

SHAREDINTEREST

INVESTING IN A FAIRER WORLD

2021

**A YEAR OF
RESILIENCE**

ANNUAL REVIEW



WELCOME TO OUR 2021 REVIEW

It is an honour to introduce this Annual Review, which reports on a year of achievement for Shared Interest Society despite the global challenges faced. The impact of the pandemic continues to echo through developing world countries, which also face the ever growing effects of climate change. By continuing to provide a reliable source of finance throughout the past 12 months, we have helped secure livelihoods for farmers and artisans in some of the world's most vulnerable communities.

None of this would have been possible without our members, who remain very much at our heart. Share Capital increased by £4.6m over the course of the year to reach a grand total of £50.7m. This was the highest annual increase recorded in our history and enabled us to make payments totalling £59.2m to 221 organisations in 49 countries, improving the livelihoods of 374,249 individuals.

Our customers have continued to show incredible resilience and we have included a selection of case studies in this report, which reflect the true value of our financial support. We continue to see the wider impact for communities as businesses use their Fairtrade Premium to improve health services in response to the pandemic, or to encourage climate resilient farming techniques.

Coffee continues to dominate our lending portfolio, accounting for 47.1%, and we are now seeing a growing number of women taking leadership positions in the industry. We do continue to broaden the range of

products we support, with handcrafts remaining a key part of our product mix. It is vital that we maintain support for these groups, who are often in remote regions and may struggle to find finance elsewhere. Due to the impact of Covid-19, our lending to handcraft and textile customers reduced by 3% as they experienced reduced orders from buyers. However the handcraft and textile sector remains an important recipient of our finance after coffee and cocoa.

We are proud to have received recognition for our work in this year's Third Sector Excellence Awards. These prestigious awards celebrate outstanding efforts within the voluntary sector. Our Managing Director Patricia Alexander was also named in the NatWest WISE (Women in Social Enterprise) Awards as one of the top female leaders in impact investing across the UK. As Patricia said on winning her award: "An organisation can only be successful with the right people involved, and Shared Interest has a brilliant team behind it."

It is testament to each and every person within our organisation that we have continued to provide these vital financial services in an extraordinary and challenging year. Shared purpose has always been at our core and it is thanks to the dedication of colleagues, volunteers, members and donors, we can continue to work towards making trade justice a reality for those communities who are affected most by the global issues of today.

Chair, Mary Coyle

"An organisation can only be successful with the right people involved, and Shared Interest has a brilliant team behind it."

**SHARED INTEREST
MANAGING DIRECTOR
PATRICIA ALEXANDER**



MISSION & VALUES

Our mission is to provide financial services and business support to make livelihoods and living standards better for people as they trade their way out of poverty. We work collaboratively and innovatively with those who share our commitment to fair and just trade.

With a community of investors and the support of donors and volunteers, we seek to contribute to a world where justice is at the heart of trade finance.

“It is a meeting of hearts and minds”

Paul Sablich, Head of Lending

We will conduct our business in a manner, which reflects the principles of love, justice and stewardship.

We will:

- Work co-operatively with our members as we take and share risk
- Value and engage our donors and supporters
- Encourage the commitment, talents and energy of our staff in an environment of mutual respect
- Work collaboratively and innovatively with those who share our commitment to fair and just trade
- Work to recognised fair trade standards
- Respect the diversity of different cultures
- Place partnership at the heart of what we do



WHAT WE DO

Shared Interest is an ethical finance organisation, supporting people in remote and disadvantaged communities to trade and earn a living.

We act co-operatively with investors coming together to achieve a common goal and holding 10,456 Share Accounts. We use their collective £50.7m of investment to provide loans and credit facilities, primarily to fair trade businesses, to ensure that farmers and artisans are paid on time for their products.

Our finance helps handcraft organisations to buy raw materials, and enables co-operatives to pre-finance orders from their overseas buyers. We support the production of coffee, fresh fruit, nuts and cocoa, as well as handcrafts such as woven baskets and furniture.

Our work is not just about providing finance on fair terms. The fair trade producers we work with say that we have helped transform their communities. Last year, our members helped make a positive impact on the lives of 374,249 individuals, 33% of whom are women.

