



**Sustainable Food Trust**

*A global voice for sustainable food and health*

**Trustees Report and Financial Statements**

**Year Ended 31 March 2023**

**Company Number: 07577102**

**Charity Number: 1148645**

## **CONTENTS**

<b>Legal and Administrative Information</b>	<b>1-2</b>
<b>Trustees Report</b>	<b>3</b>
Charitable Purposes	3 - 4
Achievements and Future Plans	4 - 7
Delivering Public Benefit	7
Governance and Management	8 - 10
Fundraising	10
Financial Review	10 - 11
Statement of Trustees Responsibilities	12
<b>Independent Auditor's Report</b>	<b>13 - 16</b>
<b>Financial Statements</b>	<b>17 – 30</b>
The following pages do not form part of the statutory financial statements	
<b>Management Information</b>	<b>32 - 33</b>

## LEGAL AND ADMINISTRATIVE INFORMATION

<b>Organisation Name:</b>	Sustainable Food Trust
<b>Company Registration Number:</b>	07577102
<b>Charity Registration Number:</b>	1148645
<b>Registered office and operational address:</b>	38 Richmond Street, Totterdown, Bristol, BS3 4TQ
<b>Trustees/Company Directors:</b>	Anthony Rodale (USA) – resigned 4 <sup>th</sup> July 2022 Peter Segger (UK) George Kailis (Australia) Christina Lee Brown (USA) Lady (Jane) Parker (UK) – Chair Evi Steyer – appointed 29 <sup>th</sup> November 2022 Arlo Brady – appointed 14 <sup>th</sup> March 2023
<b>Company Secretary:</b>	Claire Peeters
<b>Chief Executive:</b>	Patrick Holden, CBE
<b>Senior Management Team:</b>	Chief Executive, Executive Director, Policy Director, Global Farm Metric Director, Head of Operations
<b>Auditor:</b>	Burton Sweet Limited, The Clock Tower, Farleigh Court, Old Weston Road, Flax Bourton, Bristol, BS48 1UR
<b>Bankers:</b>	Triodos Bank, Deanery Road, Bristol, BS1 5AS
<b>Funders:</b>	

The SFT would like to extend our thanks to the following funders for supporting our work during the year:

- ☐ The A Team Foundation
- ☐ Aurora Trust
- ☐ B&J Lloyd Family Charitable Trust
- ☐ CHK Foundation
- ☐ Dr. John Cavill
- ☐ Corton Hill Trust
- ☐ Defra
- ☐ EQ Foundation
- ☐ Esmée Fairbairn Foundation
- ☐ John Ellerman Foundation
- ☐ Monmouthshire Council
- ☐ National Westminster Bank
- ☐ Sir Alan and Lady (Jane) Parker
- ☐ Roger Pauli (R&D Glass)
- ☐ Players of People's Postcode Lottery
- ☐ Prince of Wales's Charitable Foundation
- ☐ The Prudence Trust
- ☐ The Rothschild Foundation
- ☐ Ruskin Mill Land Trust
- ☐ The Serve All Trust
- ☐ Sustainable Food Alliance, Inc.
- ☐ Treebeard Trust
- ☐ Anonymous Donors - including via Charitable Giving Payroll and Charities Trust

## **LEGAL AND ADMINISTRATIVE INFORMATION**

### The Sustainable Food Alliance (SFA).

The SFA is a US tax-exempt 501(c)(3) organisation which works in partnership with the Sustainable Food Trust and raises funds to support sustainable food programmes.

Donors whose generous support of the SFA benefitted the SFT during the year included:

The Frances and Benjamin Benenson Foundation; Owsley Brown III Philanthropic Foundation; Bryan and Tara Meehan; John and Jessica Moussouris; The Work in Progress Fund of the Tides Foundation; The Atlantic Foundation; Joe and Lisa Roman.

## TRUSTEES' REPORT

## TRUSTEES' REPORT

### CHARITABLE PURPOSES

The **charitable purposes** of the Sustainable Food Trust (SFT), as set out in the objects contained in the company's Articles of Association, are:

- a) The preservation, conservation and protection of the environment and the prudent use of natural resources, including by the promotion of sustainable food production methods;
- b) The advancement of health, including the relief of disease and human suffering by
  - a. Encouraging the cultivation of foods and the uptake of diets (tailored to local circumstances in different countries and regions) to bring health benefits to individuals and populations in terms of better nutrition and lower incidence of diet related diseases.
  - b. The identification of food production methods that improve the nutritional value of foods and the dissemination of this information; and
  - c. The relief of malnutrition.
- c) To advance the education of the public in food production methods and their impact on the environment and public health.

In service of these objectives, the SFT's **mission** is to accelerate the transition towards more sustainable food systems.

To achieve this, we work in three areas:

- **Leadership and Collaboration:** Influencing individuals and organisations in leadership positions.
- **Research and Policy:** Using sound evidence to advocate better policy and practice.
- **Communications:** Encouraging and empowering individual and collective action.

### Summary

There is growing international consensus amongst the climate science community, governments, public and private finance, food companies, retailers and NGOs about the urgent need for an agriculture and food systems transition.

This is underpinned by an awareness that although our current farming and food systems are major contributors to climate change, the destruction of natural ecosystems and damage to public health, the potential exists for regenerative models not only to reverse these declines, but to become part of the solution.

Although consensus may not yet have been reached on the exact nature of the farming systems that are needed to replace the ones we have at present, it is agreed by all that the transition is not taking place anywhere near fast enough, and that a key barrier is the absence of an enabling financial environment, particularly for farmers.

Our **mission** is to accelerate the transition to sustainable food and farming systems. Our **vision** is for all farming and land management to operate in harmony with nature, producing sustainable and nutritious food which nourishes both people and planet.

To achieve our aims, we work catalytically and collaboratively, through a combination of high-level lobbying,

## TRUSTEES' REPORT

coalition building, public campaigning, education and media networking. This is based on three key pillars of work – farming policy and practice, measuring and valuing sustainability, and public awareness-raising. This report outlines our progress during 2022/2023 and future plans for these core work areas.

## ACHIEVEMENTS AND FUTURE PLANS

### 1. Farming Policy and Practice

**Barrier to change:** the lack of consensus on the nature of future sustainable agriculture, coupled with the absence of an enabling financial environment for farmers wishing to transition to such systems, continues to represent the most significant barrier currently preventing the transition we need to see.

