FARM AFRICA

2025 Annual Report and Financial Statements

Farm Africa Limited
Company Number: 01926828

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Part 1

Trustees' report

Report of the Chair

This is my first Annual Review letter, having been elected as Chair of Farm Africa in July 2025. I extend huge thanks to my predecessor, John Reizenstein, who served as Chair for six years and played a significant role in strengthening the organisation over a period of rapid change.

I feel privileged to have joined this impressive organisation. Coming from East Africa, I've known about Farm Africa for most of its 40 years and have always deeply admired its work unlocking the entrepreneurial spirit of smallholder farmers.

The need for that work is ever more stark. The mounting pressures of climate change, inflation, soil degradation and inadequate access to finance and markets make it increasingly difficult for rural people to provide for their families.

Farm Africa works hand in hand with farmers, offering the tools and resources they need to adapt to climate change and build profitable enterprises so they can earn a decent and dignified living while sustainably stewarding the land they depend on.

In this report you will read inspiring examples of how our innovative programmes are empowering women, improving soil health, tapping into green energy and conserving grazing lands.

Together, we are learning lessons that can help create a sustainable global food system that feeds the world without destroying it. Events at which we shared those lessons last year included London Climate Action Week in June and the Second Africa Climate Summit in Addis Ababa in September.

Fundraising highlights included 12 runners taking on the London Marathon, a BBC Radio 4 appeal, our third year as the official charity partner of The London Coffee Festival, an on-pack promotion on green beans sold by Sainsbury's and a successful Big Give Christmas Challenge matched giving campaign. We are grateful to the AKO Foundation for their investment in scaling up our climate resilience programming.

We were proud to welcome the chef Tom Booton as a new ambassador and David Ojwang Juma as our new Country Director in Tanzania.

I express heartfelt thanks to everyone who supports Farm Africa and makes our vital work possible. My thanks go to all our staff and partners whose expertise, dedication and hard work bring us closer to achieving our vision of a resilient, rural Africa where people and the environment thrive.

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Amar Inamdar

Chair of Trustees, Farm Africa

16 June 2026

Report of the Chief Executive

The year 2025 was a moment of real pride for Farm Africa. More than just an opportunity to reflect on 40 years of impact, it was also a powerful reminder of the continuing relevance of Farm Africa's work supporting smallholder farmers and small businesses to build more resilient livelihoods.

Farm Africa's teams operate in a rapidly changing world, one where long-held models of international development are being tested, and where aid budgets are in rapid decline. However, with the formidable support of our donors, including thousands of individuals, companies, trusts and foundations, we are proud to have reached an incredible 767,155 people with impactful solutions in 2025.

Evidence this year showed us how deep that impact can be – transforming livelihoods and landscapes through an approach that combines deep seated community engagement and high-quality technical experience.

We worked a lot on the crucial issue of soil health, and I was excited to see independent scientific data confirming the impact of regenerative agriculture in restoring and improving soil health. From sequestering carbon, to retaining soil moisture and organic matter, to improving farm yields – soil health is the building block of sustainable and profitable farming. I saw this for myself when visiting the farm of Faith Ngari, a Village-Based Advisor working in Kenya. The maize she grew using traditional farming methods was thin, wasted and dried out. But right next to it, the maize grown using regenerative methods was tall, vigorous and putting out a bumper crop.

Faith Ngari (centre) on her maize farm in Embu, Kenya. The maize on the right-hand side, grown using regenerative agriculture approaches, is taller and more vigorous than the control planting on the left-hand side

I was so interested to see the advances in green energy, from solar irrigation to e-charging. Our work in Tanzania to use solar, biogas and wind energy to power electric scooters and trucks was a real breakthrough in sustainability. As fuel and fertiliser prices rocket, the ability of farmers to reduce their dependence on diesel for transport and irrigation helps to reduce emissions, lower costs and improve farm profits. Read more on page 15.

Stories such as these illustrate the power of farming in harmony with nature. Thank you for standing with us as we continue to champion methods of farming that don't cost the Earth.

Dan Collison

Chief Executive

16 June 2026

Strategic report

This section presents Farm Africa's mission, values and strategic goals, including the priorities outlined in the strategic plan (2021-2025), and the mid-term review of the strategy that took place in 2023. This section also summarises Farm Africa's achievements in 2025, and outlines our goals for 2026.

Vision

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

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

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

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

Our mission

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

Our values

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

2021 – 2025 strategy

In 2021 we concluded a participatory process to develop a strategic plan for Farm Africa (2021-2025). Last year we decided to extend the life of the strategy for another year through to the end of 2026.

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

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

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

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

Our strategy is underpinned by five cross-cutting themes:

- **Climate action:** We will work to reduce greenhouse gas emissions and strengthen the resilience and adaptive capacity of communities to climate change.
- **Gender equality:** We will design projects to be gender-sensitive and include meaningful outcomes for women's economic empowerment.
- **Youth employment:** We will emphasise the creation of job opportunities for young people throughout the value chain.

- **Resilience:** We will enhance communities', enterprises' and ecosystems' ability to mitigate and adapt to shocks.
- **Agri-tech:** We will embrace the use of technology at all stages of the value chain.

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

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

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

2023 mid-term strategy review

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

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

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

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

Our activities and achievements

In 2025, our 40th anniversary year, we managed projects across five countries in eastern Africa, reaching 767,155 people. The following section outlines key programmatic statistics from 2025, highlights from our 40th anniversary celebrations, as well as case studies from various projects across Ethiopia, Tanzania, Uganda and Kenya, all united in aiming to support communities working in the agricultural sector to grow their incomes while also protecting their local environment for generations to come.

Farm Africa's 40th anniversary

In 2025, Farm Africa proudly marked our 40th anniversary, celebrating four decades of impact in eastern Africa.

40 years of impact 1985-2025

Our roots stretch back to 2 August 1985, when we were first registered as a charity. Since then, Farm Africa has been at the forefront of working with rural communities in eastern Africa to reduce poverty by farming in harmony with nature.

Farm Africa was founded by Sir Michael Wood and David Campbell OBE in response to the famine in Ethiopia with the firm belief that developing small-scale agriculture was the key to reducing rural poverty.

A dairy goat group in Meru, Kenya during Farm Africa's early days.

To start with, Farm Africa supported camel herding pastoralist communities in northern Kenya, then added a dairy goat project in Ethiopia, using an approach still used today of cross-breeding local goats kept for meat with milk goats such as Toggenburgs and Anglo Nubians.

Expansion to Tanzania followed in 1990, and to South Africa in 1991 and southern Sudan in 2005. As Farm Africa grew, we expanded into other areas including forestry. The core aim of our work has remained the same: to support rural communities to increase their incomes while protecting the natural resources they rely on.

Today, Farm Africa has programmes in Ethiopia, Kenya, Tanzania and Uganda, supporting a wide range of rural communities from fish farmers to coffee growers to herders.

Last year offered a moment for reflection and celebration, honouring the millions of farmers and rural entrepreneurs whose determination drives our mission forward, and the supporters and partners who have walked with us since 1985.

Minette Batters (left) and Juliet Muthoni (right) in Embu, Kenya.

BBC Radio 4 appeal

In April 2025, farmer, crossbench peer and Farm Africa ambassador Minette Batters presented an appeal for Farm Africa on BBC Radio 4. She told the story of Juliet Muthoni, a smallholder farmer she met in Embu in Kenya, where extreme weather and soil degradation have made it difficult for farmers to grow enough to feed their families, let alone sell.

After receiving training in regenerative agriculture from Farm Africa, Juliet has been able to turn around fortunes not just on her own farm, but on the farms of hundreds of her neighbours, mainly other women.

The appeal raised an amazing £62,000 to help more farmers in eastern Africa learn about environmentally friendly, climate-resilient ways to farm.

A night to remember in London

Photo (l-r): Farm Africa Chief Executive Dan Collison, ambassador Lady Sabrina Dhowre Elba, Ethiopia Country Director Shewit Emmanuel, patron Sir Michael Palin and supporter Adam Bedford at Farm Africa's 40th anniversary summer reception.

In London, a 40th anniversary reception brought supporters and staff together on a vibrant summer evening. We were joined by our patron, Sir Michael Palin, whose connection to Farm Africa spans back to our earliest days. Speaking warmly, he reflected on the organisation's beginnings and enduring impact:

"I became involved at the very beginning of Farm Africa during an appeal for BBC, and since then I've visited Africa on their behalf. I've absolutely admired the work they're doing. There's real life ahead for Farm Africa for another 40 years I hope."

Guests enjoyed delicious canapés prepared by chef and Farm Africa ambassador Tom Booton, and took part in launching the 40th Anniversary Appeal to continue our support for farming families across eastern Africa.

Honouring a shared journey in Nairobi

In November, the celebrations continued at a 40th anniversary reception in Nairobi, which brought together partners, donors, board members, government representatives and project participants from across Kenya.

Farm Africa's Kenya Country Director, Mary Nyale, delivered an address that reflected on the organisation's evolution and lasting purpose, opening with a powerful reminder of how far the organisation has come:

"Forty years ago, a visionary idea took root: an idea that smallholder farmers in Africa could move from subsistence to prosperity through knowledge, technology and sustainable markets."

Her words set the tone for an event that celebrated innovation, partnership and resilience: from pioneering dryland farming in the 1980s to today's work in climate-smart agriculture, regenerative practices and inclusive market systems.