Our in-country presence remains vital in growing the local knowledge required to supply a large proportion of this finance to producers in remote communities. As we continue to align our work with the Sustainable Development Goals (SDGs), gender equality remains important to us and we know that over a third of the producers we reach are women.

IN 2021 WE LENT MONEY TO...



OVER
175
PRODUCER
GROUPS



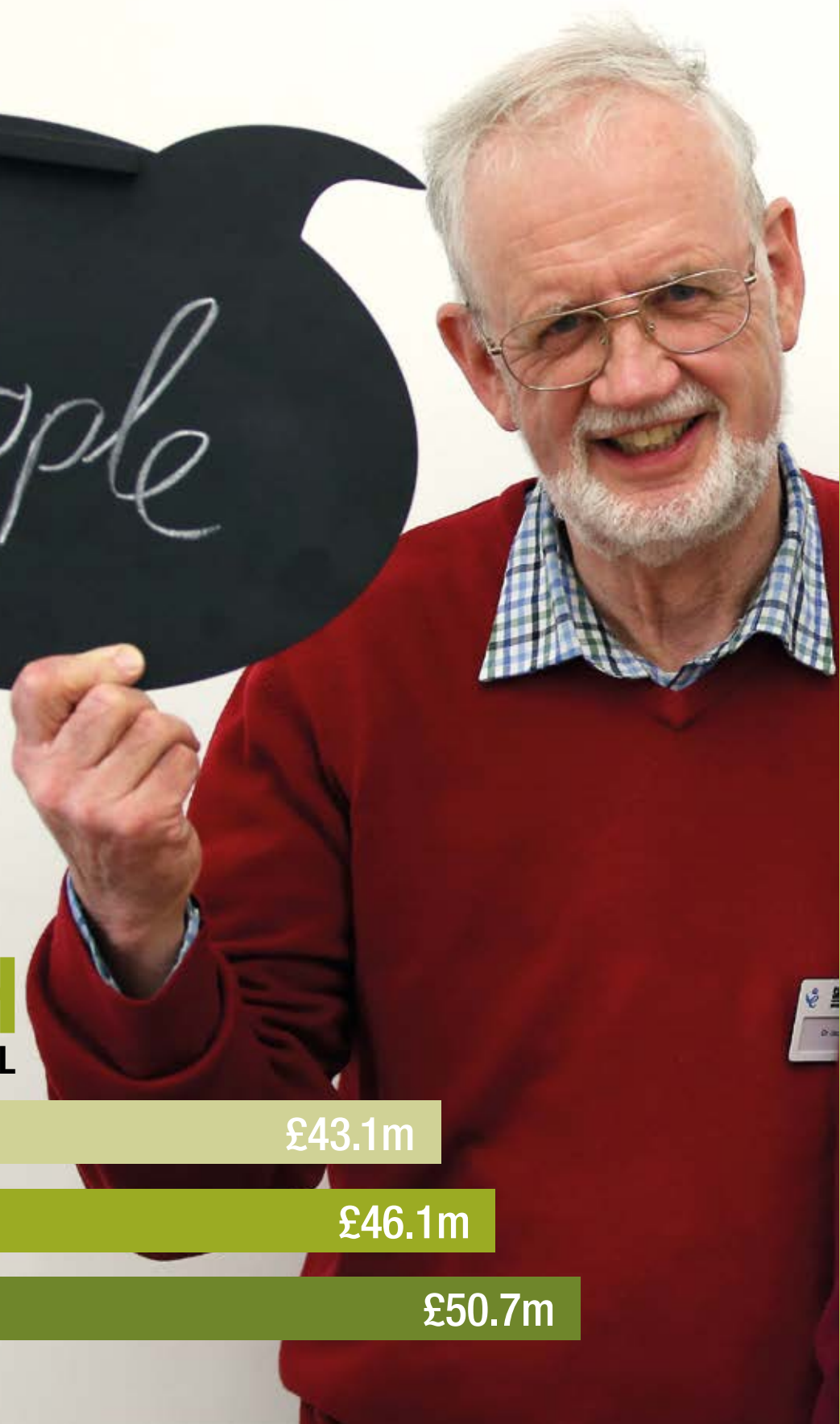
WITH
8,262
PERMANENT
EMPLOYEES



AND
374,249
FARMERS & ARTISANS
INCLUDING 124,089 WOMEN



WITH A COLLECTIVE REVENUE OF
£887.9m



GROWTH

IN SHARE CAPITAL

2019

£43.1m

2020

£46.1m

2021

£50.7m

OUR MEMBERSHIP

IN OUR 2021 MEMBER SURVEY:

97%

stated they were 'very satisfied' or 'satisfied' that we are utilising their investment to achieve the mission and values

70%

said they viewed their investment in Shared Interest as a way to support fair trade

99%

said they were 'satisfied' with the service they received from the Membership Team

As we work towards a shared goal, our members remain at our heart. This year, our community of loyal and dedicated investors have enabled us to reach a Share Capital total of £50.7m across 10,456 Share Accounts. This followed an annual increase of £4.6m – the highest amount recorded in our history.

Although 81% of our membership is made up of individuals, it also includes faith groups, fair trade partnerships, small businesses, schools and community groups. The average age of a new member is 62 and the average length of time a member holds a Share Account is 14 years.

This year, £1.4m was invested online, which is almost 20% of overall new investment. During the pandemic, the number of members managing their account online increased further and 44% are now registered for our secure Member Portal.

We also held our Annual General Meeting (AGM) online for the first time and achieved the highest attendance in our history. The meeting took place on Friday 12 March 2021 and 249 members joined, many had not attended our AGM in the past. A higher number of members also took part in our AGM voting process (1,311 compared to 905 in 2020). In addition to this we also held a series of six online supporter events, attended by 689 members. A General Meeting was also held in September to appoint our new auditors with 37 members in attendance.