**Aim:** to build a common vision for the future of farming and, through public and private sector engagement, develop a strong business case for this transition.

#### Achievements during the year included:

- **Building a better business case for the sustainable farming transition** – Influencing the direction of new policy schemes (including the UK National Food Strategy) to help shift the balance of financial advantage towards farming which is part of the climate, nature and health solution. The SFT also contributed significantly to the work of the Sustainable Markets Initiative – putting pressure on companies to shift their sourcing and financing decisions in favour of sustainable agriculture.
- **Publishing our Feeding Britain Report** – Launched at our Fir Farm conference in June 2022, our Feeding Britain from the Ground Up Report received good coverage in the media and notable mentions from key figures. A series of short films were released alongside the report to outline its findings and showcase a number of regenerative farms from across the UK. The report outlined what a UK wide transition to regenerative agriculture would look like, how much food we could produce and how diets would change.
- **Advocating for re-localised food systems** – As a result of direct influence from the Abattoir Sector Group, in February 2022 Defra announced plans for new funding to support small abattoirs. In addition, the SFT joined a new coalition funded by the Rothschild Foundation, working alongside the Landworkers' Alliance, Sustain and Pasture for Life to map and model the characteristics of local supply chains.
- **Supporting the role of grazing livestock** – Responding to key media articles criticising grass fed livestock and taking part in public debates and media interviews on the issue. Making the case for mixed farming rather than intensively managed monocultures.
- **Hosting the Fir Farm Conference** – Entitled *A roadmap to sustainable farming*, our 2022 Fir Farm Conference was attended by over 300 people across two days. Sessions included 'Climate, nature and health: How can farming respond?', 'Measuring sustainability: the need for a common language', 'Green finance: How can we make sustainable farming pay?', 'Local food systems: Overcoming barriers to change', and 'Feeding Britain: How should we farm, what should we eat?'.
- **Organising events with leaders** – in September 2022 the SFT held an event at Esalen in California to bring together a range of influential individuals working across food, farming, education, and global communications. In October we convened a group of almost 40 individuals and organisations from across Wales at Holden Farm Dairy to discuss the future of sustainable food production and consumption in Wales.
- **Attending global events** – taking part and speaking at events at New York Climate Week and COP27, with a key focus on ensuring the 'regenerative' agriculture transition remains authentic and that a long-term business model for farmers wishing to produce food in this way is established.

## TRUSTEES' REPORT

### Future plans include:

- **Feeding Britain Follow up research** – The next stage of this work will be to better understand the cost of a transition to truly sustainable agriculture. This will involve undertaking a true cost analysis of the new farming models which will then be compared with the intensive systems studied in our 2017 Hidden Cost of UK Food Report. This will be used to make the case for government support for regenerative farming as well as for public education. We also plan to research and model the climate impact of a transition to these alternative systems of production, including the potential to increase levels of carbon stored in the soil.
- **Developing a regenerative farming blueprint** – Working with the Sustainable Markets Initiative Agribusiness Taskforce to organise a cross sector meeting with representatives from the finance, insurance and food business sectors. The meeting's purpose will be to develop mechanisms to improve the economic proposition for farmers wishing to make the transition. These models will need to include insurance, nature and carbon credits and blended finance landscape acceleration.
- **Publishing our Grazing livestock report** – Examining the impacts of UK grazing livestock on climate change, within the context of their wider environmental impacts, particularly in relation to biodiversity and greenhouse gases.

## 2. Measuring and Valuing Sustainability

**Barrier to change:** the lack of common framework for measuring farm level sustainability makes it difficult for farmers to assess their impact and impossible for government, financial institutions, and food companies to set meaningful targets and incentivise change. The vast array of labelling and audit schemes also means consumers have no common yardstick to link their purchasing power to supporting sustainable, healthy food production.

**Aim:** to develop an internationally common framework for measuring whole farm sustainability. Use this framework to value the positive and negative impacts of agriculture and advocate for the introduction of financial measures to help all farmers transition to more sustainable food production systems.

### Achievements during the year included:

- **Building the GFM Coalition** – Over 100 members now form the coalition and in-person and virtual working groups were held during the year to update these members on progress with framework development and give them the opportunity to provide feed into the process.
- **GFM Development** – In July 2022 we held an in-person Delphi workshop with 30 academics to develop a number of the GFM categories. The refreshed GFM 1.0 framework was launched in January 2023 alongside a number of invite-only and public webinars to explain the changes.
- **Undertaking Trials** – Our 2022 trials were completed in July with data received from nearly 50 farms. Feedback from farmers and farm advisors was particularly insightful and consistent, with a particular focus on standardisation and the potential for multiple use data, time savings and financial reward.
- **Developing a trial in Kentucky** – During 2022, The Organic Association of Kentucky team began adapting the GFM research tool for use in US farming systems and have now received \$4.4million from the USDA Climate Smart Commodities Programme for this work. Their pilots start this month in Kentucky with a view to launching more extensive trials in 2023.
- **Developing a trial in Malawi** – Work in south-eastern Africa, with funding from Women Forward International, and Cornell University, to adapt and contextualise the GFM for smallholder farmers in Malawi took place throughout 2022, with a particularly focus on soil and social capital.
- **Developing the NatWest Partnership** – NatWest have been our most invested partner. With their support, in late 2022, work on the GFM Engine began to enable GFM data collection, data transfer and interoperability between existing applications and farm tools.

## TRUSTEES' REPORT

- **Taking part in Regen10** – Regen10 were successful in their funding bid from Rockefeller and IKEA Foundation. As a result, SFT have been appointed Metrics lead in the Framework Hub, using our learnings from developing and applying the GFM in the UK to develop a truly international outcomes-based framework.
- **Supporting the Sustainable Markets Initiative (SMI)** – The GFM continued to be represented within the SMI as a Taskforce. At COP27 in November 2022, The SMI Agribusiness Taskforce published their action plan to scale up regenerative farming, with 'Agree common metrics for environmental outcomes' as the very first action of five.

### Future plans include:

- **Trials** – A two-strand trial strategy is in place for the next year. Alongside trialling the new framework with farmers, a public sector strand will involve two Defra trials designed to embed the need to collect data through the GFM framework into future government farm support. Whilst a private sector strand will aim to prove the use of GFM for data flow through the supply chain and include trials with ABP, NatWest, Natoora, Neal's Yard, McCain and others.
- **GFM application within financial blueprints** – Work to understand how common measurement should underpin and inform future financing of agriculture. Work with the Sustainable Markets Initiative to embed the GFM framework into a series of pilots to test new financing streams informed by outcome measures.
- **International development** – Working with partners including Regen10, the SMI and the GFM Australia and Kentucky coalitions to understand how the GFM framework could be refined and tested on the ground with farmers in these locations.

