny Costelloe has stepped down from her role as Executive Director. Jenny's tenure at ETP has been marked by her strategic insights and unwavering commitment to advancing sustainability across the global tea sector. On behalf of the entire Board, I should like to thank Jenny for her immense contributions to ETP and the tea industry. Following Jenny's resignation, Martin Short, who has served as Interim Executive Director, has officially been appointed Executive Director.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

....
Mr T Franks
Director

Date: 19/06/2025

ETHICAL TEA PARTNERSHIP

ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF ETHICAL TEA PARTNERSHIP FOR THE YEAR ENDED 31 DECEMBER 2024

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Ethical Tea Partnership for the year ended 31 December 2024 set out on pages 4 to 10 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at https://www.icaew.com/regulation.

This report is made solely to the board of directors of Ethical Tea Partnership, as a body, in accordance with the terms of our engagement letter dated 20 May 2025. Our work has been undertaken solely to prepare for your approval the financial statements of Ethical Tea Partnership and state those matters that we have agreed to state to the board of directors of Ethical Tea Partnership, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Ethical Tea Partnership and its board of directors as a body, for our work or for this report.

It is your duty to ensure that Ethical Tea Partnership has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and deficit of Ethical Tea Partnership. You consider that Ethical Tea Partnership is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Ethical Tea Partnership. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Richard Place Dobson

Richard Place Dobson
Chartered Accountants

26/06/2025
....

Ground Floor
1 - 7 Station Road
Crawley
West Sussex
RH10 1HT

ETHICAL TEA PARTNERSHIP

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	Year ended 31 December 2024 £	Year ended 31 December 2023 £
Membership Income		1,514,390	1,906,293
Other Income		1,321	-
Expenditure		(1,974,911)	(2,252,899)
Gross deficit		(459,200)	(346,606)
Other project related expenditure		(1,975,415)	(1,272,020)
Other project related income		1,529,554	1,041,611
Deposit interest		8,447	11,788
Deficit before taxation		(896,614)	(565,227)
Tax on deficit		(1,462)	(2,240)
Deficit for the financial year	**10**	(898,076)	(567,467)

ETHICAL TEA PARTNERSHIP

BALANCE SHEET

AS AT 31 DECEMBER 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Intangible assets	4		1		1
Tangible assets	5		31,751		50,845
			31,752		50,846
Current assets					
Debtors	6	300,676		932,841	
Cash at bank and in hand		1,579,396		2,125,852	
		1,880,072		3,058,693	
Creditors: amounts falling due within one year	7	(1,062,377)		(1,362,016)	
Net current assets			817,695		1,696,677
Total assets less current liabilities			849,447		1,747,523
Reserves					
Project fund			6,570		299,500
Other reserves			841,170		550,000
Income and expenditure account	10		1,707		898,023
Members' funds			849,447		1,747,523

For the financial year ended 31 December 2024 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on ....19/06/2025 and are signed on its behalf by:

T Franks

....

Mr T Franks
Director

Company Registration No. 07014678

1 Accounting policies

Company information

Ethical Tea Partnership is a private company limited by guarantee incorporated in England and Wales. The registered office is Unit 3.3 The Green House, 244-254 Cambridge Heath Road, London, E2 9DA.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Income and expenditure

Income represents amounts receivable for membership levys and projects.

Project surpluses are recognised on long-term contracts, if the final outcome can be assessed with reasonable certainty, by including in the income and expenditure account turnover and related costs as contract activity progresses.

Income on projects is recognised in the income and expenditure account when the entity has earned the right to recognise the income.

1.3 Intangible fixed assets - goodwill

Acquired goodwill is included in the accounts at cost and amortised over its estimated useful life.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	25% straight line
Computer equipment	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to surplus or deficit.

Equipment purchased with project income will not be capitalised but will be allocated directly to the income and expenditure account.

1.5 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 Accounting policies **(Continued)**

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' to all of its financial intruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial instruments, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using effective interest methods unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at market rate of interest. Financial assets are classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, are recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.7 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1 Accounting policies **(Continued)**

1.8 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.9 Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at a rate set by the directors in line with reporting requirements. Transactions in foreign currencies are recorded at the rate ruling as set by the directors. All differences are taken to the income and expenditure account.