Feedback on our first online AGM was extremely positive:

“An excellent way for Shared Interest supporters to actively engage with the projects.”

“Really wonderful opportunity to hear directly from those working with and benefitting from Shared Interest support. Very well-organised and I really appreciated everyone's contributions, thank you!”



Newcastle
City Council

Making a difference Supporting Fairtrade

Newcastle
Fairtrade
Partnership

Guarantee
a better deal
for the people
Producers

FAIRTRADE

www.newcastle.gov.uk/fairtrade

OUR INVESTORS

GROUP INVESTOR

Newcastle Fairtrade Partnership

Newcastle Fairtrade Partnership (NFP) is a group of business, community and Council representatives who work to maintain the city's Fairtrade status. The Partnership has held a Share Account for over a decade.

NFP Chair Councillor Marion Williams said: "Newcastle became a Fairtrade City in 2003 and we were one of the first in the country to achieve this.

"We have maintained our status ever since, and the Partnership has worked hard to deliver our Fairtrade Action Plan each year, to encourage people and organisations in the city to support Fairtrade wherever they can.

"It is important to us that we support those businesses in the city who are involved in fair trade, as well as supporting farmers and workers overseas. Through our investment in Shared Interest we are doing just that – being part of an organisation that has its roots in Newcastle but finances hundreds of fair trade businesses across the globe."

INDIVIDUAL INVESTOR

Vivienne Kynaston

Vivienne has been a member for over ten years, and joined after hearing about Shared Interest during a fair trade talk.

She said: "I first became interested in fair trade when I joined the campaign for Bradford-on-Avon to become one of the very first Fairtrade Towns back in 2003.

"When I heard about Shared Interest a few years later, it just made sense. I had seen first-hand the challenges faced by developing world communities and I was keen to become more involved.

"To me, Shared Interest is taking my passion one step further. It is about more than just promoting fair trade; I now feel part of a community."

"I am pleased to see my investment helping businesses across the globe, and have enjoyed making some new friends along the way."