Farm Africa Kenya Board Chair Jane Ngige acknowledged the central role of partnership to all of our work, highlighting how none of our work would be possible without working together with farmers, community-based organisations, county governments, private sector partners and our much-valued donors.

"As we celebrate this milestone, may we be reminded that Farm Africa's strength lies not just in the projects we deliver, but also in the partnerships we nurture and the lives we touch."

Regenerating land and futures

Thriving farms, landscapes and livelihoods all depend on healthy soil. Farm Africa's regenerative farming programmes help farmers to boost their productivity, build their resilience and restore ecosystems.

Farmers in eastern Africa are confronting increasingly erratic rainfall, degraded soils and rising costs of production, which put their livelihoods at risk. Farm Africa is responding by promoting regenerative agriculture approaches that use organic matter to rebuild the health of soil and farming businesses alike.

Regenerative farming methods we promote include using mulch, manure and compost alongside micro-doses of chemical fertilisers; rotating crops to stop soil becoming depleted; growing two or more crops on the same land at the same time (intercropping); and planting trees on farms (agroforestry).

With our support, tens of thousands of farmers have now adopted regenerative practices that are delivering measurable economic and environmental gains at scale.

Higher yields, healthier soils

Perpetua Pius holding vegetables grown on her farm using regenerative farming methods in Embu County, Kenya.

This transformation is strikingly evident in Farm Africa and AGRA's Strengthening Regenerative Agriculture in Kenya (STRAK) project. Between May 2022 and November 2025, the project supported 54,754 farmers in Embu and Tharaka Nithi counties to adopt regenerative practices.

Adoption rates surpassed expectations, with nearly 90% of farmers we reached in both counties using regenerative methods. The benefits have been substantial: farmers reported up to 81% higher yields per acre, 92% better water retention, and a major reduction in erosion and crop failure. During dry spells, crops protected by mulch remained healthier and stayed green for longer because the soil retained moisture.

Scientific analysis backs this up. Research by the Centre for International Forestry Research and World Agroforestry (CIFOR–ICRAF) on more than 2,000 soil samples found that mulching increased water infiltration by 19 to 38%, while soil biodiversity flourished, including a 200% rise in beneficial nematodes and a 63% increase in Arbuscular Mycorrhizal Fungi, essential for soil fertility.

Analysis by Downforce Technologies using advanced satellite and AI technology (see more details overleaf) have evidenced an increase in Soil Organic Carbon, showing a 30-50% increase in soil organic matter.

The increases in soil fertility and yields have translated into a 54% increase in incomes for farming families, bringing multiple benefits, as Farm Africa project coordinator Patrick Nyaga explains: "With the additional income, farmers have been able to pay school fees on time, improve their houses and start saving regularly. Some have also invested in livestock and farm inputs, which were previously difficult to afford."

Empowering women farmers

Empowering rural women to become economically active brings benefits to whole families, communities and economies.

In rural eastern Africa, women face considerable barriers to making a decent living. Few own farmland and renting it erodes already slim profits. Household and childcare responsibilities, inadequate education and poor transport links limit access to formal employment. Without assets, proof of income or even a bank account, women can't access finance to start their own businesses.

Farm Africa champions women in all we do, and 2025 was no exception.

Empowering female enterprise

By the end of 2025, through the Youth in Sustainable Aquaculture (YISA) programme, Farm Africa and the Mastercard Foundation had worked with 29,229 young women in Kenya to secure work in the aquaculture and mariculture industries, 71% of the total 41,167 of project participants now in employment.

Why so many women? With its low land requirements and wide range of entrepreneurial opportunities - from fish farming to fish food production, fish mongering to fish frying - the aquaculture industry offers a wealth of accessible opportunities for women. Damaris Mukuhi and Mary Wambui from Kilifi County are two examples.

Eyeing a local market gap, they founded The Daily Catch Farm, a farm-to-table enterprise promoting sustainable aquaculture.

Through YISA, they received a Smart Kiosk: an attractively branded 6x20 ft fabricated container equipped with freezers, cooking equipment, weighing scales and a modern clean energy frying unit. Powered entirely by solar panels with battery back-up, the system enables continuity of power through frequent power cuts.

They also received training on business planning, budgeting, financial projections and value addition. “That inspired us to establish a fish snacks kiosk: one of the first of its kind in Kilifi County”, explains Damaris. “We produce and sell affordable fish-based snacks such as fish balls, fish fingers and fish kebabs, creating an additional income stream.”

“Before setting up the Smart Kiosk, our business generated an average monthly revenue of about Kenyan Shillings (KES) 30,000. Following the establishment of the Smart Kiosk, revenues have increased tremendously to KES 156,000 per month.”

The new working from home

Damaris (right) pictured with her husband Frenkie and their children at their farm in Dodoma, Tanzania.

In 2025, the NOURISH programme, led by SNV in partnership with Farm Africa, continued supporting women in Tanzania’s drought-prone Dodoma region to access opportunities in sorghum production while also introducing another new income stream from vegetable growing.

Farm Africa first introduced sorghum to the area in 2019 as a drought-resilient, high-value crop. Damaris Charles Matchite and her husband Frenkie Chimeni were early adopters. Both work the farm, but with a two-hour round-trip on foot and two school-age children to care for, Damaris is also developing a home-based enterprise.

A key achievement of Farm Africa’s early sorghum work was securing a bulk-buying agreement with Tanzania Breweries Ltd, including purchasing through village selling stations. Damaris has become the negotiator for her village. “I have a selling station here. Other farmers, after harvesting their sorghum, bring it here so I can sell it for them. I negotiate the price for everyone and share the money.”

In the 2024/2025 growing season, she negotiated on behalf of almost 400 farmers, selling around 500 metric tonnes in total. And in 2025, following NOURISH’s drought-resilient kitchen garden approach, she successfully grew nutritious vegetables in this dry climate for the first time.

The new income streams have been transformational for their family. “Selling vegetables from the kitchen garden and the aggregation of sorghum are the most profitable activities that I do”, says Damaris.

“I have managed to build a new house. And this year, by selling the extra vegetables, I was able to buy the door. The children are now going to school or getting technical knowledge in industry. They’ve managed to get there because of the money I’m earning. It’s made a big change to our lives.”

In 2025, the NOURISH programme reached 28,991 rural women with training on topics including nutrition education, climate-smart agriculture productivity and value addition.

Access to finance

Recognising the financial barriers rural women face in starting enterprises, in 2025 Farm Africa continued helping women establish Village Savings and Loan Associations (VSLAs), with lending criteria designed to work for women.

Members of the Atota VSLA in Ethiopia. Photo: Farm Africa / Medhanit Gebrmichael

These groups give women with limited or no access to formal banking a safe place to save, borrow and build financial skills. Members make regular contributions, which are pooled and offered as loans to fellow members.

Establishing VSLAs has been an important part of Farm Africa's Forests for Sustainable Development programme in Ethiopia's Bale Eco-region.

Habiba is a member of Atota VSLA, one of the 118 VSLAs established through the programme, which was funded by the Royal Norwegian Embassy in Ethiopia. Through her membership, Habiba has taken loans to invest in farming activities. After earning £336 from her first teff harvest, Habiba was able to increase and diversify her income by investing in a threshing machine, which enabled her to make a further £865 from providing threshing services to other farmers.

By the programme's end in December 2025, more than 2,800 women had gained access to finance, with a total of 7.9 million Ethiopian Birr circulating among them as loans.

Managing rangelands collaboratively

Ahead of the 2026 International Year of Rangelands and Pastoralists, Farm Africa continued to champion participatory rangeland management to empower pastoralist communities, restore degraded ecosystems and strengthen climate-resilient, community-driven governance.

The rangeland challenge

In eastern Africa, arid rangelands make livestock production the most viable land-use option, anchoring local food systems and rural livelihoods. These pastoral systems are vital for maintaining biodiversity and driving global climate mitigation, particularly through sequestering carbon in soil and plant roots. Consequently, local grazing decisions have profound global climate implications.

However, these fragile ecosystems face mounting pressures from rapid population growth, land fragmentation and intense resource competition. As traditional governance institutions weaken, the sustainable management of communal lands is deeply compromised. This breakdown in collective action accelerates environmental degradation and fuels resource-based conflicts among land users, ultimately threatening regional resilience and ecosystem health.

Participatory rangeland management

Farm Africa champions participatory rangeland management (PRM) to drive systemic change. We define it as a comprehensive governance framework designed to ensure the sustainable, equitable and economically viable management of communal resources by pastoralist and agro-pastoralist communities.

Evidence from the field

Farm Africa's rangeland programmes in Ethiopia apply PRM to confront accelerating land degradation, growing resource-based tensions and climate-driven livelihood losses. Across the Wabi-Shebele and Genale-Dawa, Omo-Gibe and Baro-Akobo, and Rift Valley and Awash basins, rangelands are under intense strain. Overgrazing, soil erosion, biodiversity decline and diminishing water sources are all being fuelled by unregulated development, entrenched poverty and the pressures of a changing climate.

Ade Rameto (right), pictured with other members of the Mansa Participatory Rangeland Management Cooperative on restored

The Central Rift Valley reflects similar patterns as years of uncontrolled grazing, deforestation, land conversion and weak enforcement left areas like Abijatta-Shalla National Park severely degraded, threatening local livelihoods alongside unique bird and aquatic ecosystems. Recurrent droughts worsened livestock losses and food insecurity, while conflict between communities and park authorities persisted for decades.

