Company number: 06959165
Charity number: 1133218

Producers Direct

Report and financial statements
For the year ended 31 December 2025

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Producers Direct

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Producers Direct

Reference and administrative information

For the year ended 31 December 2025

Company number	06959165
Charity number	1133218
Registered office and operational address	International House, Lavender Hill, London, England, SW11 5RQ
Country of registration	England & Wales
Country of incorporation	United Kingdom
Previous Names	Producers Direct legally changed its name from Cafédirect Producers' Foundation in December 2017.

Trustees

Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Anthony Wainaina	Co-Chair
John Shaw	Co-Chair, (Appointed:1st May 2024, Resigned 1 June 2026)
Wendy Chamberlin	(Resigned: 25th March 2026)
Michael Montalvan	
Jamie Anderson	
Gregory Mugabe	(Appointed:1st May 2024)
Christele Delbe	(Resigned: 27th May 2025)
Esperanza Dionisio	(Appointed: 1st September 2026)

Key management personnel	Sam Webb & Trilce Oblitas	Co-Directors (Appointed: 1 January 2026)

Bankers

Triodos Bank
Deanery Road
Bristol
BS1 5AS
(Closed: 9th May 2025)

Barclays Bank
Leicester
LE87 2BB

Solicitors	Bates Wells 2-6 Cannon Street London EC4M 6YH Weil Gotshal & Manges 110 Getter Lane London EC4M 6YH
Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditor 110 Golden Lane LONDON EC1Y 0TG

The Trustees present their report and the audited financial statements for the year ended 31 December 2025.

Reference and administrative information set out on pages 1 & 2 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

Producers Direct is a UK-registered charity, established in 2009, that works with smallholder farmer organisations in Africa and Latin America. Producers Direct's objects, as outlined in its Articles of Association are to:

- Prevent and relieve poverty particularly in disadvantaged communities in developing countries;
- Advance or assist in advancing education; and
- Promote sustainable development by:
  - The preservation, conservation and the protection of the environment and the prudent use of natural resources.
  - The promotion of sustainable means of achieving economic growth and regeneration.

Throughout 2025, Producers Direct has operated in accordance with its vision, mission and strategic objectives. These are stated as follows:

Producers Direct's vision is of thriving smallholder communities, where each smallholder can realise their own vision. We believe smallholders are inherently innovative and have the potential to wield a powerful voice when they operate collectively. We are committed to inspiring smallholders to join forces, share their knowledge and strengthen incomes and resilience, together. Our mission is to increase smallholder farmers' resilience and power in food systems.

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remain focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Approach and Model

Producers Direct works directly with smallholder communities and farmer organisations to strengthen resilience, increase incomes, and build farmers' leadership.

Smallholder farmers in the global south face significant power imbalances in food systems, exacerbated by climate change and its devastating impact on smallholder agriculture. Most

smallholders live below the poverty line and struggle to feed their families. Smallholders typically capture less than 30% of the value generated by their crops, while powerful upstream actors and multinationals earn billions of dollars in profits. Furthermore, smallholders still need better access to actionable data and information. Most smallholders do not keep profit/loss records, and continue to manage significant socio-economic and climate risks daily without access to external data. The benefits of burgeoning investments in data-driven agriculture, including AI, remain largely inaccessible to smallholders.

Consequently, market inequity combined with limited access to relevant, affordable data, continues to drive low farm productivity and limited profitability for smallholder farmers. Ensuring fair market access and providing actionable data are crucial for improving smallholders' incomes and resilience. When smallholders leverage their collective agency, they tackle persistent threats together.

Within this context, Producers Direct's model addresses three interconnected challenges:

- **Market Access:** Most smallholder farmers live on less than $2.15 per day. They earn less than 30% of the value generated by their crops.

- **Data:** Limited access to data prevents smallholder farmers from making informed decisions, further restricting their decision-making power.

- **Farmer Voice and Leadership:** Smallholders have a wealth of knowledge and experience that is typically marginalised from the delivery of services designed to support them - despite farmer-led advice typically being more trusted and more actionable.

To address these challenges, Producers Direct's work focuses on three main areas:

- **Digitising Market Access**: Strengthening smallholder farmers' power in food production and distribution through our digital marketplace, FarmDirect. FarmDirect empowers smallholders to aggregate surplus crops remotely and digitally, enabling them to operate collectively rather than individually. Smallholders increase their collective bargaining power and capture higher prices for their crops. FarmDirect incentivises farmers to aggregate even the smallest volumes of surplus with fellow farmers, eliminating the challenges and costs associated with logistics such as transport. Last-mile logistics are managed digitally by FarmDirect and in-person by a network of Producers Direct Youth Agents, trained by Producers Direct.

- **Empowering Smallholders with Data and Information Services:** Providing real-time, actionable data and information services to support on-farm management and profitability improvements. Since 2009 Producers Direct has built a network and repository of farmer expertise and knowledge, which we are mobilising to support our farmer-led advisory services. This currently includes: Testing incentives for smallholders to share their data to support the training of AI models to generate actionable advice and insights relevant to smallholder farmers; and farmer feedback loops and insights, including on-farm profitability and markets.

- **Amplifying Collective Power:** Investing in smallholder farmers as experts, fostering leadership, and knowledge-sharing through farmer-led initiatives. Farmers' voices, knowledge and experiences will collectively have more power, not only within Producers

Direct's model but to inform the decisions and work of other key partners and stakeholders across the food system.

Activities and services delivered during 2025

All Producers Direct's charitable activities focus on improving the livelihoods and resilience of smallholder producers and are undertaken to further Producers Direct's charitable purposes for the public benefit. Overall, Producers Direct's activities directly reached 6,715 smallholders in 2025 and, cumulatively, 1,343,793 smallholders since its establishment in 2009.

East Africa programme activities were delivered in partnership with East Africa-based producer organisations in Uganda. East Africa programme expenditure totalled £356,989, with donors including the OCP Foundation.

Latin America programme expenditure totalled £342,164 - funded by The German Development Agency (GIZ) and the Inter-American Development Bank (IDB-Lab).

2025 activities and services delivered included:

Market Access

During 2025, market access programme activities continued in Uganda, East Africa with unbranded product sales into local and national markets.

- Sales of unbranded horticultural crops through FarmDirect continued across Uganda with a continued focus on supporting smallholder farmers to bundle surplus food security crops they are growing, including fruits and vegetables, and selling them in local markets. Logistics associated with identifying buyers and sourcing products from farmers is being supported by a network of youth agents. Since 2021, 6,262 smallholder farmers accessed FarmDirect in Uganda. In 2025 specifically, 1,293 smallholders accessed markets via FarmDirect in Uganda.

Data for Decision Making & Training

- In 2025, a total of 2,088 Peruvian smallholder farmers directly benefited from digital training focused on agronomic advice. Producers Direct piloted three digital agronomic advisory services: A pilot exploring the use of Large Language Models (LLMs) provided WhatsApp-based agronomic advice to 2,088 farmers. Additionally, 39 farmers (37 female farmers and 2 male farmers) received tailored financial advice based on data recorded in their logbooks, helping them better understand household and crop-related finances and optimize the use of micro-credit funds (ROTA). Key learnings from these pilots were documented to inform the design of a more comprehensive and integrated digital advisory service in 2026 and increase the number of beneficiaries.

