

Skylark coffee

2021 Transparency and Sustainability Report

(charity no. 1142607, OCB Initiatives)



CONTENTS

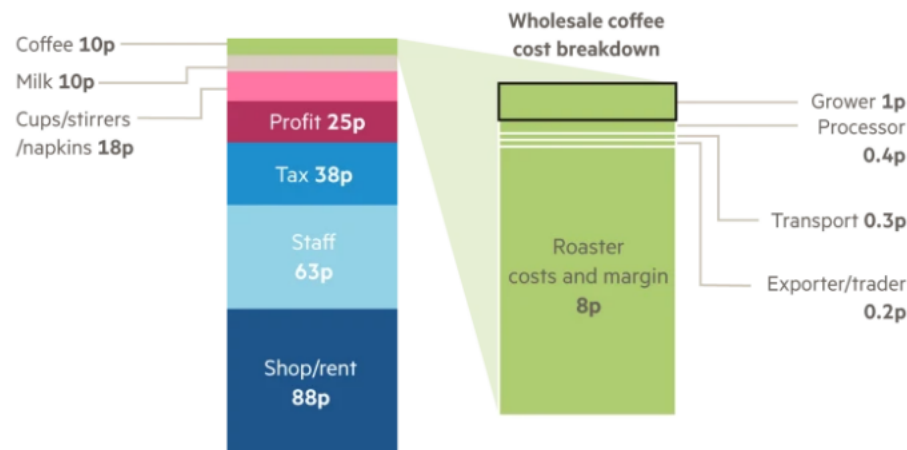
- Why did we start Skylark?
- Our open book financials
- Our partner project Pro Baristas
- Our other charity partners
- Our trade partners
- 2022 sneak preview

Why did we start the only non-profit specialty coffee roasterie in the world?

Fifteen years of coffee industry experience and two years of post-graduate research have led us to this conclusion: The coffee supply chain is inherently exploitative and colonial. Within that supply chain, the roasting step is by far the most profitable and powerful (roasters retain 80% of the profit margin from bean to cup). We can't change the nature of the industry (yet), so we decided the most ethical thing we could do is open a roasterie ourselves, set it up as a registered charity, and give up 100 percent of the proceeds to fight injustice — nothing hidden, no catch. Skylark exists to roast fantastic coffee and provide industry-leading training while recognising our privileged position and donating all profits to causes we believe in.

Farmers get a fraction of the money you spend on your morning coffee

Cost breakdown for a £2.50 cup*



* May not add up to total due to rounding

Sources: Allegra Strategies; International Trade Centre; FT calculations

© FT

This report is the start of Skylark's commitment to keeping our books 100 percent open while maintaining 100 percent non-profit status. We believe this is key to building trust with our customers and our partners. We want you to know where every penny you spend with Skylark ends up. We know that there's a lot of greenwashing and faux sustainability that happens in the coffee industry, and it's healthy to be skeptical about ethical claims, "direct trade" language, and charities that claim to help while lining their own pockets. These reports will allow you, the consumer, to keep us honest.

This report covers year one, when we first warmed up the Probat roaster in a West Sussex horse stables on the Wiston Estate and started selling coffee. This document took some time to pull together because it represents a complete rethink of how we can do good at every level — an anti-capitalist take, if you will, on what the industry could be if people rather than profits were the priority. We challenge all of our coffee industry fellows to think about transparency as more than a buzzword and more of a reality. Coffee as an industry is big on ethical claims and light on backing them up. Here are our open books:

The Nitty Gritty

(Financials):

Total Income from coffee sales in 2021: £69,541

Outgoing payments from Skylark:

Category	£ Spent	Who got paid? See following pages for details
Coffee at fair prices	£27,886	Farmers and importing partners. Average of £9.30/kg.
Salaries	£22,460	Buyer/roaster at £22,000/year. Packing help paid at Brighton Living Wage.
NI and pension	£3,181	Government/pension fund
Packaging	£3,799	The Bag Broker (carbon neutral) and Kite packaging (employee owned).
Shipping	£5,372	Royal Mail and Hermes
Rent	£2,000	Wiston Estate (who have supported us with flexible rent for Skylark and peppercorn rent for partner project Rock Farm)
Rates	£1,711	Horsham District Council
Core Costs	£240	Our umbrella charity OCB Initiatives for accounting and HR
Utilities	£354	Jefferson Gas and UK Power
Software/Transaction fees	£2,288	Shopify (website), Cropster (roasting software), Square and Stripe (payment processing)
Voluntary Sustainability Donations to other charities	£5,000	Pro Baristas, Knepp Wildland Foundation, The Stumping Project, Making it Out CIC.
TOTAL OUTGOING	£74,291	