## 3. Informing and inspiring the public about the future of food and farming

**Barrier to change:** mass confusion has created uncertainty around the type of farming systems we need to address and promote and what individuals can do to be part of the solution.

**Aim:** to provide clarity, nuance and a practical perspective on the future of food and farming and share these messages with the general public, both through our own communication channels as well as by working with others.

### Achievements during the year included:

- **Raising awareness of Feeding Britain** – The release of the report and subsequent films resulted in significant interest in the report's findings and provided an opportunity to feed into the national and global conversation about the future of agriculture.
- **Developing a regenerative farming documentary** – The SFT is the lead partner organisation working with Big Picture Ranch to film a new documentary sequel to Kiss the Ground, which aired in 2020. During the summer months, a number of interviews and farm case studies were filmed, with the aim of developing the narrative for a possible 2026 release.
- **Harmony in food and farming** – The Harmony Project (THP) is now supporting over 50 state and private schools in the UK and its teachers' guide has been translated into 8 languages. THP is leading a national campaign in England to introduce a Nature Premium into schools to ensure all children and young people have regular access to nature-based learning as part of their education, particularly those from disadvantaged backgrounds.
- **The Green social prescribing project** – The first stage of the 'Green Social Prescribing' pilot in Bristol was completed, in collaboration with The College of Medicine and University of Bristol. The evaluation confirms that patients found the 12-week on-farm programme extremely positive in terms of health and wellbeing. Phase two of the pilot will involve a repeat programme, considering and trying to overcome the challenges experienced during the pre-pilot.



## TRUSTEES' REPORT

- **Developing partnerships** – The SFT's partnership with Coldplay continued in 2022-23, with the band showing our videos about regenerative agriculture at their shows. This has resulted in significant social media interest and a subsequent increase in visitor numbers to our channels.
- **Continued outreach** – We have continued to build support and followers for our newsletter, podcast and social media channels. Our new website was launched in June 22. We have also had significant media coverage throughout the year. In August we canvassed farmers for signatures for a piece lobbying the government to support the transition to sustainable farming, gaining over 60 signatures.
- **Organising Events** – The SFT team has taken part in, spoken at and organized sessions at many key events, including the Tortoise Responsible Food Forum, the Oxford Farming Conferences, the Welsh Real Farming Conference, and at global events such as New York Climate Week and COP27.

### Future plans include:

- **Healthy food campaign** – Working with partners to develop plans for a citizen-facing campaign around healthy and sustainable food. This includes developing an 'ambassadors' programme to encourage influencers, such as farmers and chefs, to help spread SFT's key messages amongst their audiences.
- **Beacon Farms** – Developing a proposition for farms to become stages for educational events, both for young people and individuals in positions of influence. This will involve identifying an initial network of farms and developing materials which farms can use to host such events.
- **Global advocacy** – Attending events such as New York Climate Week and COP28 to share messages on the future of food and farming. A focus for this work will be the question of how we can build the business case for a transition to regenerative food production.
- **Regenerative Farming documentary** – continuing to work with Big Picture Ranch to film and curate the narrative for the new film in the Kiss the Ground series.
- **Events** – host a series of events, both invite only and public facing, to raise awareness and influence the direction of the regenerative farming transition. These will include our own events as well as organising and speaking in sessions at other conferences.

## DELIVERING PUBLIC BENEFIT

The trustees have referred to the information contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning its future activities.

All of the SFT's work is directed towards meeting one or more of the Charity's purposes, as described at the start of this report. It is our belief that these purposes will be best served by a return to more integrated and holistic food and farming systems. Research has shown that such systems deliver greater protection of the environment, more prudent use of natural resources and greater health benefits than their intensive and industrialised counterparts.

However, further research is needed to clarify and confirm certain aspects of this. Advancing the case for this research is an ongoing concern for the SFT, with priorities for further research being the role of regenerative agriculture practice as part of the climate solution; sustainability metrics and valuation frameworks for measuring food systems impacts; connecting sustainability and health-implications for dietary advice; and measurement of soil carbon and fertility.

As described in section 3, there remains a significant need to improve public understanding of the benefits of sustainable food and farming and the nature of the transition that must urgently take place. For this reason, communication and awareness raising to empower citizens, governments and businesses to take action will remain a core pillar of our work.