1.10 Taxation

The company has obtained exemption from the Revenue Commissioners in respect of corporation tax, it being a company not carrying on a business for the purposes of making a profit.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 22 (2023 - 23).

	2024 Number	2023 Number
Total	22	23

4 Intangible fixed assets

	Goodwill £
Cost	
At 1 January 2024 and 31 December 2024	1
Amortisation and impairment	
At 1 January 2024 and 31 December 2024	-
Carrying amount	
At 31 December 2024	1
At 31 December 2023	1

5 Tangible fixed assets

	Fixtures, fittings & equipment	Computer equipment	Total
	£	£	£
Cost			
At 1 January 2024	53,151	40,524	93,675
Additions	639	3,200	3,839
Disposals	-	(6,804)	(6,804)
At 31 December 2024	53,790	36,920	90,710
Depreciation and impairment			
At 1 January 2024	29,452	13,380	42,832
Depreciation charged in the year	9,122	8,270	17,392
Eliminated in respect of disposals	-	(1,265)	(1,265)
At 31 December 2024	38,574	20,385	58,959
Carrying amount			
At 31 December 2024	15,216	16,535	31,751
At 31 December 2023	23,700	27,145	50,845

6 Debtors

	2024	2023
Amounts falling due within one year:	£	£
Trade Debtors	74,325	455,299
External project debtors	72,703	303,899
Sundry debtors	18,778	16,964
Prepayments and accrued income	123,098	129,615
Project advances	11,772	27,064
	300,676	932,841

7 Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	204,315	187,036
External projects	770,406	1,084,165
Corporation tax	1,605	2,506
Other taxation (VAT)	58,747	58,400
Other creditors	228	228
Accruals	27,076	29,681
	1,062,377	1,362,016

8 Members' liability

The company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding £1.

9 Fund analysis

	Designated funds	Project funds	Core funds	Total
	£	£	£	£
Fixed Assets	-	-	31,752	31,752
Current Assets	541,250	860,632	478,190	1,880,072
Current Liabilities	(3,743)	(854,062)	(204,572)	(1,062,377)
Funds Carried Forward	537,507	6,570	305,370	849,447

10 Income and expenditure account

	2024 Designated reserve	2024 Project Reserve	2024 Revenue Reserve	2024 Income and expenditure account	2024 Total
	£	£	£	£	£
At the beginning of the year	-	299,500	550,000	898,023	1,747,523
Deficit for the year	-	(1,760)	-	(896,316)	(898,076)
Transfer between reserves	537,507	(291,170)	(246,337)	-	-
At the end of the year	537,507	6,570	303,663	1,707	849,447

11 Operating lease commitments

Lessee

The operating lease commitment figure includes the lease of the building and a photocopier.

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2024	2023
	£	£
	95,438	136,512

ETHICAL TEA PARTNERSHIP

DETAILED TRADING AND INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

		31 December 2024		Year ended 31 December 2023
	£	£	£	£
Income				
Membership Income		1,514,390		1,906,293
Other Income		1,321		-
Less: Bad Debt		1,946		(622)
Bank interest received		8,447		11,788
		1,526,104		1,917,459
Expenditure				
Regional Staff and Operations	365,314		427,387	
ETP Secretariat	1,237,724		1,184,982	
UK Office	135,454		197,213	
Training and Travel	102,643		145,394	
Communication and TeamUp	53,353		60,430	
Accountancy and Professional Costs	46,801		202,160	
Profit/loss on foreign currency	17,690		11,989	
Depreciation on plant and machinery	17,392		22,141	
Profit/loss on disposal of fixed assets	486		581	
		(1,976,857)		(2,252,277)
Operating deficit		(450,753)		(334,818)
Other project income and expenditure				
Other Project income receivable	1,529,554		1,041,611	
Other Projects expenditure	(1,975,415)		(1,272,020)	
		(445,861)		(230,409)
Net (deficit)/surplus for the year		(896,614)		(565,227)