- 5 Producer Organisations adopted integrated data dashboards to support cooperative planning and service delivery.

- With support from the OCP Foundation, developing on-farm experimentation (OFE) and demonstration sites was a main focus in Uganda. In 2025, 3,025 farmers have been trained at OFE sites by 100 demonstration farmers. These farmers have received a blend of in-person and digital training in coffee and beekeeping practices.Of those trained, 62.8% were male and 37.2% female. In addition,feedback from the training, 87% of the farmers have

reported that the information received was useful and has supported them to build their confidence to mitigate economic and climate related shocks and stresses.

- Additionally, 270 farmers' field records contributed to training the first AI-supported coffee soil analysis mode

Access to Finance:

Throughout 2025, Producers Direct continued to manage the ROTA loans originally disbursed in late 2021 to support beekeepers to invest in their honey enterprises. Rather than providing financing in cash, Producers Direct pre-purchased 1,000 beehives, which were distributed through producer partner organisations to 69 beekeepers across Uganda and Tanzania, with the partner organisations supporting the administration and recovery of the loans.

At the end of 2024, £53,393 remained outstanding across the East Africa ROTA loan portfolio. During 2025, continued delays against agreed repayment schedules and uncertainty over the timing and level of future recoveries led Producers Direct to reassess the recoverability of these loans. Repayments have been evidenced from ACPCU in Uganda, and the balance owed by that organisation continues to be carried at £14,059For the balances owed by Kayonza Growers Tea Factory and Rungwe and Busokelo Tea Co-operative Joint Enterprise (RBTC), however, the Trustees, concluded that the available evidence was not yet sufficient to support recognising them as recoverable, and a full provision of £37,807 has been made against them in the 2025 financial statements. This is a prudent accounting judgement and not a write-off or forgiveness of the debts. The loans remain supported by physical hive assets with residual value, Producers Direct continues to pursue recovery with each organisation, and any amounts recovered in future will be recognised when received. We have strengthened our approach to lending and monitoring as a result, and we do not currently plan to make further loans of this type in East Africa.

With support from IDB Lab, Producers Direct established a USD 10,000 (£8,010) financing fund that benefited 39 smallholder farmers (37 women and 2 men). Producer Organisations Aprocassi and Bagua Grande each received USD 5,000 to provide loans to female members and the spouses of members, supporting productive activities aimed at increasing household income and strengthening resilience . All 39 beneficiaries repaid their loans in full and on period (by June 2025). Furthermore, the impact evaluation results showed that participants increased their income by at least 50%, driven by a combination of access to credit and the financial recommendations provided throughout the process.

Building on the results of the pilot, a fund of Whole Foods Market Foundation was secured to benefit 138 women farmers (25 in Bagua Grande and 113 in Norandino) with the amount of 55200 USD. These funds are being used to strengthen secondary productive activities as well as their main crops. In addition, participants will receive both digital and in-person training on financial and agricultural topics. The selected participants include cooperative members as well as the wives and daughters of members, who are often indirect beneficiaries of cooperative initiatives. This intervention aims to improve access to credit and information, thereby strengthening their decision-making capacity and economic empowerment.

Achievements and performance during 2025

During 2025, Producers Direct's activities directly reached 6,715 smallholder farmers, with 1,293 smallholders accessing markets and 5,422 smallholders benefiting from access for data, training and information services to strengthen decision-making.

In 2025, 1,293 smallholders benefited from accessing markets in East Africa. 18.4% of smallholders who accessed markets increased their incomes by more than 20%. Since launching FarmDirect, over 9,752 smallholders across East Africa and Peru have sold products on FarmDirect (3,490 in Peru and 6,262 in Uganda). A key takeaway in 2025 is the power of data and how farmer owned data systems can help to support both access to market and effective diversification.

A total of 5,422 smallholder farmers have benefitted from access to data, information and training services. This has included 28% female farmers.. 87% of farmers have reported that access to this information supports them to better mitigate the key economic and climate related challenges that they face.

Producers Direct is committed to: 1) improving incomes and livelihoods for smallholder farmers across East Africa and Latin America, 2) strengthening resilience to climate change and market shocks and 3) increasing the collective voice and power of smallholder farmers.

Other non-programmatic achievements during 2025 included:

- Our Co-Director, Sam Webb, attended the GIZ SASI Stakeholder Meeting that brought together partners and stakeholders from across GIZ's working groups on sustainable supply chain initiatives.
- Our Head of Programmes, Diana Carolina Quintero Giraldo, presented on Producers Direct's model at the La Semana de la Agricultura Digital in Costa Rica.
- Our initiative Croppie was shortlisted for the e 2026 Food Planet Prize - the world's largest environmental award, recognizing bold solutions that can transform our food systems.
- Our Head of Programmes, Diana Caroline Quintero Giraldo, and Fundraising Manager, Talia Lostaunau, attended the BID Lab Meetup of 2025 at the IDB office in Peru.

External factors affecting achievement

Producers Direct works principally with smallholder producer organisations located in East Africa and Latin America. Working with these vulnerable producer organisations can affect the capacity to deliver on partnership agreements according to defined timelines and targets.

Smallholder farmers represent one of the most vulnerable groups to climate change, with changing climatic conditions continuing to exacerbate the challenges faced by smallholder farmers. Climate-related challenges include vulnerability to natural disasters, prolonged droughts and associated detrimental impacts of these changing climatic conditions on crop production. Current market systems typically do not incentivise the management of climate resilient food systems and agricultural landscapes. With food shocks related to extreme weather events becoming increasingly frequent, smallholders are facing the double burden of increasing productivity and resilience without receiving the information and tools needed for it. Typically, smallholders face and confront climate risks with minimal access to external data.

The international development funding environment has also become increasingly uncertain, including significant reductions and disruption to Official Development Assistance (ODA) and USAID funding. This has increased competition for available grant funding and created wider uncertainty for organisations and partners operating within the international development sector. Producers Direct continues to respond by diversifying its funding base, strengthening strategic and commercial partnerships, and developing income-generating services that can reduce reliance on traditional donor funding over time.

Beneficiaries of our services

Primary beneficiaries of Producers Direct's work are smallholder farmers located across East Africa and Latin America. To deliver our activities and impact, we work with a network of 38 smallholder-owned producer organisations across Latin America and East Africa. Smallholder farmers across Producers Direct network are diverse in geography, crops and resources. On average, the smallholder farmers we work with earn less than $2 per day and sustain their families on 1.2 hectares (3 acres). Farmers are managing diverse farming systems, including cash, non-cash and subsistence crops. Principal crops include grains, fruits, vegetables, honey, tea, coffee, and cocoa. The average age of our farmers is 60, on average they have 5 dependents and 94% are affected by climate change. On average, 16% of the farmers we work with own a smartphone, and 17% have internet access. Only 48% have a bank account. From our recent survey data, 89% of farmers who responded reported access to finance being a key challenge, and 59% reported market access as an additional challenge - showcasing the importance of our investment in linking farmers to markets. Currently, 82% of the farmers in our network growing food security crops are not yet aggregating these crops for sale at local markets - demonstrating the opportunities our work to support market access via FarmDirect can bring to the smallholder farmers within our network.