Farm Africa's PRM model directly responds to these pressures by positioning communities as custodians of their rangelands. This involves establishing legally recognised cooperatives such as the Mansa Participatory Rangeland Management Cooperative who co-developed bylaws and adopted practices such as rotational grazing, paddocking and "mental enclosure," which relies on shared responsibility rather than fencing.

The results have been striking. In Mansa, through the Nature-Based Solutions for Sustainable and Inclusive Development (NSSID) programme, degraded land was restored from 68% bare ground in 2022 to 96% grassland within a year, revitalising biodiversity, improving water–land linkages and supporting the return of fish and migratory birds[1]. Economic gains from fodder and livestock enterprises, alongside improved community cohesion, demonstrate how community-led stewardship can drive landscape-level restoration and long-term climate resilience.

Ade Rameto, a member of Mansa Participatory Rangeland Management Cooperative, commented: "That barren land, which had been neglected for many years, has now become productive and earns us income."

Championing pastoralists in 2026 and beyond

Our PRM approach provides an evidence-based framework to strengthen inclusive governance, legitimise resource rules and support adaptive monitoring. Leveraging these successes, we are scaling PRM geographically and intensifying policy advocacy. Using robust field data, we urge governments to institutionalise PRM, secure pastoralist land tenure and direct climate finance toward dryland restoration. The ecological stability of eastern Africa's drylands relies on healthy rangelands and empowered pastoralist communities, who are the ultimate custodians of these ecosystems, supported by secure tenure and science.

More information will be available in Farm Africa's forthcoming publication Participatory rangeland management: lessons from Farm Africa's experience in co-managing rangelands in Ethiopia.

Green energy powers progress

With abundant sunlight for solar power and a steady supply of farm waste for biogas, rural communities in eastern Africa are well placed to embrace clean, renewable energy solutions. In 2025, Farm Africa helped farmers' groups unlock this potential.

For many communities in eastern Africa, energy scarcity is a persistent reality. In rural areas, grid electricity and fossil fuels are often costly, unreliable or unavailable, as well as bad for the planet. Without reliable access to affordable energy, farmers can't efficiently grow, process and transport their crops, quashing their chances of making a decent living.

Yet these same communities are rich in the resources needed to produce their own clean energy: sunlight, wind and farm waste for biogas. In 2025, Farm Africa helped farmers' groups turn this potential into concrete, climate-smart innovations. From using solar-powered irrigation to improve nutrition in Uganda, to using fuel-efficient cooking stoves to protect forests in Ethiopia, to building a multi-renewable e-mobility charging station in Tanzania, it's been a transformative year.

Solar-powered nutrition

The farmers' group in Lotisan sub-county in Karamoja, Uganda, pictured with vegetables grown using solar-powered irrigation. Photo: Farm Africa / Bertha Lutome

In Lotisan sub-county in Karamoja, Uganda, long treks to fetch water drain time and energy, and harvests often fail when water sources dry up.

"These people have no nearby market to access food, especially nutritious food. Mothers should be able to access food within the local community," explains Farm Africa community-based facilitator Peter Aguma.

Through Farm Africa and CARE International's CASCADE programme, Peter advises mothers on nutrition and trains groups on how to grow vegetables for a balanced diet. However, in Lotisan, the unreliable water sources were undermining the group's efforts.

"We were fetching water from a pond. But when the pond dried up, farmers lost morale," he says.

To overcome the problem, Farm Africa facilitated the installation of a solar-powered irrigation system. Now the farmers can grow vegetables all year round, improving their diets and generating income from the surplus produce.

Ben Lokut, one of the farmers supported by Peter, commented: "Having fresh vegetables has contributed to nutrition in the home. My family does not lack food at times. Secondly, we get money out of it. Thirdly, since we got water we're going to grow throughout the year."

Cooking for conservation

In Ethiopia, a switch to cleaner cooking methods is protecting forests. Traditional cooking methods rely on burning firewood sourced from forests, driving forest degradation, contributing to greenhouse gas emissions and filling homes with smoke.

Fuel-efficient stoves offer a low-tech solution. They reduce firewood consumption, ease pressure on forests, cut emissions, save time spent collecting firewood and improve indoor air quality.

The promotion of fuel-efficient stoves featured prominently in Farm Africa's Forests for Sustainable Development (FSD) programme in the Bale Eco-region of Ethiopia, funded by the Norwegian Embassy in Ethiopia, which completed in 2025.

Talile Dabele, who has now switched to a fuel-efficient chimney stove, explains the difference: "The stove has saved me fuelwood by 50%. A donkey load of fuelwood lasts a month and sometimes more. It releases little heat into the kitchen and produces almost zero indoor smoke. The neighbours are asking where to get this user-friendly technology."

In total, the FSD programme facilitated the establishment of five fuel-efficient stove producing enterprises, providing income opportunity for 77 women and young people. Nearly 10,000 households are now using fuel-efficient stoves, reducing firewood consumption by an estimated 4,358 tonnes annually, compared to traditional cookstoves.

The new power generation

In Kilosa District, Tanzania, the HIMANA Agricultural Marketing Cooperative Society provides post-harvest processing, storage and transport services for over 500 rice and sunflower farmers. However, unreliable electricity used to severely disrupt their operations.

“Electricity cut-offs here can happen three times per day,” says Godfrey Ngololo. “That stops all activities, there’s no processing, no business being done.”

Rising fuel costs were driving up transport costs too, eroding profits further.

An e-guta electric vehicle powered by renewable energy at the Powerfarm in Tanzania.

In 2025, Farm Africa nominated HIMANA cooperative as the host of the Powerfarm project. Led by Aegis Energy with funding from Innovate UK and the British High Commission in Tanzania, and delivered in partnership with Farm Africa, EcoNomad, WAGA and KOC Bridges to Peace, the 12-month pilot initiative demonstrated a renewable energy system that integrates solar, wind and biogas technology to provide reliable, clean energy for off-grid communities.

The first phase of the build saw solar panels and small wind turbines installed, along with the purchase of two electric vehicles. The renewable energy being generated has proved sufficient to charge the vehicles, enabling the cooperative to provide transport services at a greatly reduced cost.

Construction of a system that converts manure and crop residues into biogas also got underway in 2025, becoming operational in March 2026. By integrating the three renewable sources to form a unified energy system, the cooperative is now also able to maintain power to processing machines through grid interruptions, reducing their electricity costs by about 25% at the same time.

Our Key Performance Indicators

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

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

KPI	2025
KPI1: Total number of people supported to improve their resilience to effects of climate change.	353,987
KPI2: Total number of people supported to improve access to agri-technologies, inputs and services per year.	237,847
KPI3: Total number of people supported to enhance their production practices per year.	349,931
KPI4: Total number of enterprises supported to enhance their operations for growth and sustainability (SMEs, MSMEs, coops etc).	17,354
KPI5: Total number of people and enterprises supported to improve their access to financial services (savings and loans).	32,016
KPI6: Total amount of financing extended to supported people and businesses/enterprises.	$3,672,253

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

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

Performance against objectives

To aid our planning we have broken down the strategic objectives into a set of annual goals. These goals are more specific and time-bound than the strategic objectives. The table below sets out how we performed against our key goals for 2025.

In 2025, Farm Africa continued to make strong progress against its strategic objectives, delivering growing impact for rural communities while strengthening the organisation's financial sustainability, partnerships and technical leadership. This progress was made possible by the continued commitment and generosity of our donors, partners and supporters, whose funding enabled us to scale proven approaches, pilot new solutions and deepen our work across eastern Africa.

Strategic objective	Annual goal	Outcome
Achieve growth through diversity in funding	We will raise £14.8 million of restricted grant funding for 2025, including extending relationships with key strategic donors, diversifying our grant funding portfolio geographically and thematically.	Farm Africa's ability to deliver impact at scale depends on a strong and diverse funding base. Grant income in 2025 totalled £15.4 million, exceeding the target. This strong performance reflected continued support from long-standing institutional partners, including the Royal Norwegian Embassy in Ethiopia and the Swedish International Development Co-operation Agency. We saw an increase in funding for post-harvest solutions and the farmer service centre extension model of FTMA (Farm to Market Alliance) in Tanzania. We also saw continued and steady growth in the Ugandan portfolio. We have continued to see promising growth in our major giving programme, with the development of significant multi-year philanthropic partnerships, including the AKO Foundation, worth £1.2m over three years.
	We will raise £1.9 million of unrestricted funding in 2025, including from the growth of our major giving programme, our relationships in philanthropy and campaigns to acquire a new cadre of individual donors.	Unrestricted funding remains critical in enabling Farm Africa to invest in innovation, develop new partnerships and respond flexibly to emerging opportunities. Total unrestricted income raised in 2025 was £2.3m. This success was driven by a combination of legacy income, major donor contributions and the loyalty of individual supporters. We are thankful to our supporters who have included a contribution to Farm Africa in their will. Farm Africa received £597k of legacy income in 2025. Farm Africa supporters continued to respond generously to appeals and digital acquisition testing yielded encouraging results. These tests have created the basis of a business case to invest in "always on" acquisition activity in 2026.
	Global Environment Facility (GEF) programme development advances Farm Africa's advocacy agenda on access to climate finance as well as relationships with new partners.	During 2025, Farm Africa worked on development of the GEF climate adaptation initiative in close consultation with the Ministries of Environment in Ethiopia, Kenya and Tanzania, alongside international philanthropic and development finance partners. The programme was designed with the Development Bank of Southern Africa, which acts as the lead international climate finance agency, and with support from the UBS Optimus Foundation. Following extensive feedback from the international climate finance secretariat and wide stakeholder engagement, the pilot phase of the initiative is now ready for formal approval in the second quarter of 2026. Alongside programme development, Farm Africa strengthened its thought leadership on improving access to