SHARED INTEREST
Investing in a Better World
Kennedy Mwanza
SHARED INTEREST
INVESTING IN A BETTER WORLD

“HELLO”

“OLÁ”



16

NUMBER OF LANGUAGES SPOKEN

18

NUMBER OF TEAM MEMBERS WHO SPEAK MORE THAN ONE LANGUAGE

LANGUAGES

English, French, Spanish, Turkish, Kiswahili, Taita, Catalan, Swahili, Portuguese, Afrikaans, local Ghanaian languages: Twi, Fante, Nzema, Akan, Ewe and Yorùbá

OUR PEOPLE

AN INTERNATIONAL TEAM

At the core of our organisation is a motivated, engaged and skilled team of 36 people, who are instrumental in Shared Interest's continued growth and success. The majority of colleagues are based in our UK head office, with smaller regional teams in Costa Rica, Ghana, Kenya and Peru. Sixteen languages are spoken across the organisation and 65% of people have been with us for five years or more.

Paul Sablich joined our Peru office as Regional Development Executive for South America. When he became Head of Lending in 2021, Paul said: "I want to work for Shared Interest as I see fair trade as a tool to generate equity in the world. To do this, I think we need to work with wisdom and compassion."

"I want to continue this way of working – with knowledge, experience, and motivation intertwined."

Continuing to adapt and respond to changing circumstances in light of Covid-19, our network of 96 volunteers has been an integral part of the Shared Interest team over the past 12 months. Many have turned their hands to different activities where opportunities arose. Meanwhile, our translator volunteers carried out vital work making our communications materials available in different languages.

VOLUNTEER

Krishna Raman

Began his translator role with Shared Interest this year

"I learnt Spanish while travelling around Latin America and saw the challenges faced by remote communities."

"When I read about the translator role with Shared Interest I felt it was the perfect opportunity to combine my skills with something I was so passionate about."

"I really feel like I am an important part of something positive and that is a big motivator."

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IN 2021, WE  
HAVE BEEN  
SUPPORTED  
BY

**96**

VOLUNTEERS





“Shared Interest investors have helped us to withstand this difficult time.”

**BYAMBAJARGALM MUNKHJARGA,  
ANGEL FELTING**



## **APICOOP CHILE**

Chino Henriquez, General Manager at Chilean honey and blueberry co-operative Apicoop, joined us for an online event and explained how they are building their resilience to climate change. He said: “Bees have been telling human beings for millions of years that the only way to survive is by working together.”

Apicoop has over 200 members, located across several hundred miles of diverse landscape. Chino told us that this wide spread of producers was a strategic decision early on to mitigate the impact of changing climate conditions.

# **A BETTER FUTURE FOR THE COMMUNITIES WE SUPPORT**



## **ANGEL FELTING MONGOLIA**

Founded in 1999, Angel Felting is a small handcraft business based in Mongolia. Husband and wife, Dashdorj and Byambajargal set up the business by making woollen slippers at home. They became a customer in 2020 with the aim to develop their felt boots for outdoor use, and maintain a level of stock all year round. This year, they used Shared Interest finance to buy additional materials to respond to increased demand for their slippers during the pandemic.

Andrea Yanez Alvarez, who works at Apicoop, holds honey produced at Apicoop farms in Chile.





## CYAHINDA RWANDA

Cyahinda is an award-winning Rwandan coffee co-operative. Founder Niyonsaba Betty Scheba started growing coffee in her garden but dreamed of owning a coffee washing station.

“Our passion for coffee extends to the hardworking people who nurture and grow it.”

This year, Shared Interest finance supported the co-operative in constructing a warehouse for vital storage.



## ASUNAFO GHANA

Asunafo cocoa co-operative initially contacted Shared Interest for a loan to buy fertiliser so farmers could improve the quality of their crops.

They went on to receive finance to purchase a truck to help transport their increasing production of cocoa.

When Asunafo President Daniel Amponsah joined us for an online event this year, he said:

“Our mission is to help farmers have a better life, and working with Shared Interest has supported us to fulfil this.”

## A YEAR OF RESILIENCE

“Our individual lives are full of ups and downs. But the important thing is that we will fix our problems together.”