We particularly focus our resources on reaching women and youth. For over a decade, we have made significant investments in promoting female farmer leadership across our network and empowering female smallholders to play central roles in the design and delivery of our programme activities, both in-person and digitally. Furthermore, we continue to invest in supporting youth to take up leadership roles within smallholder communities and in the delivery of Producers Direct's services.

Organisations we work with

In addition to our work with smallholder-owned producer organisations, Producers Direct also continues to work with a number of other organisations at international, regional and national levels to support programme implementation. During 2025, strategic partners supporting programme delivery included: Identi, African Plant Nutrition Institute (APNI), Makerere University, and Busara Centre for Behavioural Economics.

Financial review

2025 was a difficult year financially. Income fell from £1,328,698 in 2024 to £615,016, reflecting the planned completion of several large grants and a reduction in the funding awarded to a number of projects, in a period when international development funding was significantly disrupted. Expenditure fell by almost half, from £1,421,026 to £759,030, following the restructuring carried out during the year, which reduced average staffing from 18 FTE to 8.1 FTE. The restructuring involved one-off costs, and the full saving will only be seen in 2026.

The deficit for the year also includes a £28,353 provision against the programme-related loans made to producer organisations in East Africa. The loans remain supported by physical hive assets and Producers Direct continues to pursue recovery, but the Trustees have taken a prudent view and fully provided against the balances owed by Kayonza and RBTC. The balance owed by ACPCU, where repayments have been evidenced, is carried with a 25% impairment. The provision is an accounting judgement and not a write-off, and any amounts recovered in future will be recognised as income. Together these factors resulted in a net deficit of £144,015 and closing total funds of (£10,527), of which unrestricted funds were (£16,109) and restricted funds £5,582. The Trustees have set out in the reserves policy and going concern section the actions being taken to restore unrestricted reserves, based on confirmed income, the reduced cost base and a forecast through to December 2027.

Policies for making social or programme-related investments
Producers Direct typically does not make social or programme related investments and therefore does not have a policy on this.

Investment policy and performance
Beyond interest received on current accounts and fixed term deposit savings accounts, Producers Direct does not currently hold any long-term investments.

Grant making policies
Producers Direct does not openly invite applications for grants and therefore does not have a grant making policy.

Loans
In 2020, Producers Direct secured two 5-year loans to support cash flow management and to invest in testing branded honey sales in East Africa. These were:

- *CAF Venturesome:* £50,000 debt finance (6% interest, 5-year repayment terms) secured to support the development and testing of Producers Direct branded honey sales in East Africa. The CAF Venturesome loan was paid off in 2025.

- *UK Government Bounce Back Loan:* A £50,000 loan (2.5% interest after the first 12 months, 5-year repayment terms) was secured in June 2020 to support cash flow management. The Bounce Back loan balance at the end of 2025 was £9,752.85 and is due to be paid off in 2026.

Voluntary help and gifts in kind
In previous years, Producers Direct has benefited from *pro bono* support from legal firm, Weil, Gotshal & Manges. However, no legal advice was required by Producers Direct during 2025 and therefore the value of *pro bono* services included in Producers Direct's 2025 Financial Statements is zero.

Throughout 2025, Producers Direct was grateful for the in-kind contributions of smallholder farmers and key staff at the smallholder producer organisations who work with Producers Direct, who invested significant time without financial compensation in order to support the delivery of Producers Direct programme activities.

Principal risks and uncertainties

Producers Direct maintains an organisational risk register which identifies major risks and assesses them according to their likelihood and potential impact. The risk register is reviewed quarterly by the Trustees and Senior Team to ensure that appropriate mitigating actions are in place and that changes in the organisation's risk exposure are identified and managed.

The principal risks identified during the year, and the actions being taken to manage them, include:

- Financial sustainability and income diversification: Producers Direct operates in a challenging funding environment, with increasing competition for donor funding and a risk that insufficient sustainable income could affect the organisation's ability to deliver its objectives. This risk is managed through active development of the funding pipeline, fundraising targets and diversification of income, including developing longer-term unrestricted and non-donor revenue streams.
- Dependency on key staff and organisational capacity: As a relatively small organisation, Producers Direct remains exposed to the loss of key individuals and to having insufficient resources for essential organisational functions. These risks are managed through multi-year workforce and budget planning, knowledge sharing and distribution of responsibilities across the team. Staff transitions during 2025 and 2026 were managed without significant disruption, demonstrating increased organisational resilience.
- Dependency on producer organisation partners: Producers Direct relies significantly on producer organisations for programme delivery and achievement of impact. The organisation is managing this risk by balancing investment in existing producer partnerships with approaches that enable Producers Direct to deliver services and support to smallholders through a broader range of delivery mechanisms.
- Governance and Board succession: Changes in Board membership and leadership create a risk to continuity of governance and oversight. During 2026, the Board has been managing a planned transition in the Chair role, including an agreed succession and handover process.
- Development of earned-income activities: There is a risk that emerging revenue-generating activities, including data products and services, do not generate sufficient income or become financially sustainable. These activities are therefore monitored against defined checkpoints so that their performance and viability can be regularly reviewed.

Other risks monitored through the register include regulatory and legal compliance, safeguarding, data protection, partner performance, staff health and safety, conflicts of interest and operational/data security. Appropriate controls include annual policy reviews, independent audit, specialist legal and accounting support where required, data protection controls, insurance and cloud-based data storage and backup systems.

The Trustees review major risks and their mitigating actions quarterly and satisfy themselves that appropriate systems and procedures are in place to manage those risks. Where appropriate, risks are also covered by insurance.

Reserves policy and going concern

Reserves policy and going concern

Producers Direct's Reserves Policy is to hold sufficient unrestricted reserves to cover at least six months of essential operational costs during a period of unforeseen difficulty. The Trustees

consider essential operational costs to include core team members across the UK and Latin America, IT costs to support effective remote working, and any outstanding contractual commitments to donors and service providers.

Under current cash flow projections, six months of essential operational costs are budgeted at £89,502. This covers core operational and programme staff across the UK and Peru, associated operational costs and loan repayments due.

At 31 December 2025, unrestricted funds were in deficit by £16,109 (2024: surplus of £66,064), which is £105,611 below the target level. Of the 2025 deficit, £[28,353] relates to the additional provision against East Africa ROTA loans (see Financial review).

The Trustees do not regard this as a satisfactory position and have taken the following action:

- Cost reduction. The restructuring programme carried out in 2025 reduced average staffing from 18 FTE to 8.1 FTE. It has now been fully implemented, and 2026 is the first year to reflect its full effect.
- Unrestricted income. The Cafédirect plc donation provides a base of £100,000 of annual unrestricted income, and the Donation Agreement has been extended to cover 2026 and 2027 at £144,000 a year.
- Funding pipeline. The Trustees and senior team are developing the funding pipeline, with the focus on income that contributes to core costs.
- Monitoring. The Trustees review management accounts, cash flow and progress against the forecast [monthly/quarterly].

Based on the forecast approved by the Trustees, unrestricted reserves are expected to recover to £20,484 by the end of 2026 and £80,500 by the end of 2027. This is close to, but still around £9,000 below, the six-month target. The Trustees therefore expect to reach the policy level in 2028 and will keep this timetable under review.