Notes on our three main outgoings:

- Voluntary sustainability contributions are part of our pledge to donate £1 per kilo of coffee sold to external charities. We are a non-profit ourselves, and Pro Baristas (our partner project within the same umbrella charity) does great work. Still, we want to acknowledge our place in the larger Sussex landscape as well as the global coffee supply chain. These contributions go to protecting our regional environment and sustainable livelihoods for coffee farmers.
- Salaries: These will go up slightly in future years in keeping with cost of living and coffee industry standards. We do want to make sure all Skylark employees can afford to live, but we aren't in it to get rich.
 - Micah (green buyer/roaster) at £22,000 salary
 - Ben (oversight, consulting and sales) at £0 (salary funded by partner projects)
 - Casual labour £460 (paid at Brighton Living Wage of £9.55/hour for packaging help)
- Coffees: We believe that paying sustainable prices for coffee is a core component of being a good partner for our coffee farming friends. We truly hope to do more in future.

- We used almost exactly 3000kg of coffee in 2021 — hence the £3000 in donations to The Stumping Project (delivered by Technoserve) and Knepp’s rewilding and conservation projects.
- We spent £27,886 on coffee with an average price paid per kg of £8.08. This was more than 3 times (!) the Fair Trade price for 2021.
- Starting August 2022, we’re printing the price paid for every coffee on the back of our retail bags for increased transparency.
- 100 percent of our coffees were traceable to farm level, and we know the farm gate price for about half of our coffees currently, with a goal to have this fully documented in the near future.

Our non-profit partners for the year:

Pro Baristas (charity no 1142607) are our partner project delivering certified training for those who wouldn’t typically get the chance to work in coffee. Pro Baristas are Skylark’s main beneficiary moving forward, and have supported thousands of trainees over the past 7 years. In 2021, we weren’t able to support the project financially due to our start-up costs and our commitment to donating at least £1 per kilo to external charities, but we did roast them delicious coffee! We are hoping to be able to support them with free coffee supply for 2022 and financially support some of their labour costs for 2023.

Excellent baristas can be hard to come by — and keeping them can be even harder. Pro Baristas is now the biggest barista school in the country, helping the booming speciality coffee sector hire well-rounded talent while cutting turnover and recruitment costs. They’re also radically inclusive, opening pathways for unemployed people in a growing field with as much support and time as they might need. They can work with almost anyone, while maintaining the highest coffee standards around.

Pro Baristas pioneered the UK’s first year-long apprenticeship in coffee and offer a range of Specialty Coffee Association-certified courses and bespoke, long-term options for people lacking confidence and support. Recent graduates are managing coffee shops, training staff, roasting coffee and launching businesses throughout the speciality industry. Others find coffee a useful tool for moving on in other ways, or into other careers. That’s brilliant, too.

They operate pop-up coffee bars and a training cafe where people can earn a Living Wage while getting ongoing support. Together, we also consult for businesses who want to grow with quality, sustainability and a social conscience. Pro Baristas’ in-house curriculum covers both industry-leading coffee certificates and a holistic approach to employability. They also train on the latest tech, including Victoria Arduino and La Marzocco espresso machines and temperature-controlled Mythos One and Mythos Two grinders. They have experience in coffee publishing, barista competitions, green coffee sourcing and even coffee waste reduction.

Making it Out (charity no 1182154) are our neighbours in the Bunton Manor Farm horse stables that we have converted into small business units for The Wiston Estate. We paid the full rent for these stables while sharing the space with Making it Out as they expanded their vibrant woodworking and metalworking operations through and after the pandemic lockdowns.

Making It Out, based in Brighton and Hove, work with people who are in need of structured occupational support to help them get their life back on track. Their primary focus is on people who have recently left prison or are at risk of ending up there without support.

Their supportive placements provide opportunities to develop employment ready skills, confidence and motivation within a creative making environment. They design and make a wide range of artefacts and artworks, from intricate small scale pieces all the way to large public installations. They've also designed and built the tables for our cafe at Florence Road Market.

