

Institutional Funders and Partners

Sums raised from Institutional Funders and Trusts, for expenditure over the next 4 years are:

- 2004-2005 £1.1m
- 2005-2006 £1.2m
- 2006-2007 £1.6m

This stakeholder group consists of those who have provided support and funding to the charitable work of Traidcraft Exchange over and above donations from the public, and is a wide-ranging group of organisations, trusts and charitable funds.

The list of institutional funders of Traidcraft Exchange includes:

- The British Government (through the Department for International Development – DFID)
- The European Union
- International Finance Corporation (the private sector arm of the World Bank Group)
- Shell Foundation
- Comic Relief
- CAFOD (The Catholic Fund for Overseas Development)
- Oxfam
- Benfield Motors Charitable Trust
- The Ceniarth Foundation
- Allan and Nesta Ferguson Charitable Trust
- The Mark Leonard Trust
- John Kyle Stone Charitable Trust
- Various other smaller trusts.

For information on [current international projects being funded see Support section](#).

Activities in 2006-2007

Traidcraft Exchange held a profile-raising event in London in February 2007 which included a focus on our "Straight from the Cotton Fields" and "More from the Cotton Fields" projects in India.

This event was attended by seven of our institutional supporters, three of whom provided feedback on the event. The opportunity to meet staff face to face and to hear detailed information about specific projects was valued and helped to develop their understanding of our work.

Specific comments include:

"You were honest and – above all – enthusiastic. And, of course, I learnt a bit more too."

"Excellent, well organised, focussed, well managed – not too long. Congratulations."

"Made us think more about focused giving over a set period of time."

Shared Interest Society Limited

We also include in this stakeholder group, the cooperative lending organisation, Shared Interest Society Limited, which advance funds many of the payments that Traidcraft plc (and other fair trade buyers) make to developing world suppliers.

Traidcraft was instrumental in setting up Shared Interest and today makes use, principally, of its payment services, getting funds to supplier organisations for their orders from Traidcraft, in many remote areas of the developing world.

Whilst Traidcraft has a loan facility of £820,000 with Shared Interest, we have not made full use of this in recent years as working capital has been available within Traidcraft to allow us to refund Shared Interest for advances made on our behalf, on a monthly basis.

As well as providing a secure and reliable method of getting payments to our developing world suppliers, the fact that we use the services of Shared Interest does facilitate many of the suppliers to obtain a source of export credit independent of Traidcraft.

This is because those who are a member of Shared Interest's Clearing House can access additional credit from Shared Interest on top of any prepayments the buyers may make, up to two thirds of their order book.

Shared Interest is located in Newcastle upon Tyne and has always worked very closely with Traidcraft. Both organisations would consider themselves part of a "centre of expertise" in fair trade within the North East of England and like Traidcraft, Shared Interest is active in promoting fair trade throughout this region and beyond.

During the past year we have established a joint office in Nairobi for Traidcraft Exchange and Shared Interest, which we also share with COFTA – one of the principal African fair trade networks.

Return on Investment for Institutional Fundraising (ROI)

Important to an understanding of how successful institutional fundraising has been is not just the total raised but the cost of doing it. This statistic is also one that attracts public attention where people are increasingly making comparisons between charities on this sort of data.

Whilst there are some drawbacks to trying to make (rather crude) comparisons in this way, we believe that it is a relevant measure of our own efficiency

and gives a guide as to whether we are becoming more cost effective.

There will of course be occasions when we will deliberately reduce the ROI because we decide that we need to invest for the longer term and the payback is not immediate. The target for 2006-2007 was 10.4 .

	2005	2006	2007
ROI (Institutional Fundraising)	7.4	8.0	7.6

Target = 9.8 for 2007-2008 (allowing for full overhead allocation)

Another way of putting this is that it cost us about 13p to raise £1 from institutional donors in 2006-2007 (12.5p in 2005-2006).

Directors' Comment

The continued growth in the scale of institutional funding is encouraging, and reflects recognition of our new development models.

We hope that the greater strategic focus developed during 2006-2007 on tea, cotton and crafts producers (see [Support section](#)) will also help us identify new sources of support, and is in part a response to funder feedback that the range of what we have been doing through Traidcraft Exchange has appeared to stretch us too thinly over a wide number of sectors rather than allowing us to be perceived as having significant sector specialisation.

We believe the greater focusing on three strategic areas will better satisfy the requirements of Institutional donors and allow our charitable activities to continue to grow.

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