Going concern

In October 2026 the Trustees assessed Producers Direct as a going concern on the following basis:

- Forecasts. A review of the budget and cash flow forecast to December 2027. Income is split between confirmed funding of £277,360 and pipeline funding of £537,500, which is not yet secured. The forecast shows a small number of months in early and mid-2027 when cash falls below zero before pipeline funding arrives.
- Downside scenarios. The forecast has been tested against reductions of 35% and 65% in unconfirmed funding. Under the 35% scenario no further cost reductions are required. Under the 65% scenario cost reductions of £43,493 would be needed by the end of 2027, and the Trustees have identified savings of £44,878, mainly from reduced staff time and consultancy contracts. These cover the shortfall with little margin.
- Short-term borrowing. Barclays Bank has provided an overdraft facility of £50,000, to cover the timing of cash flow while unrestricted reserves are rebuilt.
- External factors. An analysis of external factors and risks recorded in the Risk Register, in particular the continuing uncertainty in international development funding.

The Trustees recognise that the forecast depends on funding that is not yet confirmed and on the facility being available. Having considered these factors, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operation for at least twelve

months from the date of approval of these financial statements, and have therefore adopted the going concern basis.

Fundraising

During 2025, Producer Direct's fundraising activities principally consisted of applications to national and international donors for grants to support programme and organisational development. Fundraising activities are principally undertaken internally by grant writers who are employed by Producers Direct.

As part of our commitment to best practice, Producers Direct adheres to the standards set by the Fundraising Regulator (England, Wales and Northern Ireland), and the UK Chartered Institute of Fundraising. During 2025, there were no instances of non-compliance with the requirements of the fundraising code of practice and no complaints have been received by the charity regarding fundraising activities.

The aim of Producers Direct's fundraising expenditure on grant writers is to enhance Producers Direct's annual restricted and unrestricted income for 2025/2026 and future periods in order to sustain and grow programme activities in Uganda and Latin America and support organisational stability. As a result of this annual expenditure on fundraising, Producers Direct received and benefited from funding from the following key donors and social lenders during 2025:

Restricted Income: Latin America

- GIZ SASI EUR 122,787 (£102,000) grant awarded over 24 months to empower smallholders with data to improve resilience and growth - £51,000 secured to support expenditure in 2025.
- Whole Planet Foundation: USD $300,000 awarded over 36 months to provide microfinance loans to smallholder farmers in Peru. £77,000 (USD $100,000) secured to support 2025 expenditure.

Unrestricted Income

- Cafédirect plc: Producers Direct received an annual donation of £100,00 during 2025 from Cafédirect plc, in accordance with Producer Direct's multi-year Donation Agreement with Cafédirect plc, as well as an additional £7,844 for EUDR coordination services and travel expenses.

Plans for the future

Future Programme Focus Areas

During 2025, Producers Direct has reviewed and updated its strategy to focus on the development of a Global Cooperative

Through until 2030, Producers Direct will continue to focus on three key areas of impact:

- Increasing farmer incomes.
- Strengthening resilience, including to changing climatic conditions and economic shocks.
- Increasing the collective power & voice of smallholder farmers.

Key activities planned for 2026

During 2025, Producers Direct refined its strategy in response to the changing funding and operating environment, consolidating its work around the Global Cooperative. This model brings together Producers Direct's work on farmer-owned data, digital services, market access, financial inclusion and climate resilience into an integrated system led by farmers and Producer Organisations. The aim is to ensure that data generates practical value for farmers — supporting better decisions, stronger livelihoods and resilience — while enabling Producer Organisations to strengthen services and engage more effectively with markets and supply-chain partners.

Key 2026 activities to deliver Producers Direct's Theory of Change and develop the Global Cooperative include:

- Governance and farmer ownership: Working with Producer Organisations in East Africa and Latin America to establish the governance and ownership framework for the Global Cooperative, ensuring farmers and their organisations have a meaningful role in how data is governed, used and generates value.
- Data and decision-making: Developing the technical infrastructure needed to securely collect and structure farmer-generated data and turn it into actionable insights. Producers Direct will continue developing digital advisory services and cooperative dashboards to support farmer decision-making, technical assistance and organisational planning.
- Sustainability and climate resilience: Expanding the use of farmer-owned data to support sustainability, traceability and supply-chain requirements, including EUDR compliance and buyer reporting, while building on climate initiatives such as biochar and carbon insetting.
- Services to strengthen farmer livelihoods: Developing and testing practical services that translate data into tangible benefits for farmers, including advisory services, market access and financial services. This includes scaling the ROTA Fund programme following new funding secured to reach 138 farmers annually over the next three years.
- Market access and income diversification: Building on FarmDirect and its evolution into Mbibo in Uganda to improve connections between farmers and markets, while exploring how production and market data can strengthen forecasting, demand matching and price transparency.
- Commercial sustainability and partnerships: Developing a sustainable business model for the Global Cooperative, including how buyers, researchers, financial institutions and other partners engage with its services and how value generated from farmer data flows back to farmers and Producer Organisations.
- Farmer leadership and inclusion: Continuing to place farmers and Producer Organisations at the centre of programme design and delivery, with particular attention to farmer, women and youth leadership and participation.

Future funding

Funds secured to support 2026 programme activities and operations to-date include:

Restricted Income: East Africa

- OCP Foundation: £18,000 secured for 2026 as part of USD $321,050 project over 36 months for developing on-farm experimentation (OFE) and demonstration sites was a main focus in Uganda.

Restricted Income: Latin America

- IDB Labs: £168,258 secured for 2026 as part of USD $800,000 over 36 months to improve the productivity of Peruvian smallholders and promote the adoption of climate-smart practices through an innovative soil analysis solution, piloting a sustainable and scalable business model.

- GIZ - SASI: EUR 122,787 (£102,000) grant awarded over 24 months to empower smallholders with data to improve resilience and growth - £51,000 secured to support expenditure in 2026.

- Whole Planet Foundation: USD $300,000 awarded over 36 months to provide microfinance loans to smallholder farmers in Peru. £77,000 (USD $100,000) secured to support 2026 expenditure.

Unrestricted Income

- Cafédirect plc: As per the Donation Agreement in place between Cafédirect and Producers Direct, an annual unrestricted donation of £100,000 from Cafédirect plc.

Structure, governance and management

Constitution

Producers Direct is an international non-governmental, non-political, non-religious organisation. It was established as a UK private limited company limited by guarantee on 10th July 2009 (Company Number: 06959165) and was registered as a UK charity in December 2009 (Registered charity number: 1133218). The company was established under a Memorandum of Association (10th July 2009) that established its objectives and powers and is governed under its Articles of Association (10th July 2009). Producers Direct also holds local branch registrations in Kenya and Peru, and is the sole member of a non-stock company in the USA, Producers Direct Inc.

Trustees

Producer Direct's Trustees are responsible for setting Producers Direct's strategy and are responsible in law for the running of Producers Direct. The Charity's sole Member, Cafédirect Producers Limited (CPL), is responsible for officially appointing Producers Direct Trustees. Prior to appointment by CPL, existing members of the Producers Direct Board of Trustees are responsible for confirming that new Trustees have the necessary skills and capacity to contribute to Producers Direct's governance, and organisational development.

Producers Direct's Articles of Association allows for a minimum of three Trustees to be appointed. As the charity's sole Member, CPL (as outlined in Producers Direct's Articles of Association) reviews the appointment of Producers Direct Trustees each year. A minimum of two Trustees will offer to

retire by rotation each year. A retiring Trustee may be re- appointed by the Member. Trustees typically serve a maximum of two three-year terms.

All Trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 6 to the accounts. Producers Direct's Trustees are not paid and are not remunerated for their role. Typically, travel expenses associated with Producers Direct Trustees attending Board meetings are reimbursed. However, Producers Direct's Board meetings continued to be convened virtually rather than in-person throughout 2024 and 2025. Subsequently, no travel expenses associated with Board meetings were incurred during 2024 or 2025.

The Producers Direct Board of Trustees is responsible for approving Producers Direct's annual work plan, budget and long-term strategy development. The day-to-day management of Producers Direct is delegated to Producers Direct's CEO – Claire Rhodes, based on a strategy, annual work plan and budget approved by the Trustees. Claire Rhodes served in this role from the establishment of Producers Direct (previously Cafédirect Producers' Foundation) in 2009 until she stepped down at the end of May 2025. The Board of Trustees is extremely grateful to Claire for the immense contribution that she has made over this period.

Typically, Producers Direct's Board of Trustees meet at least quarterly, with the CEO reporting to the Trustees on activities undertaken in managing Producers Direct and providing updated financial reports that explain Producers Direct's financial position. During 2025, a total of 5 Board teleconferences were convened and update reports provided. Christele Delbe served as the Producers Direct Chair until December 2024, stepping down from the Board in May 2025. From March 2025, Anthony Wainaina and John Shaw have served as Co-Chairs. John Shaw has subsequently stepped down from the board in March 2026.

Following the resignation of Claire Rhodes as Chief Executive, executive leadership of the charity was initially exercised jointly by three senior leadership team members, working closely with the Co-Chairs. From 1 Jan 2026 the structure agreed by the senior leadership team and the Board of Trustees has evolved into a Co-Directorship with Trilce Oblitas and Sam Webb acting being confirmed as Co-Directors. This approach was reconfirmed by the board in June 2026.

In previous years, Producers Direct has operated a Board Procurement Sub-committee. During 2024 and 2025, there were no operational Board sub-committees. Procurement decisions requiring Board attention were addressed during Board meetings.

Financial controls are determined by Producers Direct's financial procedures and procurement policies, which outline the level of authority of Producers Direct Trustees and the Producers Direct CEO over Producers Direct's financial procedures. This has been updated to reflect the Co-Directorship structure. Conflicts of Interest are managed in accordance with the Producers Direct's Articles of Association and Producers Direct's Conflict of Interest Policy. A Register of Trustees' and Senior Team member's Interests has been established and is updated annually.

Employees

During 2025, Producers Direct employed an average of approximately 8.1 FTE staff across the UK, East Africa and Peru. The year saw significant organisational restructuring, particularly in East Africa, as Producers Direct adapted its operating model and cost base in response to the changing international development funding environment and its evolving strategic focus.

UK: Producers Direct employed an average of approximately 2.7 FTE UK-based staff during 2025. The UK team provided organisational leadership and supported programme management, fundraising, communications, finance and the development of Producers Direct's data and digital strategy. Staffing changed during the year, including the departure of two team members and a period of maternity leave.

East Africa: Producers Direct employed an average of approximately 0.6 FTE staff during 2025. Following organisational restructuring, the remaining Kenya-based employment positions were closed during the first four months of the year. Producers Direct nevertheless continued programme activities and partnerships in East Africa, particularly Uganda, working increasingly through Producer Organisations, local partners and contracted support rather than maintaining a substantial directly employed regional team.

Peru: Peru remained Producers Direct's largest directly employed regional team, accounting for approximately 4.8 FTE during 2025. The team led and supported programme delivery, partnerships, data and digital activities and engagement with Producer Organisations across Latin America. One team member left during the year, while the remaining team continued to support Producers Direct's growing focus on the Global Cooperative.

USA: Producers Direct's COO continued to be employed through Producers Direct Inc until her departure in May 2025.

During 2025, Producers Direct also contracted specialist and programme support where appropriate, including support for programme implementation and coordination with smallholder Producer Organisations.

Employee Remuneration

Producers Direct staff salaries are reviewed annually for all employees, in accordance with Producers Direct's Staff Salary Review policy. Staff salaries are structured within salary bands across different roles and levels of responsibility. Key considerations include: Employee's annual performance; level of responsibility, skill and knowledge required to carry out the role; comparable salary ranges in the geography and market in which the team member is working. The salary bands used to determine both current and new staff have been developed, and are benchmarked using a combination of publicly available compensation data and/or purchased datasets for equivalent roles (skill set / level of seniority), and are adjusted for cost of living variances across the countries where Producers Direct operations and teams are located. Salaries for new team members are benchmarked during the recruitment process. For the Co-Directors (as the CEO previously), the Chair of Producers Direct is responsible for proposing the salary adjustment to the Producers Direct Board for consideration and approval, based on their review of the Co-Director's performance and salary benchmarking with non-profit organisations of similar size, scope and resources to Producers Direct. For all other Producers Direct staff, annual salary adjustments are based on annual performance reviews undertaken by Line Managers, with proposed salary adjustments falling within established salary bands. The Co-Directors are then responsible for proposing the overall salary adjustment budget to the Producers Direct Board for approval.

Appointment of Trustees

To recruit and appoint new Trustees, the Producers Direct management team reviews and shortlists potential candidates based on the key skills sought from the new Trustees and each candidate's potential suitability for the role. Existing Producers Direct Trustees are then responsible for reviewing the short-list of candidates and identifying top candidates to be

interviewed by current Trustees. Trustees then recommend selected candidates to the sole member of Producers Direct, Cafédirect Producers Limited (CPL). As the sole member of Producers Direct, Cafédirect Producers Limited is responsible for the final appointment of new Trustees to the Producers Direct Board.

Trustee induction and training

When new Trustees are appointed to Producers Direct, they will be given an induction to Producers Direct and are given the information they need to fulfil their role, including information about their role as a Producers Direct Trustee and on charity law. Trustees are also encouraged and supported to attend external training available for new and existing Trustees on key responsibilities associated with serving as a Trustee of a UK Charity.

Related parties and relationships with other organisations

Related parties include:

Producers Direct Inc: Producers Direct Inc is a US-registered non-stock company that was established by Producers Direct to support the growth of Producers Direct's operations and expansion of US-based fundraising opportunities for Producers Direct. In 2022, Producers Direct Inc. secured US 501c3 non-profit status. From September 2021, Producers Direct's COO has been US-based and is employed by Producers Direct Inc.

Cafédirect Producers Limited (CPL): CPL is the sole Member of Producers Direct. CPL is a limited company (Company Number 4804115) owned by the smallholder producer organisations who hold shares in Cafédirect plc. CPL activities focus on enhancing the role of producer organisations as shareholders in Cafédirect plc and advancing the role of producers in the governance of Cafédirect plc.

Cafédirect Producers Trust: The Cafédirect Producers Trust was established by a Trustee Deed dated 10th December 2003 to permit producer organisations who sell products to Cafédirect plc to hold shares in Cafédirect plc. CPL is one of the Trustees.