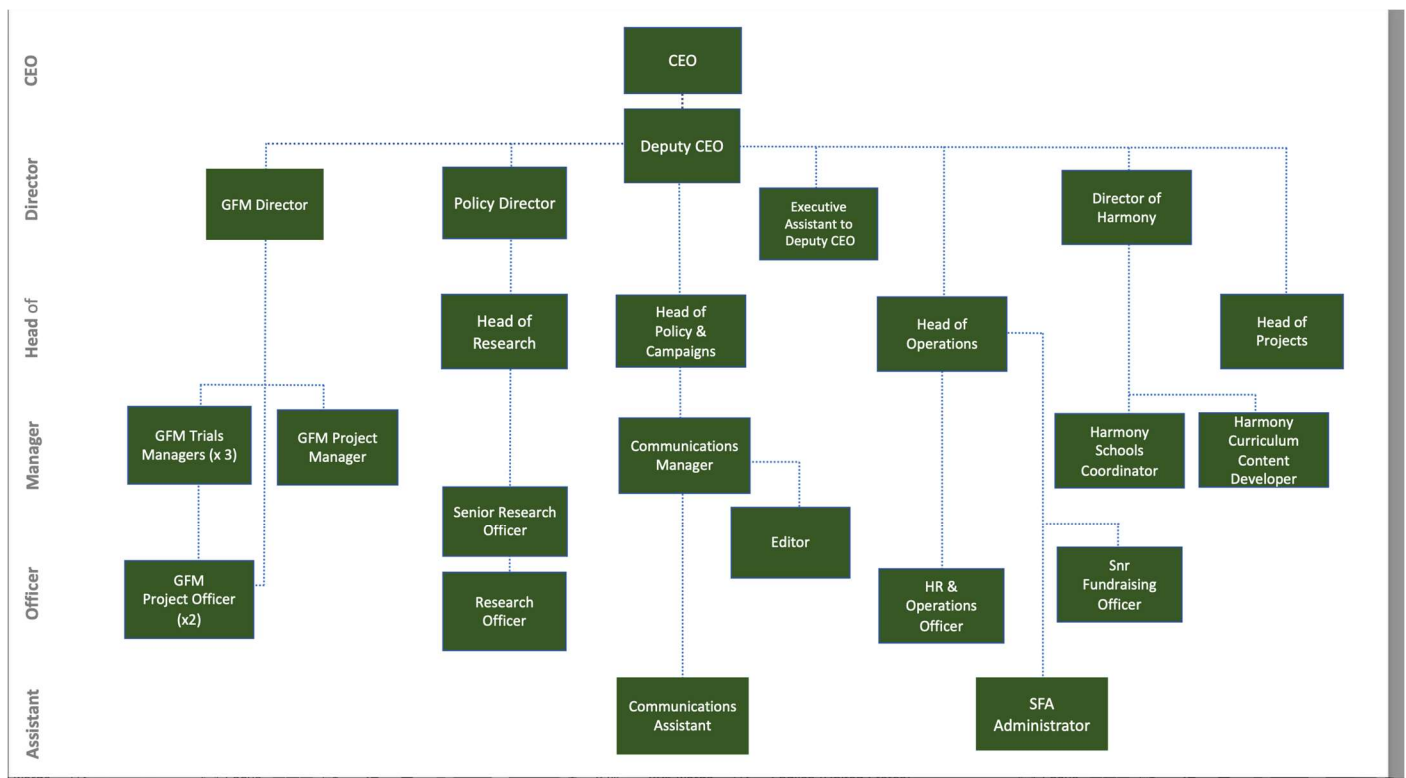
## TRUSTEES' REPORT

### GOVERNANCE AND MANAGEMENT

The SFT is a company limited by guarantee and was incorporated on 24th March 2011. It became a registered charity with the Charity Commission for England and Wales in August 2012. The company was established under a set of Articles of Association, which set out the objects and powers of the organisation. In the event that the company is wound up, members are required to contribute an amount not exceeding £1.

The directors of the company are also the trustees of the charity. Trustees have control of the organisation, its funds and assets, and are responsible for overall strategic and operational management. They are not subject to retirement by rotation and there are not fixed periods of service. All trustees give their time voluntarily and receive no benefits. They are inducted and trained by other trustees and in consultation with the Chief Executive.

Day to day management of the organisation is delegated to the Chief Executive and Executive Director, who manages a team of staff, consultants and interns. The structure of the SFT on 31 March 2023, is shown in fig.1 below:



The SFT's remuneration procedure stipulates that the pay of all senior staff, including the Chief Executive, is reviewed and set by the Board of Trustees at their regular Board meetings and, as for all staff, should be guided by the principles of internal equity and external parity. Except in instances of staff roles changing, salaries are reviewed yearly and any changes based on both internal and external factors, including staff performance.

We support the involvement of volunteers / interns from time to time, and this year have worked with four volunteers.

## TRUSTEES' REPORT

Board meetings take place every 4 months. Prior to meetings, the Chief Executive's report is circulated along with management accounts and any other relevant documents. In between meetings, the Board is kept up to date with regular emails from the Chief Executive and senior staff.

### Tribute to Richard Young, Former Policy Director

At the time of finalising this report, the SFT is just coming to terms with the loss of one of our longest-standing and most loved and respected members of staff, Richard Young. Richard was SFT's Policy Director from the very early days of the SFT until 2023. He was on the brink of retirement when he died, on 16<sup>th</sup> September 2023, but was still making active contributions to a number of reports and was expected to stay somehow 'within the fold' even in his retirement.

It would be impossible to overstate the contribution that Richard made - not only to the SFT - but to a great many other organisations in the organic and sustainable food movement. His encyclopaedic knowledge of food and farming issues – underpinned by his own farming practice at Kite's Nest Farm in Gloucestershire - contributed immeasurably to the understanding of the relationship between farming practices, food quality and health. It was this knowledge, and his very personable nature and humility that led to him being held in such high regard by colleagues, scientists, campaigners and policymakers. His work was hugely influential in shifting the dial on many issues including the overuse of antibiotics on farms, the role of livestock in sustainable food systems, and the case for local food and small abattoirs.

Thankfully, reports that Richard has been working on just before his death are far enough along to be published posthumously. The SFT took on Lesley Mitchell as Policy Director earlier in 2023, and Lesley had taken the reins of the policy and research team, with Richard being able to take more of a back seat in recent months. We are very grateful to Lesley for stepping so sensitively, and effectively into such respected shoes.

Richard was a friend and mentor to many SFT staff and will be dearly missed by the entire team.

### Managing Risks

The trustees have assessed the major risks to which the organisation is exposed and are satisfied that systems are in place to mitigate exposure. Policies and procedures have been drawn up to ensure compliance with relevant legislation and which enable appropriate authorisation of transactions and activities. The Board has identified the top three risks posed to the organisation, which are outlined in the table below, along with the controls that have been put in place to mitigate those risks. Our top three risks are those which we deem to have the highest number of influencing factors which are external and thus not directly or easily managed by SFT.

Risks	Controls Implemented
Loss of key staff	<ul style="list-style-type: none"> <li><input type="checkbox"/> Plans and projects are documented to enable effective handovers.</li> <li><input type="checkbox"/> Staff reviews carried out at least annually, with opportunities to raise issues in between.</li> <li><input type="checkbox"/> Remuneration levels bear the importance of staff retention in mind, and procedures set to ensure internal equity and external parity.</li> <li><input type="checkbox"/> Staff are kept up to date with organisational developments and impact, and are actively engaged in organisational planning and strategic development.</li> </ul>

## TRUSTEES' REPORT

Poor relationships with funders or unsatisfactory returns on fundraising	<input type="checkbox"/> Fundraising plan developed and regularly updated. <input type="checkbox"/> System in place to monitor and record outcomes of funded activities. <input type="checkbox"/> Income streams diversified where possible, although this is weighed up against time and resources available to cultivate new potential funders. <input type="checkbox"/> Major funders briefed on progress regularly. <input type="checkbox"/> Head of External Relations role created with a focus on donor care. <input type="checkbox"/> Funder terms and conditions reviewed carefully and complied with, including dates for reporting back.
Government policy has negative impact	<input type="checkbox"/> Legal and regulatory changes monitored and action taken accordingly.