Strategic objective	Annual goal	Outcome
		climate finance, with a thematic influencing position reviewed internally and used to inform external engagement. The initiative has also enabled Farm Africa to build new strategic relationships with partners specialising in environment, development policy and innovative risk financing. Importantly, this work represents Farm Africa's pioneering role in helping to raise and channel new private sector funding into sustainable climate adaptation models, supporting long-term resilience for vulnerable communities.
	Deliver plans for Farm Africa's 40th year including: BBC Radio 4 Appeal, Staff Conference and a Supporter Event in the summer.	To celebrate Farm Africa's 40 years of impact a summer reception was held, bringing together past and present supporters and staff, to reflect on the organisation's amazing legacy. Farm Africa Patron Michael Palin attended, along with Ambassador Minette Batters, who also presented our BBC Radio 4 Charity appeal. This appeal has raised over £62,000 so far. Several staff events were held to celebrate this important year, and a round table event in Nairobi was also held in November.
Transforming rural livelihoods	We will continue to build on the positive impact of our forestry projects by completing the sale of carbon credits on behalf of partners in Ethiopia and supporting the scale up of the jurisdictional REDD+ work through the Oromia Forest Landscape Programme.	Progress on sales of carbon credits from the Bale Mountains REDD+ programme was slower than anticipated in 2025, reflecting reduced market demand for credits issued under earlier methodologies. Farm Africa continued to engage with potential buyers and to explore sales opportunities where feasible. In parallel, the Oromia Forest Landscape Programme made strong progress toward verification and potential issuance of compliance-grade, jurisdictional REDD+ credits, building on Farm Africa's long-standing technical leadership in participatory forest management. These developments support the potential for future revenue flows to community groups from 2026.
	We will demonstrate impact for 800,000+ community members in 2025.	Reach represents participants who have directly engaged with or tangibly benefited from project activities during the reporting year. It is reported across three dimensions, using a conservative, evidence-based approach: only engagements that can be sufficiently verified and are consistent with project implementation during the reporting year are included. In 2025, reach was drawn from 23 projects across Ethiopia, Kenya, Tanzania and Uganda. Overall reach held steady, though figures are conservative. Total reach of 767,155 is broadly consistent with 2024 at a marginal 0.6% decline. The primary constraint on higher reporting was the inability of several projects to conduct annual household surveys within the timeline for reporting. These surveys, ongoing or completed in early 2026, are expected to increase reported reach. We saw a significant jump in newly engaged participants. In 2025, 63% of total reach comprised participants engaged for the first time, compared to just 26% in 2024. This reflects the transition of several major projects from start-up into active implementation. Interactive reach increased sharply, driven by digital data systems. Interactive participants rose from 141,000 (18% of reach) in 2024 to 223,656 (29% of reach) in 2025. The main driver is wider

Strategic objective	Annual goal	Outcome
		adoption of digital participant onboarding using unique identifiers linked to intervention activity monitoring records.
Technical leadership and advocacy	Further refine programme offers on gender, agri-tech, living income and agri-insurance with thematic focus on participatory rangeland management.	Over the course of 2025, Farm Africa strengthened its technical evidence and advocacy work. On the technical side, we gathered important new soil organic carbon data through soil sampling led by CIFOR-ICRAF in our regenerative agriculture work in Tharaka-Nithi and Embu counties. These datasets will help us improve programme design and strengthen our case for regenerative agriculture approaches. We also began developing a climate impact metric to complement our existing organisational KPIs and better track the difference our work makes. In addition, we completed a full review of the Revolving Fund and Challenge Fund models as part of the YISA project, and we will share the learning across the wider Agri-business Markets Advisory network. We developed a Farm Africa Carbon Offer, which has also supported the early development of a Carbon Decision Framework to guide future work in this area. Looking ahead, we made significant progress in shaping a Sustainable Supply Chain business unit, aimed at enabling potential commercial partnerships and diversified income streams from 2026 onward. Alongside this technical work, Farm Africa established four advocacy priorities to support learning, collaboration and influence with external partners. These are: • Payment for environmental services and landscape management (including participatory forestry and rangeland management) • Regenerative agriculture • Post-harvest and market access solutions • Access to finance for climate adaptation We will refine these advocacy priorities as Farm Africa reviews what we have learned and identifies scalable approaches for smallholder farmers, private sector partners, and policy makers to inform our 2027 strategy.
Deepen our partnerships	Strengthen our partnerships in carbon projects, including work with Tree Aid, including leading to new programme investment and technical cooperation in Tanzania as well as in sustainable supply including a focus on coffee exports from Ethiopia.	In 2025 Farm Africa further developed its partnerships with Tree Aid and CIFOR-ICRAF to agree a new project with UNHCR in Uganda focussing on clean cooking and forest management with refugee and host communities, introducing an innovative blended finance investment model. We worked with Downforce Technologies to measure changes in soil carbon levels on the farm plots in Kenya where regenerative farming approaches have been introduced, building evidence for the improvement of soil health as a result of this intervention. Furthermore, our partnership with the Japanese food company Zensho has led to high-quality forest coffee being sourced directly from farmers and coffee cooperatives in Ethiopia.
	Strengthen relationships with corporate partners in the UK to raise brand awareness and income and	Our long-standing sustainable supply chain partnership in Kenya with the Waitrose Foundation continued to grow in 2025, with the contract renewed for a further three years (worth an estimated £1 million per year). As part of this work, Farm Africa also supported

Strategic objective	Annual goal	Outcome
	build on previous success. We will build on our programme expertise and reputation to extend our technical and funding networks.	Flamingo Horticulture to shape its new environmental, social and governance (ESG) strategy, with the Foundation programme as a central pillar. Farm Africa's corporate partnerships remained strong. Collaborations with Sainsbury's and Farmer J continued to raise our profile and generate unrestricted income to support our wider work.
One Farm Africa	Carry out the bi-annual staff survey.	Farm Africa carried out our seventh biennial staff survey. We typically have high levels of participation in the survey, but last year we achieved our highest level of participation with 90% of employees taking part. We also achieved a total engagement/satisfaction rate of 80%. There are still areas where we want to improve and action planning around these will happen in 2026. Actions and initiatives will then be built into organisational and team annual goals.
	Continue to strengthen our structure, governance and culture, including recruitment of a new Chair for the Farm Africa board and establishment of a new board of trustees for Farm Africa in Uganda	A new Board Chair, Amar Inamdar was recruited in June 2025. The board of trustees for Farm Africa in Uganda was established under the leadership of Josephine Olok.
A sustainable financial future	Agree a two-year transition plan to achieve organisational sustainability and resilience, including a Cost Recovery Improvement Plan, a Fundraising Strategy Review and an evaluation of commercial opportunities that could be complementary to Farm Africa's charitable objectives.	Despite a challenging external environment for international development organisations, Farm Africa delivered a small operating surplus in 2025. This reflected strong programme delivery, effective cost recovery and fundraising performance alongside continued cost control. The organisation continues to implement its two-year transition plan, focused on strengthening financial sustainability, diversifying income sources and building long-term resilience. This lays the ground for a new strategic plan to be agreed by the end of 2026.

2026 outlook

A priority for 2026 will be the development of a new strategy for Farm Africa. This will be done against the backdrop of continuing and far-reaching change within the international development sector as aid budgets are cut and global insecurity threatens food production and markets.

Advocacy and scale-up of our work on regenerative agriculture, access to climate finance and inclusive landscape management have emerged as important themes to build upon in the new strategy, and these will be strengthened by new partnerships in both technical delivery and programme funding. As part of this we will continue to expand our network into high-value philanthropy as well as into commercial partnerships for sustainable supply chains.

We will monitor carefully our investment into the online acquisition of a new cohort of individual Farm Africa supporters and ensure that our pilot user cases for AI-driven efficiencies and system improvements are thoroughly evaluated.

Despite cuts to international development assistance, the programme funding pipeline for 2026 and beyond remains reasonably strong, with excellent prospects to achieve the planned budget of over £14 million in grant income for the year during Quarter Two. This is supported by quite a wide diversification of donor partners as we continue to reduce reliance on bilateral funders and build funding links with newer partners including UNHCR, the African Development Bank, AGRA and large global foundations.