CHINO, APICOOP



HERBS/SPICES  
0.3%



GARMENTS/TEXTILES  
0.1%

SUGAR 0.8%



FRUIT 0.9%



HONEY  
1.9%



CHOCOLATE  
2.7%



OTHER  
4.6%



NUTS  
5.3%



HANDCRAFTS  
8.0%



COCOA  
28.3%



**LENDING**  
FOR DIFFERENT TYPES  
OF PRODUCTS

COFFEE  
47.1%





# OUR LENDING

Access to finance remains a significant challenge for businesses in developing countries. With our support, we know that these enterprises can generate sustainable economic growth.

Our key focus is to provide finance directly to smaller, vulnerable organisations, who often have no other affordable source of funds. We do this by offering finance in two ways: directly to producer groups that follow Fair Trade Principles and to fair trade wholesalers, FLO Traders\* and retail businesses. This year, our finance supported 200 customers, consisting of 175 producer groups and 25 buyers.

The majority of our support is in the form of working capital or stock facilities to help producers fulfil orders, pay workers on time or purchase stock. In addition to this, we offer term loans to producers to enable them to purchase equipment and infrastructure. We are also one of the few social lenders to provide credit facilities to buyer organisations in the Northern Hemisphere. Most of these funds are used to pre-finance orders so they can make a payment to the producer when placing an order. This is helpful when the delivery of goods may not take place for several months, or if the products need to be processed or packed before being sold. Of the total payments made on behalf of buyer customers, a large proportion (38%) went to Asia and the Middle East. Due to political and economic constraints, it is difficult to lend directly in these regions, therefore our relationships with buyers are essential in reaching disadvantaged communities here.

In 2021, our finance supported 374,249 farmers and artisans. From this year's overall figure, 33% are women and 8,262 are permanent employees. According to Fairtrade International, women represented 17% of Fairtrade farmer members and 41% of Fairtrade workers in 2020 but based on our data, approximately 50% of our customers' employees are women.

In terms of lending products, coffee remains our largest focus, mainly due to the scale of Fairtrade coffee production, with more than half of all Fairtrade certified producers growing this commodity. Although the total lending for coffee has increased in 2021 in value terms, the overall percentage remains the same as we have increased our Share Capital over the year.

We have also seen a considerable increase in cocoa lending in 2021 compared to 2020, with it now representing 28.3% of our lending portfolio (previously 19.8%). This relates to an increase in supply coupled with growing demand, following the purchasing delays experienced in 2020.

Handcraft and textile products continue to have an important place in our portfolio as we maintain our focus on small and disadvantaged producer groups. We believe this is vital because the majority of other social lenders do not offer financing to this sector. Our lending to these producers did decrease from 11% in 2020 to 8% in 2021, due to a reduction in orders following the outbreak of Covid-19.

IN 2021  
WE MADE  
PAYMENTS  
OF OVER

**£59**  
MILLION



\*FLO Trader describes a trading organisation that buys, sells and/or manufactures/processes and has a Fairtrade product certification.



# OUR LENDING

We know that our producers and buyers have been affected at different stages of the pandemic. Businesses worldwide have faced severe disruption in transport networks, shortages in shipping containers, and changing consumer patterns. This has been further compounded by the impact of climate change on rural communities.

Despite the challenges faced during the last 12 months, Shared Interest has continued to support smallholder farmers and artisans to grow their businesses sustainably, and create employment opportunities by providing a reliable source of finance during otherwise uncertain times.

Here, we provide a summary of our lending across two main regions: the Americas and Africa, which together represent 92% of our portfolio. The remaining 17 customers are located in Europe and Asia.

## The Americas

South America continued to receive the highest volume of payments due to the large number of coffee producers based in the region, representing 34% of total payments. However, it is important to note that, although lending has increased, many producers located in Peru have borrowed less than anticipated due to an emergency business loan programme. This was introduced by the government as Peru was deeply affected by the pandemic, reaching the world's highest death rate per capita in June 2021. Fifty-nine per cent of our Latin American producers are based here and,

according to the World Bank, the pandemic has led to a ten-year setback in poverty levels.