Cafédirect plc: Producers Direct is legally independent from Cafédirect plc. Cafédirect plc and Producers Direct have been linked through a Donation Agreement, dating from 28th September 2009, which outlines the terms under which Cafédirect plc makes an annual donation to Producers Direct to support producer programmes, and to strengthen Producers Direct's operational capacity. This donation agreement was extended for an additional 3-years from January 2020, and further extended through until end 2025. In 2025, the value of related party transactions between Cafédirect and Producers Direct was £107,844 (2024: £115,571) - the annual donation from Cafédirect to Producers Direct of £100,000 (202: £100,000) and £7,844 (2023: £14,230) of EUDR project costs and travel expenses.

Statement of responsibilities of the Trustees

The Trustees (who are also directors of Producers Direct for the purposes of company law) are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them

to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In 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 steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2054 was 1, Cafédirect Producers Limited being the sole member of the charity (2024: 1). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The Trustees' annual report has been approved by the Trustees on 30th October 2026 and signed on their behalf by

Anthony Wainaina
Chair, Producers Direct

Independent auditor's report

To the members of

Producers Direct

Opinion

We have audited the financial statements of Producers Direct (the 'charitable company') for the year ended 31 December 2025 which comprise the statement of financial activities, balance sheet, 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 December 2025 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 Producers Direct'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 other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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 course of 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 the audit:

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual 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 accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; 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; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, internal audit and the audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
  - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
  - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

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.

Noelia Serrano (Senior statutory auditor)
30 October 2026
for and on behalf of Sayer Vincent LLP, Statutory Auditor
110 Golden Lane, LONDON, EC1Y 0TG

Producers Direct

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2025

	Note	Unrestricted £	Restricted £	**2025 Total £**	Unrestricted £	Restricted £	2024 Total £
Income from:							
Donations and legacies	2	115,787	-	**115,787**	199,464	-	199,464
Charitable activities							
Africa Programme	3	276	147,249	**147,525**	83,229	375,121	458,349
Latin America Programme	3	6,760	344,943	**351,703**	5,515	664,748	670,263
Investments		-	-	-	621	-	621
Total income		122,824	492,192	**615,016**	288,829	1,039,869	1,328,698
Expenditure on:							
Raising funds	4a	-	30,713	**30,713**	3,186	82,824	86,010
Charitable activities							
Africa Programme	4a	153,736	240,441	**394,177**	330,826	367,698	698,524
Latin America Programme	4a	51,260	282,880	**334,140**	65,799	570,692	636,491
Total expenditure		204,996	554,034	**759,030**	399,811	1,021,215	1,421,026
Net expenditure and net movement in funds		(82,173)	(61,842)	**(144,015)**	(110,982)	18,653	(92,328)
Reconciliation of funds:							
Total funds brought forward		66,064	67,424	**133,488**	177,046	48,769	225,815
Total funds carried forward		(16,109)	5,582	**(10,527)**	66,064	67,424	133,489

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17a to the financial statements.

Producers Direct

Balance sheet

Company no. 06959165

As at 31 December 2025

	Note	2025 £	£	2024 £	£
Fixed assets:					
Tangible assets	10		**13,668**		15,882
			13,668		15,882
Current assets:					
Programme related investments	12	**14,790**		61,667	
Debtors	11	**63,593**		134,251	
Inventory		-		15,316	
Cash at bank and in hand		**28,245**		64,971	
		106,628		276,204	
Liabilities:					
Creditors: amounts falling due within one year	13	**(130,824)**		(151,859)	
Net current assets			**(24,196)**		124,345
Creditors: amounts falling due after one year	14	-		(6,736)	
Total net assets			**(10,527)**		133,489
The funds of the charity:	17a				
Restricted income funds			**5,582**		67,424
Unrestricted income funds:					
General funds		**(16,109)**		66,065	
Total unrestricted funds			**(16,109)**		66,065
Total charity funds			**(10,527)**		133,489

Approved by the trustees on 30 October 2026 and signed on their behalf by

Anthony Wainaina
Chair, Producers Direct

Producers Direct

Statement of cash flows

For the year ended 31 December 2025

	Note	2025		2024	
		£	£	£	£
Cash flows from operating activities					
Net expenditure for the reporting period (as per the statement of financial activities)	ok	**(144,015)**		(92,326)	
Depreciation charges		**2,881**		4,147	
(Increase) in Inventory		**15,316**		(15,316)	
(Decrease)/increase in debtors		**70,658**		(108)	
(Decrease)/increase in creditors		**(21,031)**		31,790	
Net cash used in operating activities			**(76,192)**		(71,813)
Cash flows from investing activities:					
Cash (paid) / on (issue) of programme related investments		**46,877**		(3,513)	
Purchase of fixed assets		**(667)**		(854)	
Net cash used in investing activities			**46,210**		(4,367)
Cash flows from financing activities:					
Cash inflows from new borrowing		**(6,736)**		(15,265)	
Net cash used in financing activities			**(6,736)**		(15,265)
Change in cash and cash equivalents in the year			**(36,726)**		**(91,446)**
Cash and cash equivalents at the beginning of the year			**64,971**		156,417
Cash and cash equivalents at the end of the year			**28,245**		**64,971**

1 Accounting policies

a) Statutory information

Producers Direct is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address and principal place of business is: International House, 45-55 Commercial Street, E1 6BD, UK

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

d) Going concern

The charity ended 2025 with net liabilities of £10,527, of which unrestricted funds were in deficit by £16,109 (see Note 16a). This follows the restructuring carried out in 2025, reduced grant income and the provision made against East Africa programme-related investments (Note 12).
In October 2026 the Trustees assessed the charity's ability to continue as a going concern. The assessment covered at least twelve months from the date of approval of these financial statements and was based on: 1) A budget and cash flow forecast to December 2027; 2) Scenarios in which unconfirmed funding is reduced by 35% and by 65%. No further cost reductions are needed under the 35% scenario. Under the 65% scenario, cost reductions of £43,493 would be needed by the end of 2027, and the Trustees have identified savings of £44,878, mainly from reduced staff time and consultancy contracts' 3) An analysis of external factors and risks recorded in the Risk Register, in particular the continuing uncertainty in international development funding and the charity's dependence on the annual Cafédirect plc donation.
The charity's results for 2026 to Octover against budget show that the finanaixal plans are on track and an improved reserves position by the end fo 2026.

Key judgments that the charity has made which have a significant effect on the accounts include: Recognition of income in accordance with the terms of the grants made to the charity, where income is granted to the charity over the period greater than one year, and is linked to performance within the project, there is some degree of judgment is assessing the stage of completion and hence the income recognised.

The Trustees recognise that the forecast depends on funding that is not yet confirmed. Having considered these matters, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operation for at least twelve months from the date of approval of these financial statements. They therefore consider that there are no material uncertainties about the charity's ability to continue as a going concern, and the financial statements have been prepared on the going concern basis.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is a treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

Accounting policies (continued)

g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of delivering services undertaken to further the purposes of the charity and their associated support costs

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

	2025	2024
Africa Programme	54%	52%
Latin America Programme	46%	48%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- Computer equipment — 3 years straight line

m) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

n) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Accounting policies (continued)

o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

p) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

q) Pensions

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the statement of financial activities.