Strategic objective	Annual goal
Achieve growth through diversity in funding	We will raise £14.4 million of restricted grant funding for 2026, including extending relationships with key strategic donors, diversifying our grant funding portfolio geographically and thematically.
	We will raise £2.4 million of unrestricted funding in 2026, including from the growth of our major giving programme, our relationships in philanthropy and campaigns to acquire a new cadre of individual donors.
	Strengthen future sustainability by building a strong funding pipeline to support activity beyond 2026.
	Explore innovative financing approaches, including philanthropy and climate-linked investment opportunities.
Transforming rural livelihoods	Complete the sale of carbon credits on behalf of partners in Ethiopia and support the scale-up of the jurisdictional REDD+ work.
	Support rural communities to strengthen livelihoods, climate resilience and food security across programme countries.
	Enable the delivery of large-scale, community-led programmes, including climate and natural resource initiatives.
	Achieve continued growth in reach and outcomes, building on 770,000+ people reached through improved livelihoods, food security and resilience.
Technical leadership and advocacy	Advance Farm Africa's role as a technical leader in sustainable agriculture, climate adaptation and landscape management, including implementation of advocacy strategies.
	Share evidence and learning to influence policy and practice, strengthening the voice of smallholder farmers.
	Strengthen impact measurement to improve learning, accountability and communications, including introduction of a new climate impact metric.
Deepen our partnerships	Strengthen strategic partnerships with UN agencies, governments and private sector partners, including collaboration on climate, livelihoods and displacement programming.
One Farm Africa	Develop a new organisational strategy to guide Farm Africa's future direction beyond 2026.
	Develop and implement staff survey actions.
	Refresh our staff handbooks to ensure legal compliance and people management best practice.
A sustainable financial future	Implement a cost recovery improvement plan, ensuring consistent application across budgeting and reporting.
	Improve financial resilience by achieving £2m in unrestricted reserves by the end of 2026.
	Continue to improve efficiency and value for money across all departments.

Financial report

In this section we set out the financial performance of Farm Africa Limited and its subsidiaries ('Farm Africa') in 2025 and review its position at the end of the year. This year we pay particular attention to the continued growth in restricted grant income, including the launch of new projects; programme delivery and spend across our portfolio, including the phasing of activity as projects mature; the improvement in liquidity and building of unrestricted reserves; and our progress against the transition plan to strengthen long-term financial sustainability. We continue to see pressures on income and cost driven by economic and geopolitical factors. We highlight here the implications for the trustees' assessment of the organisation's going concern status.

Financial performance

Income

Farm Africa receives income principally from three sources:

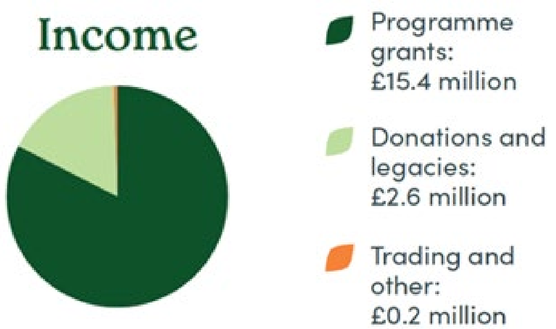
- Grants from governments, institutions and other major donors to fund specific projects (restricted funding);
- Corporate sponsorship income via our trading subsidiary Farm Africa Trading Limited (unrestricted funding);
- Donations, legacies and other fundraising activities (unrestricted funding).

Total income in 2025 was £18.2m (2024: £16.9m). This was due mainly to an increase in the value of programme grants received from donors and the timing of receipts, with a number of new projects launched during the year.

Programme grants remained the largest funding stream at £15.4m (2024: £14.0m). This includes income relating to our three largest projects: Youth in Sustainable Aquaculture (Kenya), funded by the Mastercard Foundation, Forests for Sustainable Development (Ethiopia), funded by the Royal Norwegian Embassy and Nature-Based Solutions for Sustainable and Inclusive Development (Ethiopia), funded by the Swedish International Development Agency.

Donations and legacies were at £2.6m (2024: £2.8m), and include a new three-year funding partnership with the AKO Foundation, supporting Farm Africa's climate resilience work.

The following chart shows the breakdown of 2025 income between the principal sources:



Expenditure

Farm Africa's expenditure falls into three main categories:

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

Total expenditure in 2025 was at £15.2m (2024: £16.5m).

Programme spend reduced by £0.9m to £13.5m (2024: £14.4m) due to phasing of activities in the Kenya programme, partially offset by growth in Tanzania and Uganda programmes, driven by new projects launched in 2025.

Support costs reduced by £0.2m to £1m (2024: £1.2m). This is the result of the implementation of planned cost savings, including a reduction in office costs.

Fundraising costs reduced to £0.7m (2024: £0.8m).

The following chart shows the breakdown of 2025 expenditure between the main categories:

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

Financial results and closing reserves

Farm Africa reported a surplus of £3m for 2025 (2024: deficit £0.4m). This comprises a surplus on restricted funds of £2.7m (2024: deficit £0.4m) and £0.3m on unrestricted funds (2024: £nil).

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

In respect to the surplus on restricted reserves of £3m (2024: surplus £0.4m), the level of restricted fund surplus or deficit fluctuates from year to year due to the differences in timings between the receipt of grant income and the corresponding project expenditure. In 2025 this figure is a surplus having received funds during the year. Under charity accounting rules and our accounting policies, income is recognised in full when certain recognition criteria are met, even if the corresponding expenditure is incurred in a different accounting period. Such timing differences may result in restricted fund deficits in some years and surpluses in other years.

Farm Africa has a closing restricted fund balance of £4.9m (2024: £2.3m).

The unrestricted reserves of Farm Africa of £1.7m compares to our target for unrestricted reserves of £2.2m. The process by which the reserves target is set is explained in the section below, "Reserves policy".

Farm Africa's unrestricted reserves have risen from £1.4m at 2024 to their current level of £1.7m. Farm Africa continues to be in transition to a sustainable financial model in which unrestricted income and expenditure are in balance. The year 2025 presented an opportunity for the organisation to build back unrestricted reserves after several years of cost pressures caused by inflation and foreign exchange volatility.

The annual budget for 2026 plans a break-even position after investments and one-off costs associated with cost savings plans. A suite of investments has been agreed, including continued investment in fundraising, monitoring, evaluation and learning and in systems development. Management and trustees have agreed a transition plan with actions to be taken across 2025-7 to modify Farm Africa's business model. The goal of the transition plan is to move to a business model that generates a surplus from 2027, thereby enabling the organisation to continue to build reserves to £2.2m and restore financial resilience.

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

Reserves policy

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

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

Previously, the trustees aimed to build designated reserves of £0.3m to enable Farm Africa to invest in funding and growth opportunities. However, in March 2026 the Finance, Risk & Audit Committee considered the ongoing need for designated reserves and concluded that no designation as part of the reserves target is required at this time, as funds for investment have been secured from other sources. Accordingly, the revised target for unrestricted reserves is £2.2m. The minimum unrestricted reserves level is £0.8m.

Going concern

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

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

Farm Africa has maintained good relationships with donors and other stakeholders in country operations. The focus on programme implementation and impact in communities gave Farm Africa unique opportunities to secure funding from existing and new donors in 2025. The entity is on track to achieve programme funding targets in 2026 with projects already secured or very likely to be secured with contracts. Farm Africa maintains a long-term view of the programme proposal pipeline process managed by a dedicated programme funding team. Currently the pipeline has more than £40m worth of proposals covering multiple years. The pipeline also ensures diversity of country portfolios in line with Farm Africa's strategic aim to achieve geographic spread of programmatic impact.

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

The actual 2025 closing unrestricted reserve is £1.7m. This reserve balance is expected to further increase to the £2.2m target through implementation of the plan to transition to a new strategy.

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

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

Structure, governance and management

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

Statement of trustees' responsibilities

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

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

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Governance and organisational structure

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

Sir Michael Palin CBE kindly agreed to continue as patron of Farm Africa during 2025.

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

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

The Finance, Risk and Audit Committee (FRAC) met regularly throughout 2025, chaired by Keith Pickard. FRAC normally comprises at least two trustees, together with external members as required. FRAC reviews and agrees the external audit plan, reviews the external auditor's management letter and monitors the implementation of resulting actions. FRAC also undertakes a detailed review of the annual budget, quarterly management accounts, the risk register, the annual report and accounts before their submission to the board. It approves the annual internal audit plan and oversees the implementation of recommendations arising from internal audit reports.

The Programme Advisory Committee (PAC) met throughout. Laketch Mikael stepped down as a trustee and chair of PAC during the period, with Anna

Onyango assuming the role in July 2025. PAC comprises at least two trustee members and external members from a wide range of disciplines. PAC has two objectives:

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

The nomination committee continued its work during the year, chaired by John Reizenstein. John Reizenstein stepped down as Farm Africa Chair and chair of the nomination committee during the period, with Amar Inamdar assuming the role in July 2025. It comprises no fewer than three trustees appointed by the board, with the chief executive as a non-voting member of the committee. The committee takes responsibility for identifying and proposing new board members and for their induction, support and development.

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

Charitable objects

While there has been huge progress in bringing global poverty levels down, sub-Saharan Africa has benefitted the least. Today, more than half of the world's extreme poor live in sub-Saharan Africa. The vast majority work in agriculture in rural areas. We tackle the three big challenges trapping people in rural Africa in poverty: ineffective agriculture, environmental destruction and their lack of access to markets.

Our work is guided by our charitable objects; the key ones being:

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

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

Public benefit statement

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

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

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

Legal structure

Farm Africa Limited is a registered charity (registration number 326901) and is constituted as a company registered in England and Wales and limited by guarantee (registration number 01926828) approved and adopted on 29 May 1985 and last updated by special resolution on 23 June 2004. Its objects and powers are set out in its Memorandum and Articles of

Association. Details of Farm Africa's subsidiary entities are included in note 12 to the accounts.

Tax status

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

Auditor appointment

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

Subsidiaries

During 2025, Farm Africa Limited had one directly owned and active subsidiary, Farm Africa Trading Limited, which enables us to receive sponsorship income from corporate partners in a tax efficient manner.