### Fundraising

All fundraising carried out by the Sustainable Food Trust is done under the direct guidance of the Chief Executive. He keeps in regular contact with major donors and has close involvement in the preparation of grant applications. Other staff involved in fundraising include the Policy Director, Head of Operations, Head of Programmes and Head of External Relations. The SFT does not use external professional fundraisers, and neither the organisation nor any of its staff subscribe to any fundraising standards scheme. We do not employ heavy-handed or unreasonably persistent approaches to fundraising, and whilst we invite donations through our website, we do not actively pursue our supporters with direct requests. During the year, the Charity did not receive any complaints about its fundraising activities.

## FINANCIAL REVIEW

### Funding Sources

The SFT seeks to secure funds from diverse sources, including trusts, foundations and individual donors. During the year, 66% of funds were secured from trusts and foundations, 8% from individual donors, and 26% from consultancy and other fees.

### Results and Financial Position

The SFT has a stable financial position, with our unrestricted reserves growing year-on-year.

Total income for 2022/23 was £2,153,757 and expenditure £1,826,279 giving a surplus of £327,478. With a transfer of £60,000 from our endowment fund our unrestricted funds grew by £74,946. The majority of funds came from the UK and US.

We work in partnership with the Sustainable Food Alliance, a US 501(c)(3) organisation which shares our mission and aims. The SFA acts as a fiscal partner for our fundraising endeavours in North America, with 10% of the SFT's funding in 2022/23 being derived from trusts, foundations and donors in the US. 64% was from trusts, foundations and donors in the UK. In 2021/22, these figures stood at 32% from the US, and 47% from the UK, so the balance has shifted towards the UK this year.

At the start of the new financial year (2023/24), we had 60% of funds required for the year secured – which is 4% higher than the same time the previous year. Our situation requires an ongoing and diligent

## TRUSTEES' REPORT

approach to fundraising and budget management. This is increasingly important as the organisation grows and at a time of inflationary pressure.

### The Harmony Project Establishment as Own Entity

The Harmony Project (THP) established itself as a charity on 1<sup>st</sup> April 2023, under the name Harmony in Education (charity number 1200877). Since April 2017, THP had been treated as a project within the SFT. From 1<sup>st</sup> April 2023 the activities of THP were transferred to Harmony in Education, to continue from thereon. Therefore, this is the final time that the activities of The Harmony Project will be reported as part of the SFT's Trustees Annual Report and Financial Statements.

Within the SFT total income for The Harmony Project to 31<sup>st</sup> March 2023 was £111,180 and expenditure was £218,776 giving a deficit of £107,596. The project had carried forward funds of £107,596 from the previous year, and so ended the year with a balance of £0.

For the year Harmony in Education is considered to be a related party to the SFT. However, in future years this may not be the case as the Trustee Boards are independent and comprised of separate individuals.

### Reserves Policy

The Board of Trustees has examined the organisation's requirements for reserves in light of the main risks to which it may be exposed. It has established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the organisation should ideally be between four and six months' worth of expenditure. We met the requirements of this policy, as the total unrestricted reserves at 31 March 2023 was £615,386 (equivalent to 4 months' worth) with free reserves (following a deduction of the value of fixed assets) being £608,216.

In respect of the 2023/24 financial year, at March 23 the intention was to achieve a surplus with a view to growing unrestricted reserves by approximately £100k. Our reserves are expected to enable the organisation to retain some stability in terms of staff and work capacity over the next 2-3 years, without putting the organisation at undue financial risk.

Reserves are needed to safeguard the work of the SFT and the board of trustees are confident that at this level they would be able to continue the main core services in the event of a significant drop in funding.

The reserves policy was most recently revisited during the 2021/22 financial year and deemed to be at the appropriate level. The trustees actively monitor the financial performance of the SFT and consider at every board meeting the extent to which activities and expenditure might need to be curtailed should circumstances arise that would require this. If there is any uncertainty during a scheduled board meeting, an additional process is triggered in which the board receive an interim financial report with recommendations.

### Disclosure of Trustee Donations

The aggregate Trustee donations to the charity was £20,000 (2022: £15,000).

## TRUSTEES' REPORT

### STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of Sustainable Food Trust for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the strategic report and directors' report) and the financial statements in accordance with 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 Accepted Accounting Practice)*.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

### Small Company Provisions

This report and the financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" and in accordance with the special provisions of the Companies Act 2006 (s419(2)) relating to small entities.

Approved by the Board of Trustees on 21 November 2023 and signed on its behalf by:

Lady (Jane) Parker, Chair

## **INDEPENDENT AUDITOR'S REPORT**

### **Independent auditor's report to the members of Sustainable Food Trust**

#### **Opinion**

We have audited the financial statements of Sustainable Food Trust (the "Charity") for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of 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).

This report is made solely to the Charity'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 Charity's members those matters we are required to state in 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 Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2023 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with international Standards in 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 Charity 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 directors' 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 charity'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 directors with respect to going concern are described in the relevant sections of this report.



## **INDEPENDENT AUDITOR'S REPORT**

### **Other information**

The trustees are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 the fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the strategic report and the directors' report) has been prepared in accordance with applicable law requirements.

### **Matters on which we are required to report by exception**

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:

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

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees 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 they 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 Charity'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 Charity or to cease operations, or have no realistic alternative but to do so.



## **INDEPENDENT AUDITOR'S REPORT**

### **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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with directors and other management, and from our knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements of the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance through the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- understanding the design of the charity's remuneration policies.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

## INDEPENDENT AUDITOR'S REPORT

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm). This description forms part of our auditor's report.