2 Income from donations and legacies

	Unrestricted £	Restricted £	**Total 2025 £**	Unrestricted £	Restricted £	Total 2024 £
Donations	115,787	-	**115,787**	199,464	-	199,464
	115,787	-	**115,787**	199,464	-	199,464

3 Income from charitable activities

	Unrestricted £	Restricted £	**Total 2025 £**	Unrestricted £	Restricted £	Total 2024 £
East Africa Programme:						
Bill and Melinda Gates Foundation	-	-	-	-	208,032	208,032
OCP Foundation / African Plant Nutrition Institute	-	57,575	**57,575**	-	86,884	86,884
GIZ FairForward	-	-	-	-	47,427	47,427
CAVEX		89,674	**89,674**		32,777	32,777
Uganda Programme Income	276		**276**	2,882		2,882
Honey Sales: East Africa	-	-	-	80,347	-	80,347
Sub-total for East Africa Programme	276	147,249	147,525	83,229	375,121	458,349
Latin America Programme:						
Bayer AG	-	16,577	**16,577**	-	151,134	151,134
Incofin	-	54,028	**54,028**	-	6,990	6,990
IDB - SAGRI	-	137,754	**137,754**	-	217,230	217,230
Pret a Manger	-	-	-	-	100,000	100,000
VIAMO	-	-	-	-	19,065	19,065
Inter-American Development Bank - IDB Lab	-	-	-	-	167,008	167,008
GIZ		60,857	**60,857**		3,321	3,321
Whole Foods Market Foundation		75,727	**75,727**			
Peru Programme Income	-		-	1,973		1,973
Honey Sales : Peru	6,760		**6,760**	3,542		3,542
Sub-total for Latin America Programme	6,760	344,943	**351,703**	5,515	664,748	670,263
Total income from charitable activities	7,037	492,192	**499,228**	88,744	1,039,869	1,128,613

4a Analysis of expenditure (current year)

		Charitable activities					
	Raising funds £	East Africa Programme £	Latin America Programme £	Governance costs £	Support costs £	**2025 Total £**	2024 Total £
Staff costs (Note 6)	30,713	38,147	117,990	-	172,994	**359,843**	636,616
Direct programme expenditure	-	205,293	86,527	-	13,890	**305,711**	645,186
Office costs	-	1,867	3,428	-	58,615	**63,910**	60,913
Audit, legal and professional fees	-			10,056		**10,056**	78,309
	30,713	**245,307**	**207,945**	**10,056**	**245,499**	**739,520**	1,421,024
Support and governance costs	-	148,870	126,196	(10,056)	(245,499)	**19,511**	-
Total expenditure 2025	**30,713**	**394,177**	**334,140**	**-**	**-**	**759,030**	-
Total expenditure 2024	86,010	698,524	636,491	-	-		1,421,024

4b Analysis of expenditure (prior year)

		Charitable activities				
	Raising funds £	East Africa Programme £	Latin America Programme £	Governance costs £	Support costs £	**2024 Total £**
Staff costs (Note 6)	31,145	162,576	164,150	-	278,746	**636,616**
Direct programme expenditure		315,663	277,509	-	52,014	**645,186**
Office costs	-	19,121	11,533	-	30,259	**60,913**
Audit, legal and professional fees	54,865	-	-	12,805	10,639	**78,309**
	86,010	**497,360**	**453,192**	**12,805**	**371,658**	**1,421,024**
Support and governance costs	-	201,164	183,299	(12,805)	(371,658)	-
Total expenditure 2024	**86,010**	**698,524**	**636,491**	-	-	**1,421,024**

5 Net (expenditure) for the year

This is stated after charging:

	2025	2024
	£	£
Depreciation	**2,881**	4,147
Auditor's remuneration (excluding VAT):		
Audit	**10,280**	11,905

6 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management

Staff costs were as follows:

	2025	2024
	£	£
Salaries and wages	**322,785**	563,298
Social security costs	**15,734**	29,054
Employer’s contribution to defined contribution pension schemes	**21,324**	44,264
	359,843	636,616

0 employees earned more than £60,000 during the year (2024: two)

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel, the CEO, Head of Business Development were £86,676 (2024: £155,987).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2024: 0). No charity trustee received payment for professional or other services supplied to the charity (2024: 0).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totaling £0 (2024: £0), as a result of Board meetings continuing to be held virtually.

7 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 8.1 FTE, with a total headcount of 11.8 (2024: headcount 20, 18 FTE).

Staff are split across the activities of the charity as follows (headcount basis):

		2025	2024
		No.	No.
Raising funds		**1.0**	1.0
East Africa Programmes		**4.8**	7.2
Latin America Programmes	The average n	**4.8**	7.2
Support		**1.2**	2.6
		11.8	18.0

8 Related party transactions

There were related party transactions with Cafédirect plc and Produers Direct Inc : Cafédirect plc and Producers Direct have been linked through a Donation Agreement, dating from 28th September 2009, which outlines the terms under which Cafédirect plc makes an annual donation to Producers Direct to support producer programmes, and to strengthen Producers Direct's operational capacity.

Producers Direct Inc is a US-registered non-stock company that was established by Producers Direct to support the growth of Producers Direct’s operations and expansion of US-based fundraising opportunities for Producers Direct. In 2022, Producers Direct Inc. secured US 501c3 non-profit status. From September 2021 until May 2025 Producers Direct’s COO was US-based and was employed by Producers Direct Inc.

Aggregate donations from the related party Cafédirect plc were £107,844, (2024: £101,341). All were unrestricted in 2025 and 2024. There were no amounts due at year end.

The Value of related party transactions between Producers Direct and Producers Direct Inc. was £65,742. (2024 £94,396). £35,587 was paid to Producers Direct Inc as an unrestricted sub-grant, £30,155 was received from Producers Direct Inc. as an Unrestricted Donation.

9 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

10 Tangible fixed assets

	Computer Equipment	
	2025	2024
	£	£
Cost		
At the start of the year	**36,790**	35,936
Additions in year	**667**	854
At the end of the year	**37,457**	36,790
At the start of the year	**20,908**	16,761
Charge for the year	**2,881**	4,147
At the end of the year	**23,789**	20,908
Net book value		
At the end of the year	**13,668**	**15,882**
At the start of the year	**15,882**	**19,175**

All of the above assets are used for charitable purposes.

11 Debtors

	2025	2024
	£	£
Trade debtors	**39,929**	81,153
Prepayments and accrued income	**23,664**	53,098
	63,593	134,251

12 Programme related investments

	2025	2024
	£	£
Fair value at the start of the year	61,667	58,153
Award of new loans		8,010
Repayment of loans	(7,543)	(4,496)
Impairment of loans	(39,334)	-
Fair value at the end of the year	**14,790**	**61,667**

Investments comprise:

	2025	2024
Loans	£	£
Ankole Coffee Producers Co-operative Union (ACPCU)	14,059	15,586
Kayonza Growers Tea Factory	-	22,929
Rungwe and Busokelo Tea Co-operative Joint Enterprise (RBTC)	-	14,878
CAC Chirinos	167	167
CAC Aprocassi	236	4,012
CAC Bagua Grande	328	4,094
	14,790	61,667

Producers Direct has made programme-related loans to six smallholder producer organisations in Uganda (Ankole Coffee Producers Co-operative Union (ACPCU) and Kayonza Growers Tea Factory), Tanzania (Rungwe and Busokelo Tea Co-operative Joint Enterprise (RBTC)) and Peru (CAC Aprocassi, CAC La Prosperidad de Chirinos and CAC Bagua Grande). The loans were made to help farmers access micro-loans to take up or strengthen on-farm beekeeping and other productive activities. Interest is charged below market rates. The loans are made to further the charity's objectives and not solely to generate a financial return. The Trustees review each loan at the year-end for evidence that it may not be recovered in full.