Farm Africa Trading Limited made a profit for the year before taxation of £8,122 (2024: £45,623). Our corporate sponsorship income is variable as it is dependent on the number of high-profile events in a particular year and thus results can differ from one year to another.

Risk management

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

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

i) Farm Africa fails to address financial sustainability

Farm Africa continues to experience pressures on income and cost driven by economic factors, which have presented challenges for financial sustainability, making it difficult to build reserves to the £2.2m target. This risk is further exacerbated by global trends in development funding.

Farm Africa continues to be in transition to a sustainable financial model in which unrestricted income and expenditure are in balance. Unrestricted reserves have been built to £1.7m in 2025, and further steps have been taken in 2025 to reduce Farm Africa's cost base with a view to achieving financial sustainability.

Management and trustees have agreed a transition plan with actions to be taken across 2025-6 to modify Farm Africa's business model. The aim of the transition plan is to move to a business model that generates a surplus from 2027, thereby enabling the organisation to build reserves to the £2.2m reserves target and restore financial resilience.

ii) Risk of shortfall in programme grant income

The organisation remains exposed to the risk of a shortfall in programme grant income, reflecting a highly competitive funding environment and increasing pressure on institutional and philanthropic donors. This risk is heightened by wider economic and geopolitical uncertainty, which may affect donor priorities and the timing and scale of funding decisions.

A shortfall in grant income could constrain our ability to deliver planned programmes at scale and reduce the recovery of core costs, placing additional pressure on unrestricted reserves. Mitigation measures include strengthening donor relationships, diversifying funding sources, maintaining a strong pipeline of funding opportunities, and closely monitoring income forecasts and programme commitments to ensure appropriate cost control and flexibility in delivery.

iii) Risk of shortfall in fundraising income

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

Farm Africa supporters continue to respond generously to appeals, but natural donor attrition has resulted in reduction of income from committed giving. Plans to test digital acquisition are in progress in 2026 and the team continues to focus on diversification of our unrestricted income streams, including through building our network of major donors and philanthropic funders.

iv) Security risk

Farm Africa maintains a global security management policy, a stand-by crisis management plan, and country-level security plans. During 2025 security risks and incidents were actively and effectively managed in Ethiopia, Kenya and Tanzania. Team communication is facilitated and movement control is enforced where necessary with robust usage of security protocols. Careful monitoring and clear action on staff security kept Farm Africa teams and partners safe during this period.

v) Organisational capacity and capability during a period of growth

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

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

Grant-making policy

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

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

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

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

Remuneration policy

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

Farm Africa has a track record of world class technical expertise and delivery and around 260 staff internationally. This provides the organisational context in which to set our remuneration policy.

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

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

Fundraising disclosure

In 2025 Farm Africa conducted all of its fundraising practices "in house" and did not engage any agency to provide fundraising acquisition on its behalf. Farm Africa raises funds from individuals, events, corporate partners, trusts and foundations. All fundraising activity was overseen by the Director of External Relations and all activity was compliant with the Fundraising Regulator.

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

Farm Africa did not receive any formal complaints in relation to its fundraising in 2025 (2024: nil) but does have a complaints procedure in place, which can be actioned if required to do so.

In order to protect vulnerable people, Farm Africa ensures that all communication with donors is recorded on a secure database. Should there be any concerns that a supporter is vulnerable, as per Farm Africa's safeguarding policy, appropriate action is taken to prevent requests for donations from these supporters.

Investment policy

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

Statement of compliance with Charity Governance Code

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

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

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

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

Safeguarding

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

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

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

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

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

Approved by the board of Trustees of Farm Africa Limited on 16 June 2026 including, in their capacity as company directors, the strategic report contained therein, and signed on its behalf by:

Amar Inamdar, Chair

Reference and administrative details

Patron

Sir Michael Palin CBE

Chair

John Reizenstein (retired 18 July 2025)

Amar Inamdar (appointed 18 July 2025)

Trustees

Amar Inamdar (Chair)
Keith Pickard (Treasurer)
Nick Allen
Ken Caldwell
François Jay
Julian Marks
Laketch Mikael (retired 18 July 2025)
Caroline Miller Smith
Jane Ngige
Anna Onyango (retired 9 June 2026)
Victoria Sekitoleko (retired 9 June 2025)
Vicky Unwin

Ambassadors

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

Registered Charity Number

326901

Registered Company Number

01926828

Registered Office and Principal Office

1 St John's Lane
London EC1M 4BL

Auditors

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

Bankers

Barclays Bank PLC
1 Churchill Place
London E14 5HP

Lawyers

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

Part 2

Independent auditor’s report

Independent auditor's report to the members of Farm Africa

Opinion

We have audited the financial statements of Farm Africa Limited ('the charitable company') and its subsidiaries ('the group') for the year ended 31 December 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charitable Company Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 December 2025 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 25, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

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

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

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of voluntary and grant income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Finance, Risk and Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

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

Use of our report

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

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

Part 3

Financial statements

Consolidated statement of financial activities

(incorporating income and expenditure account) for the year ended 31 December 2025

		2025			2024		
	Note	**Unrestricted funds**	**Restricted funds**	**Total funds**	Unrestricted funds	Restricted funds	Total funds
		£'000	**£'000**	**£'000**	£'000	£'000	£'000
Income from							
Donations and legacies	2	**2,192**	**400**	**2,592**	2,795	-	2,795
Charitable activities							
General		**-**	**15,442**	**15,442**	-	13,947	13,947
Total income from general charitable activities	3	**-**	**15,442**	**15,442**	-	13,947	13,947
Other trading activities	4	**47**	**-**	**47**	51	-	51
Investments	4	**51**	**12**	**63**	44	6	50
Other income	4	**65**	**-**	**65**	30	4	34
Total income		**2,355**	**15,854**	**18,209**	2,920	13,957	16,877
Expenditure on							
Raising funds	6	**724**	**-**	**724**	811	-	811
Charitable activities							
Agriculture		**457**	**4,441**	**4,898**	651	4,154	4,805
Market Engagement		**566**	**5,503**	**6,069**	876	5,599	6,475
Environment		**331**	**3,220**	**3,551**	592	3,784	4,376
Total expenditure on charitable activities	7	**1,354**	**13,164**	**14,518**	2,119	13,537	15,656
Total expenditure		**2,078**	**13,164**	**15,242**	2,930	13,537	16,467
Net income for the year	5	**277**	**2,690**	**2,967**	(10)	420	410
Other recognised (loss)		**-**	**(146)**	**(146)**	3	172	175
Total funds brought forward		**1,401**	**2,343**	**3,744**	1,408	1,751	3,159
Total funds carried forward	16	**1,678**	**4,887**	**6,565**	1,401	2,343	3,744

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

Consolidated and charity balance sheets

As at 31 December 2025

	Note	**2025 Group £'000**	**2025 Charity £'000**	2024 Group £'000	2024 Charity £'000
Fixed assets					
Tangible assets	11	**82**	**82**	93	93
Intangible assets		**70**	**70**	67	67
		152	**152**	160	160
Current assets					
Debtors	13	**1,007**	**1,101**	1,684	1,748
Cash at bank and in hand		**6,120**	**6,108**	2,999	2,993
		7,127	**7,209**	4,683	4,741
Creditors					
Amounts falling due within one year	14	**(565)**	**(561)**	(948)	(920)
Net current assets		**6,562**	**6,648**	3,735	3,821
Total assets less current liabilities		**6,714**	**6,800**	3,895	3,981
Provisions for liabilities and charges	15	**(149)**	**(149)**	(151)	(151)
Net assets		**6,565**	**6,651**	3,744	3,830
The funds of the group and charity					
Restricted funds	16	**4,887**	**4,887**	2,343	2,343
Unrestricted funds - general	16	**1,678**	**1,764**	1,401	1,487
Total funds	16	**6,565**	**6,651**	3,744	3,830

The surplus for the financial year dealt with in the financial statements of the parent company was £2,968,400.

Approved by the Board and authorised for issue on 16 June 2026 and signed on their behalf by:

Amar Inamdar
Chair

Keith Pickard
Treasurer

Registered Company No.: 01926828

The notes on pages 39 to 54 form an integral part of these financial statements.

Consolidated statement of cashflows

For the year ended 31 December 2025

	Note	**2025** £'000	2024 £'000
Cash flows from operating activities:			
Net cash provided by/(used in) operating activities	A	**3,126**	282
Cash flows from investing activities:			
Dividends, interest and rent from investments		**63**	50
Disposal of tangible fixed assets and capital grants		**-**	-
Purchase of tangible fixed assets and capital grants		**(68)**	(87)
Net cash used in investing activities		**(5)**	(37)
Change in cash and cash equivalents in the reporting period		**3,121**	245
Cash and cash equivalents at the beginning of the reporting period		**2,999**	2,754
Cash and cash equivalents at the end of the reporting period		**6,120**	2,999

	At the start of the year £'000	Cashflows £'000	Foreign Exchange Movements £'000	At the end of the year £'000
Cash	2,999	3,344	(223)	6,120
Cash equivalents	-	-	-	-
Total	2,999	3,344	(223)	6,120

Notes to the statement of cash flows

A. Reconciliation of cash flows from operating activities

	2025 £'000	2024 £'000
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	**2,821**	585
Adjustments for:		
Depreciation	**76**	58
Profit on the disposal of fixed assets	**-**	-
(Increase)/ Decrease in debtors	**677**	(948)
Increase/(Decrease) in creditors falling due within one year	**(383)**	513
Increase/(Decrease) in provisions	**(2)**	119
Dividends, interest and rents from investments	**(63)**	(50)
Other adjustments	**-**	5
Net cash provided by/(used in) operating activities	**3,126**	282

B. Analysis of cash and cash equivalents

	2025 £'000	2024 £'000
Cash at bank and in hand in the UK and overseas	**6,120**	2,999
	6,120	2,999

Notes to the consolidated financial statements

1. Accounting policies

Farm Africa Limited ('the charity' or 'the charitable company') is a private limited company (registered number 01926828) which is incorporated and domiciled in the United Kingdom. The address of the registered office is 1 St John's Lane, London, England, EC1M 4BL. The charity is a public benefit entity. More detail on how the trustees have satisfied themselves that Farm Africa has met the public benefit requirements is given in the trustees' report on page 26.