### **Joshua Kingston ACA (Senior Statutory Auditor)**

For and on behalf of Burton Sweet Limited

Statutory Auditor

The Clock Tower

5 Farleigh Court

Old Weston Road

Flax Bourton

Bristol BS48 1UR

Date: 21 November 2023

# SUSTAINABLE FOOD TRUST

## STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total funds 2023 £	Total funds 2022 £
<b>Income and endowments from:</b>						
Donations and legacies	2	557,734	1,023,676	-	1,581,410	1,273,056
Charitable activities	3	511,288	39,714	-	551,002	279,534
Other trading activities		20,000	-	-	20,000	20,000
Other Income		-	-	-	-	667
Investments		1,345	-	-	1,345	268
<b>Total income</b>		<b>1,090,367</b>	<b>1,063,390</b>	<b>-</b>	<b>2,153,757</b>	<b>1,573,525</b>
<b>Expenditure on:</b>						
Charitable activities	4	1,152,484	673,795	-	1,826,279	1,516,947
<b>Total expenditure</b>		<b>1,152,484</b>	<b>673,795</b>	<b>-</b>	<b>1,826,279</b>	<b>1,516,947</b>
<b>Net income/(expenditure)</b>	<b>6</b>	<b>(62,117)</b>	<b>389,595</b>	<b>-</b>	<b>327,478</b>	<b>56,578</b>
<b>Transfers between funds</b>	<b>14</b>	<b>137,063</b>	<b>(77,063)</b>	<b>(60,000)</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>		<b>74,946</b>	<b>312,532</b>	<b>(60,000)</b>	<b>327,478</b>	<b>56,578</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward	14	540,440	123,213	60,000	723,653	667,075
<b>Total funds carried forward</b>	<b>14</b>	<b>615,386</b>	<b>435,745</b>	<b>-</b>	<b>1,051,131</b>	<b>723,653</b>

The comparative Statement of Financial Activity is detailed in note 8.

The company has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the company are classed as continuing.

The notes on pages 21 to 30 form part of these financial statements

# SUSTAINABLE FOOD TRUST

## SUMMARY INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31 MARCH 2023

---

	2023 £	2022 £
Total Income	2,153,757	1,573,525
Total Expenditure	1,826,279	1,516,947
Net Income/(Expenditure) for the year	<u>327,478</u>	<u>56,578</u>
Transfers (to)/from Expendable Endowment Fund	60,000	40,000
Net Income/(Expenditure) after transfers	<u><u>387,478</u></u>	<u><u>96,578</u></u>

The notes on pages 21 to 30 form part of these financial statements

# SUSTAINABLE FOOD TRUST

## BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	9	7,170	11,087
<b>Current assets</b>			
Debtors	10	765,264	455,081
Cash at bank		733,918	624,833
		<u>1,499,182</u>	<u>1,079,914</u>
<b>Creditors: Amounts falling due within one year</b>	11	(455,221)	(367,348)
<b>Net current assets</b>		<u>1,043,961</u>	<u>712,566</u>
<b>Total net assets</b>		<u>1,051,131</u>	<u>723,653</u>
<b>The funds of the charity:</b>			
Endowment funds	15	-	60,000
Restricted funds	15	435,745	123,213
Unrestricted funds	15	615,386	540,440
		<u>1,051,131</u>	<u>723,653</u>

These financial statements were approved and signed by the directors and authorised for issued on 21 November 2023.

Lady (Jane) Parker - Trustee

Company registration number 07577102

The notes on pages 21 to 30 form part of these financial statements

# SUSTAINABLE FOOD TRUST

## CASH FLOW STATEMENT

YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2022 £
Net cash inflow/(outflow) from operating activities	12	109,405	(4,438)
Non-operational cash flows:			
Investing activities			
Purchase of fixed assets		(1,665)	(7,357)
Investment income		1,345	268
Net cash inflow/(outflow) for the year	13	<u>109,085</u>	<u>(11,527)</u>

### Cash flow restrictions

Charity law forbids the use of net cash inflows on any endowed or other restricted fund to offset net cash outflows on any fund outside its own Objects, except on special authority. In practice this restriction has not had any effect on cash flows for the year.

The notes on pages 21 to 30 form part of these financial statements

# SUSTAINABLE FOOD TRUST

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

---

### 1 Accounting Policies

#### a) Basis of preparation

The financial statements have been prepared in accordance with the historical cost convention (except where otherwise stated in the accounting policy note) and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), and the Companies Act 2006.

The charity is a public benefit entity as defined under FRS102.

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. Whilst the Trustees expect there to be a significant impact on the charity's operations in the coming months and years due to the current economic climate, the charity has sufficient reserves and support to be able to meet these challenges.

#### b) Income

Income is accounted for as receivable once there is a reasonable certainty of the probable economic benefit from the resource and the amount can be reliably measured. Income from donations is included when these are receivable, except as follows:

I. When donors specify that donations given to the charity must be used in future accounting periods, the income is deferred until those periods;

II. When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred until the pre-conditions have been met.

Grants, including grants for the purchase of fixed assets, are recognised in the income and expenditure account as they become receivable. Grants received in the accounting period in respect of future accounting periods are deferred until those periods.

Gift aid relief on eligible donations is recognised on an accruals basis at the same point as the original donation.

Gifts in kind are valued at estimated open market value at the date of the gift, in the case of assets for retention or consumption, or at the value to the organisation in the case of donated services or facilities.

#### c) Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Support costs and where costs cannot be directly attributed they have been allocated to activities on a basis consistent with the use of the resource.

Governance costs are the costs associated with meeting constitutional and statutory requirements of the charity and include the independent examination fees and costs linked to the strategic management of the charity. Governance costs are included within support costs.

#### d) Transactions in foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date. All exchange differences are taken to the SOFA.

# SUSTAINABLE FOOD TRUST

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

---

### 1 Accounting Policies (*continued*)

#### e) Fund accounting

Unrestricted funds contain accumulated surplus and deficits on general funds and can be used in accordance with the company objects at the discretion of the Board of Directors.

Restricted funds represent monies received for specific purposes. All income and expenditure relating to the restricted funds' movements is included in the income and expenditure account. Further details of restricted funds are shown in note 14.

Expendable Endowments are funds to be retained for the benefit of the Charity as capital although there is discretion to convert endowed capital into income.

#### f) Fixed assets

Fixed assets are held at cost less accumulated depreciation. Assets costing less than £500 are not capitalised.

Depreciation is calculated so as to write-off the cost of an asset, less its estimated residual value, over the useful economic life of the asset as follows:

Fixtures, fittings and equipment	25% straight line
----------------------------------	-------------------

#### g) Trade debtors

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

#### h) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand on-call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### i) Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### j) Pensions

The charity has arranged a defined contribution scheme for its staff. Pension costs charged in the SOFA represent the contributions payable by the charity in the period.



# SUSTAINABLE FOOD TRUST

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

### 2 Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2023 £	Total 2022 £
Donations	557,734	1,016,176	-	1,573,910	1,121,856
Donated goods & services	-	-	-	-	148,200
Gift aid	-	7,500	-	7,500	3,000
	557,734	1,023,676	-	1,581,410	1,273,056

### Prior year comparative

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2022 £
Donations	779,138	342,718	-	1,121,856
Donated goods & services	148,200	-	-	148,200
Gift aid	3,000	-	-	3,000
	930,338	342,718	-	1,273,056

Land was donated to the charity during the previous financial year and was subsequently sold for £148,200.