Central America saw less disruption in 2020 as most farmers completed their harvest before Covid-19 restrictions came into effect. We also found that many organisations were able to put the required systems and processes in place before the harvest started. The export delays experienced in this region were largely due to a lack of containers from sea freight companies.

## Africa

This year, customers in this region faced increasing challenges to transport networks and distribution systems due to government-mandated road closures and travel restrictions caused by the pandemic. In West Africa, producers experienced difficulties as buyers were slow to commit to cocoa orders and agreeing prices due to their government setting a minimum price. As a result, short-term lending was extended to meet new delivery dates and terms of repayment were adjusted accordingly. However, demand increased considerably later in the year and more payments were sent to cocoa producers, especially in Ivory Coast. In East Africa, some coffee customers were impacted by delays in receiving payments from commercial buyers and the majority of handcraft businesses were unable to trade during the pandemic as their products were classed as non-essential, unlike food products.

## THE AMERICAS

Of the 175 producer groups in our lending portfolio, 83 are based in Latin America (47%).

## AFRICA

Of the 175 producer groups in our lending portfolio, 90 are based in Africa (51%).

The remaining 2% are based in Europe and Asia.



ANONGTABA BAKI  
G. P.  
KALIMANTAN

ANONGTABA BAKI  
G. P.  
KALIMANTAN

As part of our monitoring and evaluation process, we carry out research to examine the longer-term outcomes of our support. We select businesses we have worked with for five years or more and explore the direct impact Shared Interest finance has on the business in question and the indirect effect it may also have on the wider community. **Here are some highlights:**

## Kibinge

Founded by four coffee farmers in 1995, Kibinge Coffee Farmers' Co-operative Society Limited is named after the region in which is located in Central Uganda. The area is renowned for its high-quality Robusta coffee.

In 2012, Shared Interest supported Kibinge in pre-financing 13 contracts with international Fairtrade buyers.

Kibinge General Manager David Lukwata said:

**“Shared Interest believed in us. We were able to export our first container using Shared Interest funding. We appreciate Shared Interest for believing in us when no one wanted to assist us.”**

As their profit has increased, the co-operative has purchased land to set up an office space and processing facility as well as a truck to transport coffee to the processing plant.

## Alto Huallaga

Alto Huallaga is a cocoa co-operative located in the Huánuco region of central Peru. Membership covers a wide area and varied altitudes, which increases the sustainability of production.

Since becoming a Shared Interest customer in 2013, the co-operative has doubled its number of employees, and now works with more than 500 farmers, over a third of which are women.

General Manager Jorge Simon said:

**“The support gave us stability, the interest rate is good, we have good cash flow and it has generated confidence in the farmers and the workers. When I started, the co-operative owed money to all workers and now it doesn't owe anything.”**

## Lemberona

Lemberona was established as a family-owned business in Austria. It now distributes a wide range of high quality organic and Fairtrade dried fruits, herbs and nuts, primarily from Uzbekistan.

Co-Founder Elmira Bertagnoli is originally from Samarkand in Uzbekistan and has a special relationship with the Uzbek producer groups as she helped many of them in their formation and growth.

Lemberona is now entering a new phase following the recruitment of a new Managing Director and Financial Director. This restructuring allows Elmira to focus on growing areas such as product innovation, farmer support and Fairtrade liaison.

Elmira said:

**“Thanks to Shared Interest, Lemberona can help the small farmers to make an honest living with their own hands and have proud families and communities.”**

## TradeAID

TradeAID Integrated is a not for profit organisation working with 65 basket weaver groups in the Upper East Region of Ghana. Nicholas Apokerah founded the organisation after discovering that weavers were earning 20% less than the final retail price of their baskets.