Basis of accounting

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

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

No statement of financial activities is presented for the charitable company alone because the results of the subsidiary companies are separately identified within the group accounts and the charitable company is exempt from presenting such a statement under s408 Companies Act 2006. The net surplus of the charitable company was £2,968,000 (2024: £636,000).

Going concern

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

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

Farm Africa has maintained good relationships with donors and other stakeholders in country operations. The focus on programme implementation and impact in communities gave Farm Africa unique opportunities to secure funding from existing and new donors in 2025. The entity is on track to achieve programme funding targets in 2026 with projects already secured or very likely to be secured with contracts. Farm Africa maintains a long-term view of the programme proposal pipeline process managed by a dedicated programme funding team. Currently the pipeline has more than £40m worth of proposals covering multiple years. The pipeline also ensures diversity of country portfolios in line with Farm Africa's strategic aim to achieve geographic spread of programmatic impact.

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

The actual 2025 closing unrestricted reserve is £1.7m. This reserve balance is expected to further increase to the £2.2m target through implementation of the plan to transition to a new strategy.

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

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

Key areas of estimation uncertainty

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

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

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

Fund accounting

Funds held by the charitable company are:

- restricted funds – these are funds which are subject to specific conditions imposed by the donors or when funds are raised for particular restricted purposes, and

- unrestricted funds: general – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Income

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

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

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

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

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

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

Investment and rental income are recognised on a receivable basis.

Expenditure

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

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

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

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

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

Pension costs

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

Foreign currencies

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

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

Operating leases

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

Fixed assets

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

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

Leasehold improvements	over the life of the lease
Vehicles	25% per annum
Computer equipment	33% per annum
Intangible assets	33% per annum
Equipment & machinery	25% per annum

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

Intangible fixed assets

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

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

Provisions

Provisions are recognised when Farm Africa has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made.

Financial instruments

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

2. Income from donations and legacies

	Unrestricted funds 2025 £'000	Restricted funds 2025 £'000	Total funds 2025 £'000	Total funds 2024 £'000
General				
Committed giving	**379**	**-**	**379**	394
Appeals and donations	**674**	**-**	**674**	522
Legacies	**757**	**-**	**757**	1,312
Fundraising events	**50**	**-**	**50**	146
Corporate donations	**185**	**-**	**185**	80
Gifts in kind: donated services (legal and digital)	**37**	**-**	**37**	249
	2,082	**-**	**2,082**	2,703
Grants				
Trusts and foundations	**110**	**400**	**510**	92
	110	**400**	**510**	92
Total donations and legacies	**2,192**	**400**	**2,592**	2,795

3. Income from charitable activities

	Restricted funds 2025 £'000	Restricted funds 2024 £'000
Grants from government, institutional and other similar donors		
Innovate UK through Aegis Energy	**139**	-
Africa Climate Change Fund	**292**	90
AGRA	**1,157**	275
Agriculture Business Initiative Trust	**-**	13
A&O Shearman	**50**	50
CARE International	**159**	171
Danida	**-**	32
European Union	**372**	540
FIPS Africa	**34**	-
Forests of the World	**119**	101
Mastercard Foundation	**4,894**	4,410
Medicor Foundation	**169**	10
Norwegian Agency for Development Cooperation	**857**	352
Rabobank Foundation	**-**	358
Royal Norwegian Embassy in Addis Ababa	**3,009**	2,039
Swedish International Development Co-operation Agency	**2,003**	3,138
The Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)	**67**	26
Vitol Foundation	**-**	77
Vi Agroforestry	**78**	136
Waitrose Foundation	**1,019**	659
World Food Programme	**449**	723
Other international agencies and other donors	**575**	747
Total grants from government, institutional and other similar donors	**15,442**	13,947
Total income from charitable activities	**15,442**	13,947

4. Other income

	Unrestricted funds 2025 £'000	Restricted funds 2025 £'000	Total funds 2025 £'000	Total funds 2024 £'000
Other trading activities				
Trading	**47**	**-**	**47**	149
Trading adjustment	**-**	**-**	**-**	(98)
Total other trading activities	**47**	**-**	**47**	51
Investment income				
Deposit interest	**51**	**12**	**63**	50
Total investment income	**51**	**12**	**63**	50
Other income				
Sub-lease of office space and other miscellaneous income	**65**	**-**	**65**	34
Profit on sale of assets	**-**	**-**	**-**	-
Total other income	**65**	**-**	**65**	34
Total	**163**	**12**	**175**	135

5. Net income for the year

This is stated after charging:	Total 2025 £'000	Total 2024 £'000
Depreciation and amortisation	**76**	58
Payments under operating leases	**137**	156
Tax advisory	**4**	5
Audit fee - Country offices	**18**	24
Auditor's remuneration for the annual statutory audit:		
Charitable company	**41**	40
Subsidiary companies	**2**	2

6. Expenditure on raising funds

	2025 £'000	2024 £'000
Donations and legacies		
Fundraising costs	**645**	713
Support costs allocated (note 9)	**48**	61
	693	774
Charitable activities		
Fundraising costs	**14**	20
Support costs allocated (note 9)	**1**	2
	15	22
Other trading activities		
Fundraising costs	**15**	14
Support costs allocated (note 9)	**1**	1
	16	15
Total	**724**	811

7. Expenditure on charitable activities

	Operational programmes 2025 £'000	Grants payable 2025 £'000 (note 8)	Support costs* 2025 £'000 (note 9)	Total 2025 £'000	Total 2024 £'000
Agriculture	**3,146**	**1,410**	**342**	**4,898**	4,805
Market engagement	**4,126**	**1,519**	**424**	**6,069**	6,475
Environment	**2,116**	**1,187**	**248**	**3,551**	4,376
Total	**9,388**	**4,116**	**1,014**	**14,518**	15,656

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

8. Grants to partner organisations

	2025 £'000	2024 £'000
Ethiopia projects		
Frankfurt Zoological Society	**(3)**	62
International Water Management Institute	**153**	161
Melca – Ethiopia	**133**	128
Organization for Rehabilitation and Development in Amhara	**145**	152
PHE Ethiopia Consortium	**187**	253
SOS Sahel	**851**	596
Sustainable Environment and Development Action	**120**	120
Union of Ethiopian Women Charitable Association	**173**	79
Environment and Coffee Forest Forum	**106**	99
KIT - Royal Tropical Institute	**(2)**	12
Farm Force	**39**	-
EWNRA	**6**	-
Development Fund of Norway	**26**	-
Kenya projects		
Aquarech Limited	**261**	147
Echo Network Africa	**1,239**	1,249
Hydro Victoria Farm Ltd	**295**	154
Livingwood Consultants	**120**	46
Ramogi Institute of Advanced Technology	**115**	139
Lattice Aquaculture Ltd	**152**	1,136
	4,116	4,533

Grants were payable during the year to partners working on restricted projects. At year end there were four payments totalling £139,000 outstanding to SOS Sahel, International Water Management Institute, PHE Ethiopia and Frankfurt Zoological Society (2024: £520,000 outstanding to partners).

9. Analysis of support costs

	Management costs	Office costs	Finance & IT costs	HR costs	Governance costs	Total	Total
	2025	**2025**	**2025**	**2025**	**2025**	**2025**	2024
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	£'000
Charitable activities (note 7)							
Agriculture	**45**	**89**	**141**	**43**	**24**	**342**	378
Market engagement	**56**	**110**	**175**	**54**	**30**	**425**	507
Environment	**33**	**64**	**102**	**31**	**17**	**247**	344
	134	**263**	**418**	**128**	**71**	**1,014**	1,229
Expenditure on raising funds (note 6)							
Donations and legacies	**7**	**13**	**20**	**7**	**3**	**50**	63
Charitable activities	**-**	**-**	**1**	**-**	**-**	**1**	2
Other trading activities	**-**	**-**	**-**	**-**	**-**	**-**	1
	7	**13**	**21**	**7**	**3**	**51**	66
	141	**276**	**439**	**135**	**74**	**1,065**	1,295

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

10. Employees

	2025	2024
	£'000	£'000
Staff costs		
Wages and salaries (including life assurance)		
Overseas contracted staff	**3,809**	4,535
UK contracted staff	**1,732**	1,760
	5,541	6,295
Social security costs	**148**	145
Pension costs	**76**	108
	5,765	6,548

Wages and salaries include £nil redundancy (2024: £15,000) and termination payments, which are paid out in accordance with our redundancy policy and the legal requirements of each country in which we work.