### 3 Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2023 £	Total 2022 £
True cost accounting & sustainability metrics	451,705	-	-	451,705	260,229
Leadership & collaboration	44,206	-	-	44,206	7,222
Harmony project	15,136	39,714	-	54,850	8,852
Communications	-	-	-	-	2,881
Others	241	-	-	241	350
	511,288	39,714	-	551,002	279,534

The income from charitable activities in the prior year was comprised of only unrestricted funds.

# SUSTAINABLE FOOD TRUST

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

### 4 Expenditure on charitable activities

	Staff Costs £	Direct Costs £	Support Costs £	Total 2023 £	Total 2022 £
True cost accounting & sustainability metrics	540,094	366,280	137,574	<b>1,043,948</b>	644,417
Leadership & collaboration	93,288	33,831	11,722	<b>138,841</b>	134,174
Research	89,340	21,712	21,606	<b>132,658</b>	154,568
Abattoirs Project	3,661	6,553	1,553	<b>11,767</b>	28,064
Communications	66,852	108,326	29,464	<b>204,642</b>	238,634
Sustainable diets and farming	18,314	18,547	5,531	<b>42,392</b>	50,874
Harmony project	125,009	93,768	33,254	<b>252,031</b>	266,216
	<b>936,558</b>	<b>649,017</b>	<b>240,704</b>	<b>1,826,279</b>	<b>1,516,947</b>

### Prior year comparative

	Staff Costs £	Direct Costs £	Support Costs £	Total 2022 £
True cost accounting & sustainability metrics	140,691	418,791	84,935	644,417
Leadership & collaboration	90,907	25,659	17,608	134,174
Research	131,466	2,730	20,372	154,568
Abattoirs Project	9,100	15,265	3,699	28,064
Communications	120,418	86,922	31,294	238,634
Sustainable diets and farming	11,550	32,619	6,705	50,874
Harmony project	102,891	128,243	35,082	266,216
	<b>607,023</b>	<b>710,229</b>	<b>199,695</b>	<b>1,516,947</b>

### 5 Support costs

	Staff Costs £	Premises Costs £	Office Costs £	Total 2023 £	Total 2022 £
True cost accounting & sustainability metrics	60,868	15,045	61,661	<b>137,574</b>	84,935
Leadership & collaboration	5,186	1,282	5,254	<b>11,722</b>	17,608
Research	9,559	2,363	9,684	<b>21,606</b>	20,372
Abattoirs Project	687	170	696	<b>1,553</b>	3,699
Communications	13,036	3,222	13,206	<b>29,464</b>	31,294
Sustainable diets and farming	2,447	605	2,479	<b>5,531</b>	6,705
Harmony project	14,713	3,637	14,904	<b>33,254</b>	35,082
	<b>106,496</b>	<b>26,324</b>	<b>107,884</b>	<b>240,704</b>	<b>199,695</b>

# SUSTAINABLE FOOD TRUST

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

### 5 Support costs (*continued*)

Prior year comparative Support costs	Staff Costs £	Premises Costs £	Office Costs £	Total 2022 £
True cost accounting & sustainability metrics	52,620	8,805	23,510	84,935
Leadership & collaboration	10,909	1,825	4,874	17,608
Research	12,621	2,112	5,639	20,372
Abattoirs Project	2,292	383	1,024	3,699
Communications	19,388	3,244	8,662	31,294
Sustainable diets and farming	4,154	695	1,856	6,705
Harmony project	21,734	3,638	9,710	35,082
	123,718	20,702	55,275	199,695

### 6 Net income/(expenditure) for the year

	Total 2023 £	Total 2022 £
Stated after charging:		
Depreciation	5,582	4,882
Auditor's fees:		
Audit	7,100	7,200
Accounts preparation	1,700	1,800
Other services	-	600

### 7 Staff costs and numbers

	Total 2023 £	Total 2022 £
The aggregate payroll costs were:		
Wages and salaries	932,671	620,358
Social security costs	62,752	62,752
Pension costs	17,631	17,631
Redundancy costs	30,000	30,000
	1,043,054	730,741

The number of employees whose total employments benefits (excluding employer pension costs) for the reporting period were in excess of £60,000 fall within the bands as follows:

	Total 2023	Total 2022
£60,000-£69,999	-	2
£80,000 - £89,999	3	1
£100,000-£109,999	-	1
£110,000 - £119,999	2	-

# SUSTAINABLE FOOD TRUST

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

### 7 Staff costs and numbers (*continued*)

The total employment benefits received by key management personnel in the year were £455,754 (2022: £311,616).

The average number (headcount) of employees in the year was as follows:

	2023 No.	2022 No.
Employees	22	15

No trustees received remuneration or were reimbursed expenses in the current or prior year.

### 8 Comparative Statement of Financial Activity

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total funds 2022 £
<b>Income and endowments from:</b>				
Donations and legacies	930,338	342,718	-	1,273,056
Charitable Activities	279,534	-	-	279,534
Other trading activities	20,000	-	-	20,000
Other Income	667	-	-	667
Investments	268	-	-	268
<b>Total income</b>	<b>1,230,807</b>	<b>342,718</b>	<b>-</b>	<b>1,573,525</b>
<b>Expenditure on:</b>				
Charitable activities	1,130,430	386,517	-	1,516,947
<b>Total expenditure</b>	<b>1,130,430</b>	<b>386,517</b>	<b>-</b>	<b>1,516,947</b>
<b>Net income/(expenditure)</b>	<b>100,377</b>	<b>(43,799)</b>	<b>-</b>	<b>56,578</b>
<b>Transfers between funds</b>	<b>89,028</b>	<b>(49,028)</b>	<b>(40,000)</b>	<b>-</b>
<b>Net movement in funds</b>	<b>189,405</b>	<b>(92,827)</b>	<b>(40,000)</b>	<b>56,578</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward	351,035	216,040	100,000	667,075
<b>Total funds carried forward</b>	<b>540,440</b>	<b>123,213</b>	<b>60,000</b>	<b>723,653</b>