In 2014, Shared Interest provided TradeAID with finance to buy a truck. Three years later, basket weavers were facing challenges meeting orders and further finance from Shared Interest was used to purchase new production tools and equipment, which made a huge difference to productivity. Nicolas said:

**“Shared Interest is key to the survival of producers, and UK investors should see their investment as a vital contribution to people's livelihoods.”**



The collective revenue of our customers was almost

**£900**  
MILLION



Total payments made

**£59.2**  
MILLION



**2021**

WE SUPPORTED

**374,249**

**FARMERS AND ARTISANS**

INCLUDING

**124,089 WOMEN**



Total investment raised

**£50.7**  
MILLION



From our head office in Newcastle, we reach



countries with our finance

We are a dedicated team of 36 people, 58% female and 42% male.  
 From our head office in Newcastle, we reach 49 countries with our finance.  
 We couldn't do this without our members and network of volunteers throughout the UK.  
 With a presence in Costa Rica, Ghana, Kenya and Peru, our lending customers have account managers who understand their culture as well as their business.  
 We collaborate with partners and listen to our stakeholders.

**IT ALL ADDS UP**

# THE FINANCIAL OVERVIEW

The 2020-21 financial year was again challenging due to the global Covid-19 pandemic, making it harder to bring new customers on board and for some existing customers to trade successfully. There was also a period of uncertainty around elections in West Africa. The average exchange rate of the US Dollar to the Pound Sterling during the year was 1.37 (last year 1.28). Together, these factors led to a reduction in our principal lending income of £209k. After other items, our total income decreased by £216k. The net amount lent to customers at the year-end was close to £32m.

We continued our main banking relationship with Santander UK plc, providing us with the ability to borrow foreign currency, notably US Dollars and Euros, which we need to support producers and buyers. During the year, we also successfully repeated the approach of converting a proportion of our Pound Sterling capital into these currencies for a fixed period of time and at an agreed exchange rate. This helped to manage volatility on the exchange rate for borrowing currency to carry out our lending, and reduced borrowing costs during the year. We also retained an active

relationship with the Co-operative Bank, operating an account which is used by members to pay in their investments.

Operating costs for the Society have been reduced by £158k from the previous year. The main reasons behind this were the low amounts of travel, reduced rental costs and lower marketing costs as we moved a large proportion of promotion online, all as a consequence of the pandemic. Profit before provisions and interest was almost identical to the previous year.

The bad debt charge for the year remains high at just over £1m but has reduced from 2020, leaving an overall surplus of £61k once interest to members is factored in. This leaves the Society within, but at the lower end of its targeted range of reserves (more details are available in the published annual statutory financial statements). The overall financial position of the Society nevertheless remains strong with a record year of growth in member capital of £4.6m. In addition to specific provisions against doubtful accounts, which are cumulatively £10.2m, we have reserves from this and previous years' surpluses, totalling £1.66m.