During 2025, repayments of £7,543 were received in repayments of the Peru loans issued in 2024. Continued delays against agreed repayment schedules for the East Africa loans led the Trustees, to conclude that the available evidence was not sufficient to support recognising the balances owed by Kayonza and RBTC as recoverable. A provision for impairment of £39,334 has been charged reducing the carrying amount of these loans to nil. The balance owed by ACPCU, where repayments have been evidenced, is carried at £14,059.

The provision is an accounting judgement and not a write-off or forgiveness of the debts. Producers Direct continues to pursue recovery, and the loans remain supported by physical hive assets with residual value. If amounts are recovered in future, the impairment will be reversed.

13 Creditors: amounts falling due within one year

	2025	2024
	£	£
Trade creditors	**124,976**	104,898
Taxation and social security	**(13,855)**	18,455
Loan payments due within a year	**9,753**	17,001
Accruals	**9,949**	11,504
	130,824	151,859

14 Non-Current Creditors: amounts falling due beyond one year

	2025	2024
	£	£
UK Bounce Back Loan	-	6,736
	-	6,736

During 2020, Producers Direct secured a loans to support cash flow management, a UK Government

15 Pension scheme

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the statement of financial activities.

16a Analysis of net assets between funds (current year)

	General unrestricted	Restricted	**Total funds**
	£	£	**£**
Tangible fixed assets	13,668	-	**13,668**
Net current assets	(29,777)	5,582	**(24,196)**
Long term liabilities	-	-	-
Net assets at 31 Dec 2025	**(16,109)**	**5,582**	**(10,527)**

16b Analysis of net assets between funds (prior year)

	General unrestricted £	Restricted £	**Total funds £**
Tangible fixed assets	15,882	-	**15,882**
Net current assets	56,921	67,424	**124,345**
Long term liabilities	(6,736)	-	**(6,736)**
Net assets at 31 Dec 2024	**66,067**	**67,424**	**133,489**

17a Movements in funds (current year)

	At 1 January 2025	Income & gains	Expenditure & losses	Transfers	**At 31 December 2025**
	£	£	£	£	£
Restricted funds:					
Africa - OCP Foundation / APNI	-	57,575	(58,059)		**(484)**
Africa - Cavex	-	89,674	(89,674)		-
Africa and Latin America- Bayer AG	-	16,577	(16,577)		-
Latin America - GIZ	(15,161)	60,857	(48,078)		**(2,381)**
Latin America - Incofin	(2,930)	54,028	(51,098)		-
Latin America - IDB Lab SAGRI	85,512	137,754	(225,153)		**(1,887)**
Latin America - Whole Foods Market Foundation	-	75,727	(65,396)		**10,331**
Total restricted funds	67,424	492,192	(554,034)	-	**5,582**
Unrestricted funds:					
General funds	66,064	122,824	(204,996)		**(16,109)**
Total unrestricted funds	66,064	122,824	(204,996)	-	**(16,109)**
Total funds	133,487	615,016	(759,030)	-	**(10,527)**

The narrative to explain the purpose of each fund is given at the foot of the note below.

17b Movements in funds (prior year)

	At 1 January 2024 £	Income & gains £	Expenditure & losses £	Transfers £	At 30 December 2024 £
Restricted funds:					
Africa - GIZ FairForward	25,502	47,427	(72,929)	-	-
Africa - Bill and Melinda Gates Foundation	1,195	208,032	(209,228)	-	**(1)**
Africa - OCP Foundation / APNI	-	86,884	(86,884)	-	-
Africa - Cavex	-	32,777	(32,777)	-	
Africa - Viamo	-	19,065	(19,065)	-	
Africa and Latin America- Bayer AG	-	151,134	(151,133)	-	-
Latin America- GIZ i4Ag	18,393	3,321	(36,875)	-	**(15,161)**
Latin America - IDB Lab	3,369	167,008	(170,377)	-	
Latin America - Incofin		6,990	(9,920)	-	**(2,930)**
Latin America - Pret a Manger	308	100,000	(100,308)	-	-
Latin America - IDB Lab SAGRI	-	217,230	(131,719)	-	**85,512**
Total restricted funds	48,768	1,039,868	(1,021,214)	-	**67,424**
Unrestricted funds:					
General funds	177,046	288,829	(399,810)	-	**66,065**
Total unrestricted funds	177,046	288,829	(399,810)	-	**66,065**
Total funds	225,813	1,328,698	(1,421,024)	-	**133,489**

Purposes of restricted funds

Africa - OCP Foundation / African Plant Nutrition Institute (APNI): $US 110,990 received during 2023 of a total three-year grant of $US 321,050 from APNI (2023-2026), sub-granted from the OCP Foundation, to support smallholder farmers in Uganda diversify their farming, including through apiculture and horticultural crops, and enhance climate-smart approaches to coffee farming - in order to enhnace their long-term resilience to climate change.

Africa - Cavex
£175,327.53 funding secured for 2025/26 from Cavex to continue roll out of carbon-financed intervention using biochar to provide enriched fertiliser for smallholder coffee farmers and test farmer-led digital data collection tools to generate ISO-certified carbon credits and support compliance with EU deforestation regulations. Unfortunately, due to cuts from the funder, this project was reduced to £96,000 with the investment in biochar reactor and biochar deployment being cut from the project delivery.

Latin America: - Bayer AG: 20,0000 Euros was secured from Bayer AG in 2024 to support the furhter testing and scalingg of Producers Direct's 'Digital Cooperative' concept to 10,000 female farmers in Peru by the end of Q1 2025. Digital Cooperatives aims to transform foodsystems from the grassroots with women at the helm, driving inclusion and equality, increased incomes, food security, and strengthened resilience.

Latin America - GIZ (German Development Agency) SASI: 122,787.50 Euros secured over 18 Months (2025 Q3 - 2026 Q4) for the project "Unlocking Value from Data: A Path to Resilience and Growth" to leverage EUDR as an opportunity for stakeholders across the coffee supply chain, especially producers and cooperatives.

Latin America - Incofin
£6,990 funding secured in 2024 of a $US 85,000 one-year grant from Incofin - a Belgian-based impact investment firm that focuses on promoting financial inclusion, sustainable agriculture, and rural development, particularly in emerging and developing countries, working in partnership with producer partners in Peru to improve the services being delivered.

Latin America - Whole Foods Market Foundation: 300,000 USD over 3 years from Q3 2025 - Q2 2028 to support female farmers who are diversifying their coffee farms with fruit and vegetable production at to two coffee cooperatives in Peru. The funding will provide in-person financial training and agricultrural advice paired with microloans to 414 female partners.

Latin America - IDB Lab SAGRI
$800,000 USD grant awarded over 36 months to improve the productivity of Peruvian smallholders and promote the adoption of climate-smart practices through an innovative soil analysis solution, piloting asustainable and scalable business model £217,230 secured to support expenditure in 2024/2025.

18 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1. There was one member at 31 December 2025, Cafédirect Producers Limited.

19 Post balance sheet event

The charity is aware of a potential legal dispute which is ongoing. An estimate of the maximum financial impact this could have on the organisation is £10,000.