The Stumping Project by Technoserve (US charity no 13-2626135)

We donated £1500 to The Stumping Project, in collaboration with Falcon Coffees, in order to increase the possibility of sustainable livelihoods for coffee farmers in Ethiopia. If you don't know, coffee is a cherry that's grown on a shrub (a small tree). These trees produce more coffee when they're between 3 and 15 years old, and most of the coffee trees in Ethiopia are far older than that. If Ethiopian farmers can be incentivised to "stump" their trees (pruning them to just above ground level), their harvest can be up to three times larger in the ensuing years. However, they are often reluctant to do this since they'll essentially lose 2 years of harvest. Our donation will help 10 farmers in Ethiopia defray some of that cost so that in 2-3 years time their harvests can be greatly increased.

Knepp Wildland Foundation (charity no 1190335) We are donating £1500 to the Knepp foundation as part of our commitment to environmental protection and Skylarks in particular! Knepp are well known for rewilding most of their 3,500-acre estate in West Sussex since 2001. They believe that urgently restoring fully functional ecosystems is essential for the future of people and planet, and that rewilding can play a key role.

The Knepp Wildland Foundation was founded in late 2021 to catalyse the restoration of fully functioning ecosystems, across Sussex, England and beyond. The initial focus is on creating a wild corridor across Sussex, with the Knepp Wildland Project at its heart. By 2025, they aim to have agreements in place for a 50-mile wild corridor running from Ashdown Forest to the marine kelp forests at Climping Gap, and to have inspired communities across Sussex to make the places they live wilder. The Weald to Waves corridor will become a national exemplar of landscape scale ecological restoration in practice.

Skylark is helping to fund Knepp's three key priorities: To facilitate the development of landscape-scale rewilding across Sussex; to spread the knowledge and evidence generated at Knepp to a wide audience; and to educate the next generation of ecologists in the science of rewilding.

Our main trade partners:

- **Importing companies**

If you want more information about why we need importing partners [click here](#) to read more about it on our website. "Direct Trade" is a term that we find to be a largely unhelpful because it masks the fact that there are *always* importing/exporting companies moving coffee round the world for every roaster. We're proud of our importing partners, and see no reason not to disclose them!

- [Falcon](#) Coffee are local to us in Lewes, and put their money where their mouth is by passing power to producers. They're also our partners in The Stumping Project (along with Technoserve).

- [Ally Coffee](#) is a farmer-owned import/export company who have a history of boosting farmer livelihoods. This is also where Micah, our buyer and roaster, used to work in sourcing, so they maintain access to many farmers with whom we have a long history.
- [Raw Material](#) are a CIC, and they send along 100 percent of profits to the producers where they buy coffee.
- [Mercanta](#) is our newest importing partner. We're still learning about each other, but they've been bootstrapping ethical importing for quite a while, and have a generally good reputation with the farms where they source coffee.
- Our main packaging comes from The Bag Broker, who are a carbon-neutral company.
- Our boxes come from Kite Packaging, who are an employee-owned workers cooperative.
- Our LPG comes from Jefferson Gas (a necessary evil, but at least we only used a very efficient 180kg of LPG in 2021).

2022 sneak preview:

It may seem a bit late to be publishing a 2021 report, but all of these relationships are new and it took quite a bit of legwork to put the pieces together. We expect this to be an evolving transparency document, with innovative elements and quicker reporting in the coming years. Since we're well into 2022 at this point, we thought it was appropriate to release a sneak preview for the next reporting period. For 2022:

- We are on track to do £175k in coffee sales.
- We are hoping to donate around £20k total including £10k to external charity projects. That includes a £6k transfer to Pro Baristas and £2k to cover rent for Making it Out and In Her Hands. In Her Hands are a new project that we'll discuss more in next year's report. In brief, they teach women and non-binary people carpentry skills, empowering them and creating a safe environment in which to grow.
- We're hoping to find more non-profit partners in coffee producing countries to help improve farmer livelihoods.
- We're going to spend a lot on stock and kit that will set us up for the long run and allow us to start donating much more significantly starting in 2023.
- We are hoping to move into a new space and upgrade some equipment.

We're really open to questions and feedback about coffee practices in general and our transparency efforts in particular. You can read more about our approach at our website, skylark.coffee. Or drop us a line at info@skylark.coffee.