PATRICIA  
ALEXANDER

RICHARD  
ANDERSON

PAUL  
CHANDLER

MARY  
COYLE

YVONNE  
GALE

MARTIN  
KYNDT

TIM  
MORGAN

CRISTINA  
TALENS



|                                                 | 2017          | 2018          | 2019          | 2020          | 2021          |
|-------------------------------------------------|---------------|---------------|---------------|---------------|---------------|
|                                                 | £'000         | £'000         | £'000         | £'000         | £'000         |
| <b>STATEMENT OF COMPREHENSIVE INCOME</b>        |               |               |               |               |               |
| Credit charges                                  | 2,928         | 3,264         | 3,513         | 3,362         | 3,153         |
| Bank deposit interest                           | 147           | 55            | 58            | 54            | 50            |
| Other                                           | 89            | 125           | 63            | 115           | 112           |
| <b>Total</b>                                    | <b>3,164</b>  | <b>3,444</b>  | <b>3,634</b>  | <b>3,531</b>  | <b>3,315</b>  |
| <b>Finance Costs</b>                            | <b>(427)</b>  | <b>(448)</b>  | <b>(472)</b>  | <b>(233)</b>  | <b>(94)</b>   |
| Provision for doubtful debts                    | (664)         | (793)         | (857)         | (1,166)       | (1,012)       |
| Operating costs                                 | (2,025)       | (1,985)       | (2,193)       | (2,131)       | (2,055)       |
| Corporation Tax                                 | -             | -             | -             | -             | -             |
| Profit before members' interest and donation    | 48            | 218           | 112           | 1             | 154           |
| Members' interest                               | (72)          | -             | (73)          | (83)          | (93)          |
| Donation                                        | -             | -             | -             | -             | -             |
| £/\$ Exchange rate at the year-end              | 1.34          | 1.30          | 1.23          | 1.29          | 1.35          |
| <b>BALANCE SHEET</b>                            |               |               |               |               |               |
| Tangible fixed assets                           | 153           | 161           | 158           | 118           | 111           |
| Investments                                     | 115           | 121           | 128           | 123           | 118           |
| Lent to customers                               | 29,918        | 36,330        | 36,037        | 29,660        | 31,776        |
| Cash and deposits                               | 40,821        | 42,234        | 44,301        | 46,960        | 52,051        |
| Debtors                                         | 90            | 128           | 107           | 64            | 126           |
| Loans owed to the bank/overdrafts               | (29,501)      | (35,241)      | (35,155)      | (28,485)      | (31,313)      |
| Other creditors < 1 year                        | (521)         | (506)         | (514)         | (373)         | (388)         |
| Other creditors > 1 year                        | (214)         | (214)         | (238)         | (238)         | -             |
| <b>Total</b>                                    | <b>40,861</b> | <b>43,013</b> | <b>44,824</b> | <b>47,829</b> | <b>52,481</b> |
| <b>Capital</b>                                  | <b>39,367</b> | <b>41,371</b> | <b>43,071</b> | <b>46,148</b> | <b>50,730</b> |
| Proposed share interest                         | 70            | -             | 72            | 82            | 91            |
| Proposed donation to Shared Interest Foundation | -             | -             | -             | -             | -             |
| Profit and Loss                                 | 1,424         | 1,642         | 1,681         | 1,599         | 1,660         |
| <b>Total</b>                                    | <b>39,367</b> | <b>43,013</b> | <b>44,824</b> | <b>47,829</b> | <b>52,481</b> |

The summary of the financial statements above is an extract of the full audited financial statements for the Society, which are available on request from the Company Secretary or can be downloaded from our website.

The majority of our lending and overseas payments are made in USD thus the exchange rate with sterling has a significant impact on the figures.

# ECAF

Pro... res

xpo le a



# LOOKING FORWARD

This year has brought more stories of resilience and fortitude from the communities we support. Sadly, some regions will continue to endure the deeper impact of the pandemic, experiencing severe setbacks in poverty levels and an economic recovery that may take several years. However, it is the effect of climate change that takes urgent precedence. The Fairtrade Foundation states: 'The climate emergency remains the biggest threat to the livelihoods of millions of small-scale farmers and workers in low-income countries across the world.'

The hurricanes in Central America, landslides and flash floods in Asia, and the devastating locust attack in East Africa all remind us that extreme weather poses an increasing threat to rural communities. These issues are compounded when businesses do not have access to affordable finance, which enables them to plan ahead, and respond quickly and effectively to challenges faced. We know that financial support is also crucial in helping farmers and artisans to increase their production, bringing a higher amount of Fairtrade Premium.

These funds are used by businesses to provide vital services in their communities, which safeguard the health and livelihoods of farmers and their families for generations to come.

It is therefore more important than ever that we remain true to our mission and maintain our commitment to support fair and just trade; keeping our focus on those smallholder farmers and handcraft co-operatives that other lenders are less keen to support. To ensure this remains the case, and to grow in line with an ever evolving global landscape, we will be entering into a full strategic review with multi-stakeholder consultation.

Our loyal members remain at the heart of Shared Interest and this year, we want to create even more opportunities for this valued community of groups and individuals to contribute, question, and increase their knowledge of our work.

Together, we will work towards making trade justice a reality for all communities, so that farmers and artisans across the world can provide for themselves and their families in 2022 and beyond.

## Shared Interest Society

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 SharedInterestSociety

 SharedInterest

 shared\_interest

Copies of the Directors' Report and Accounts and Social Accounts are available to download from our website.

Shared Interest Society Ltd is registered with the Registrar of Mutual Societies, number 27093R.

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**Cover image: Belver Garcia, a coffee producer from the CECAFE co-operative, carrying coffee fruits that he has collected from his fields in Lonya Grande, Peru**