The key management personnel of the charitable company comprise the Chief Executive, the Director of External Relations, the Director of Programmes, the Director of Finance, the Head of Human Resources, Country Directors and Country Representative. The total employee benefits paid to these individuals (including employer's pension and national insurance) was £828,000 (2024: £907,000).

	2025	2024
	No.	No.
Employees with remuneration in the range of £60,001 to £70,000	**4**	1
Employees with remuneration in the range of £70,001 to £80,000	**3**	-
Employees with remuneration in the range of £80,001 to £90,000	**-**	2
Employees with remuneration in the range of £90,001 to £100,000	**-**	1
Employees with remuneration in the range of £100,001 to £110,000	**2**	1
Employees with remuneration in the range of £110,001 to £120,000	**1**	1

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

	2025	2024
	No.	No.
Overseas contracted staff		
Farm Africa	**241**	220
UK contracted staff		
Fundraising and communications	**12**	14
Programmes support	**4**	4
Management and administration of charity	**6**	8
	263	246

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

Trustee cost was £512 and paid directly to suppliers in respect of board meetings and programmes. The cost incurred by the charity for the trustee indemnity insurance was £4,920 in 2025 (2024: £3,800).

Farm Africa makes contributions for its employees to various defined contribution schemes. The amount of contribution due to these schemes at the year ended 31 December 2025 was £34,300 (2024: £27,950).

11. Fixed assets

Group and charity

	Leasehold improvements £'000	Vehicles £'000	Machinery & equipment £'000	Computer equipment £'000	Intangible assets £'000	**Total £'000**
Cost						
At 1 January 2025	27	187	43	185	73	**515**
Additions	5	3	17	14	29	**68**
Disposals	-	-	-	-	-	**-**
At 31 December 2025	32	190	60	199	102	**583**
Depreciation						
At 1 January 2025	(25)	(136)	(39)	(149)	(6)	**(355)**
Charge for the year	(3)	(22)	(5)	(20)	(26)	**(76)**
Disposals	-	-	-	-	-	**-**
At 31 December 2025	(28)	(158)	(44)	(169)	(32)	**(431)**
Net book value						
At 31 December 2025	4	32	16	30	70	**152**
At 31 December 2024	**2**	**51**	**4**	**36**	**67**	**160**

The tangible fixed assets purchased within the last four years, presently employed in current projects but not capitalised in these financial statements, have a total initial cost of approximately £156,000 (2024: £306,000). The accounting policy relating to fixed assets is referred to in note 1(i).

Intangible asset consists of website and software development cost.

	Intangible Assets 2025 £'000	**Total 2025 £'000**	Total 2024 £'000
Website development	27	**27**	44
Software development	19	**19**	23
Asset under development (software)	24	**24**	-
Total	70	**70**	67

12. Investments

The table below shows the charity's interests in subsidiaries and investments at 31 December 2025:

Company	Company Status	Investment classification	Country of incorporation	Proportion of voting rights and ordinary share capital held	Nature of business
Farm Africa Trading Limited (company number: 7398449)*	Active	Subsidiary	UK	100% owned by Farm Africa	Trading activities
Farm Africa Enterprises Limited (company number: 9359340)*	Dissolved (10 March 2026)	Subsidiary	UK	100% owned by Farm Africa	Holding company
Farm Africa Intellectual Property Limited (company number: 7401279)*	Dormant	Subsidiary	UK	100% owned by Farm Africa	IP and registered trademarks

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

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

	Farm Africa Trading Limited	
	2025	2024
	£'000	£'000
Total incoming resources	**33**	80
Total resources expended	**(33)**	(34)
Retained surplus for the year	**-**	46
Total assets	**23**	12
Total liabilities	**(109)**	(98)
	(86)	(86)

13. Debtors

	2025 Group £'000	**2025 Charity £'000**	2024 Group £'000	2024 Charity £'000
Amounts owed by subsidiary undertakings	**(6)**	**97**	-	69
Trade debtors	**179**	**170**	157	152
Other debtors	**35**	**35**	90	90
Prepayments	**153**	**153**	145	145
Accrued income – other	**197**	**197**	102	102
Accrued income – project grants	**449**	**449**	1,190	1,190
	1,007	**1,101**	1,684	1,748

14. Creditors: Amounts falling due within one year

	2025 Group £'000	**2025 Charity £'000**	2024 Group £'000	2024 Charity £'000
Trade creditors	**30**	**30**	46	46
Deferred income	**-**	**-**	24	-
Other creditors and accruals	**396**	**392**	358	354
Grant obligations	**139**	**139**	520	520
	565	**561**	948	920

Charity and group – grant obligations

	2025 £'000	2024 £'000
At 1 January	**520**	33
Grants paid to partners in settlement of obligations at year-end	**(520)**	(33)
New grant obligations	**139**	520
As at 31 December	**139**	520

15. Provisions for liabilities and charges

Group and charity

	Severance £'000	Dilapidations £'000	Potential non-recoverable project costs £'000	Redundancies £'000	**Total 2025 £'000**	Total 2024 £'000
At 1 January	107	5	24	15	**151**	32
Amounts charged to the statement of financial activities	39	-	-	(15)	**24**	127
Amounts used during the year	(2)	-	(24)	-	**(26)**	(8)
As at 31 December	144	5	-	-	**149**	151

Provisions comprise the following:

• Contract severance provisions for staff on non-UK contracts. Under employment law in some of the countries where Farm Africa operates there is an entitlement to severance payments when an employee leave. The amount payable is determined by the salary and length of service of each employee. The provision represents the accumulated entitlements of all such employees. The provision is released when payments are made to employees upon their departure from Farm Africa. Provision was increased in 2024 to account for the under provision created by the devaluation of the Ethiopian Birr. Farm Africa's liability is based on the prevailing Pound Sterling equivalent, when an employee leaves the organisation.

• Dilapidation provisions to cover estimated future costs of restoring properties to their required condition at the end of their lease. The provision will be released at the end of the lease, based on dilapidation costs required, provided the lease is not renewed.

• Non-recoverable project costs provision made related to a programme due to translational impact between reporting currency (US dollar) and pound sterling.

16. Movements in funds - Group

	At 1 January 2025	Income	Expenditure	**At 31 December 2025**
	£'000	£'000	£'000	**£'000**
Ethiopian programmes	**1,592**	6,131	(5,318)	**2,405**
Kenyan programmes	**756**	6,784	(5,420)	**2,120**
Tanzanian programmes	**(73)**	1,832	(1,649)	**110**
Ugandan programmes	**35**	583	(501)	**117**
UK programmes	**(179)**	523	(266)	**78**
Other miscellaneous restricted funds	**(9)**	-	(10)	**(19)**
Other recognised gains/(loss)	**221**	-	(145)	**77**
Movement on restricted funds	**2,343**	15,853	(13,309)	**4,887**
General funds	1,401	2,355	(2,078)	**1,678**
Total movement on reserves	3,744	18,208	(15,387)	**6,565**

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

The movements in funds in 2024 are presented below.

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

17. Net assets analysis (Group)

	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
Fund balances at 31 December 2025 are represented by:			
Tangible and intangible fixed assets	152	-	152
Net current assets	1,526	4,887	6,413
Total	1,678	4,887	6,565
Fund balances at 31 December 2024 are represented by:			
Tangible and intangible fixed assets	160	-	160
Net current assets	1,241	2,343	3,584
Total	1,401	2,343	3,744

18. Constitution

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

19. Commitments: Operating leases

At 31 December 2025 Farm Africa has the following commitments under non-cancellable operating leases:

	Equipment £'000	Property £'000	**Total 2025 £'000**	Total 2024 £'000
In less than one year	13	39	**52**	115
Between one and five years	14	-	**14**	190
Later than five years	-	-	**-**	-
	27	39	**66**	305

20. Related party transactions

Trustees donated £5,270 to Farm Africa in 2025. There were no other related party transactions requiring disclosure other than transactions with subsidiaries (2024: £17,450).

Farm Africa Limited charged a management fee of £22,500 (2024: £18,840) to Farm Africa Trading Limited. At 31 December 2025, Farm Africa Trading owed £93,000 (2024: £70,000) to Farm Africa Limited.

21. Parent company result

The parent company generated a surplus £2,968,400 (2024: surplus £636,000).

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

22. Pension costs

As at 31 December 2025, Farm Africa operated one defined contribution scheme in the UK, provided by Friends Life part of the Aviva Group. It also makes contributions into other individual employee pension schemes. Farm Africa paid contributions at a rate of 6% of employee salary during the accounting period.

The pension cost included in the Statement of Financial Activities for UK employees was £75,600 (2024: £108,000).

23. Legacies

The estimated value of legacies notified but neither received, nor for which we had received confirmation from the executors that a payment could be made as at the year end, and so not included in income is £275,000 (2024: £370,000).

24. Capital commitments

There were no capital commitments outstanding as at 31 December 2025 (2024: none).

25. Acting as agent

Farm Africa acted as an agent during the reporting period. The charity received £108,000 (2024: £nil) and paid £nil (2024: £7,510) as agent during the period, with a balance of £108,000 as at 31 December 2025 (2024: £nil).

26. Post Balance Sheet Event

Subsequent to the year end, the Farm Africa Trading will make a Gift Aid payment of £8,100 (2024: £nil) to Farm Africa Limited.