# SUSTAINABLE FOOD TRUST

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

### 9 Tangible fixed assets

	Fixtures fittings & equipment £	Total £
<b>Cost</b>		
At 1 April 2022	25,814	25,814
Additions	1,665	1,665
At 31 March 2023	27,479	27,479
<b>Depreciation</b>		
At 1 April 2022	14,727	14,727
Charge for the year	5,582	5,582
At 31 March 2023	20,309	20,309
<b>Net book value</b>		
At 31 March 2023	7,170	7,170
At 31 March 2022	11,087	11,087

### 10 Debtors

	2023 £	2022 £
Trade debtors	253,899	35,030
Prepayments and accrued income	500,353	413,625
Gift aid receivable	-	4,400
Other debtors	11,012	2,026
	765,264	455,081

### 11 Creditors: amounts falling due within one year

	2023 £	2022 £
Other creditors	74,996	62,978
Accruals	48,445	9,600
Deferred income	308,251	274,306
Taxation and social security costs	23,529	20,464
	455,221	367,348

# SUSTAINABLE FOOD TRUST

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

### 12 Reconciliation of net movement in funds to net cash inflow from operating activities

	2023 £	2022 £
Statement of Financial Activities: Net movement in funds	327,478	56,578
Depreciation	5,582	4,882
Investment income	(1,345)	(268)
Increase in creditors	87,873	296,640
Decrease/(increase) in debtors	(310,183)	(362,270)
<b>Net cash inflow from operating activities</b>	<b>109,405</b>	<b>(4,438)</b>

### 13 Analysis of changes in cash during the year

	2023 £	2022 £	Change £
Cash at bank and in hand	733,918	624,833	109,085

	2022 £	2021 £	Change £
Cash at bank and in hand	624,833	636,360	(11,527)

### 14 Movement in funds

	At 1 Apr 2022 £	Income £	Expenditure £	Transfers £	At 31 Mar 2023 £
<b>Expendable Endowment fund</b>	60,000	-	-	(60,000)	-
<b>Restricted funds</b>					
True cost accounting & sustainability metrics	46,276	809,000	(447,659)	(72,587)	335,030
Research	-	9,486	(9,242)	-	244
Leadership & Collaboration	-	150,000	(50,000)	-	100,000
Sustainable diets and farming	18,048	17,690	(33,767)	(1,500)	471
Harmony project	58,889	77,214	(133,127)	(2,976)	-
	123,213	1,063,390	(673,795)	(77,063)	435,745
<b>Unrestricted funds</b>	540,440	1,090,367	(1,152,484)	137,063	615,386
<b>Total funds</b>	<b>723,653</b>	<b>2,153,757</b>	<b>(1,826,279)</b>	<b>-</b>	<b>1,051,131</b>

# SUSTAINABLE FOOD TRUST

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

### 14 Movement in funds (continued)

	At 1 Apr 2021 £	Income £	Expenditure £	Transfers £	At 31 Mar 2022 £
Prior year comparative					
Expendable Endowment fund	100,000	-	-	(40,000)	60,000
<b>Restricted funds</b>					
True cost accounting & sustainability metrics	33,576	168,833	(126,059)	(30,074)	46,276
Research	-	10,000	(9,073)	(927)	-
Abattoirs Project	-	15,000	(15,000)	-	-
Sustainable diets and farming	34,966	22,500	(38,546)	(872)	18,048
Harmony project	147,498	126,385	(197,839)	(17,155)	58,889
	216,040	342,718	(386,517)	(49,028)	123,213
<b>Unrestricted funds</b>	351,035	1,230,807	(1,130,430)	89,028	540,440
<b>Total funds</b>	667,075	1,573,525	(1,516,947)	-	723,653

**Expendable endowment** - This fund was set up by the Trustees following receipt of a major donation from the RH Southern Trust. The intention of the RH Southern Trustees was to support the longevity of the SFT by making a donation that would last several years, but that could be given in one go. It was therefore decided to set up an expendable endowment that would serve this purpose. In the year ended 31 March 2022 the trustees decided to transfer the final £60,000 of the expendable endowment to further the purposes of the Charity in the year; as such a transfer was made from the expendable endowment fund to general funds. This brought the value of the fund to £Nil at the year end.

#### Restricted funds

**Leadership & Collaboration** - Income represents grants given towards the SFT's work on developing the leadership and communication facets of the organisation, with a particular focus on recruitment and retention of key staff.

**True cost accounting & sustainability metrics** - Income represents grants given towards the SFT's strategic work on True Cost Accounting and the Global Farm Metric project. The transfer out in the year relates to applicable costs paid out from general funds.

**Research** - Income represents grants given towards the SFT's work on a Grazing Livestock report.

**Abattoirs Project** - Income represents grants received towards work on local abattoirs.

**Sustainable diets and farming** - Income represents grants towards our work on aligning healthy diets with the productive capacity of sustainable agriculture. The transfer out relates to applicable costs paid out from general funds.

**Harmony project** - Income represents grants given towards the SFT's work on Harmony - a collaborative project which focuses in three main areas of work: Harmony in Food, Farming and Health; Harmony in Education; and Living in Harmony. Please see the note in the Trustees Annual Report regarding the Harmony's Project's movement to being its own charity from 1st April 2023.

# SUSTAINABLE FOOD TRUST

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

### 15 Analysis of net assets between funds

At 31 March 2023

	Tangible Fixed assets £	Other Net assets £	Total £
<b>Restricted funds</b>			
True cost accounting & sustainability metrics	-	335,030	335,030
Leadership & Collaboration	-	100,000	100,000
Research	-	244	244
Sustainable diets and farming	-	471	471
	-	435,745	435,745
<b>Unrestricted funds</b>	7,170	608,216	615,386
	7,170	1,043,961	1,051,131

At 31 March 2022

	Tangible Fixed assets £	Other Net assets £	Total £
<b>Expendable Endowment funds</b>	-	60,000	60,000
<b>Restricted funds</b>			
True cost accounting & sustainability metrics	-	46,276	46,276
Sustainable diets and farming	-	18,048	18,048
Harmony project	-	58,889	58,889
	-	123,213	123,213
<b>Unrestricted funds</b>	11,087	529,353	540,440
	11,087	712,566	723,653

### 16 Company limited by guarantee

The Company is limited by guarantee and as such has no issued share capital. In the event of the company being wound up the liability of the members is limited £1 each.

### 17 Related party transactions

Patrick Holden, Chief Executive of the charity, is the Executive Director of The Sustainable Food Alliance Inc. USA in the year and has disclosed his interest in Sustainable Food Trust. The charity received income of £210,181 in the year (2022: £410,706) from The Sustainable Food Alliance Inc. USA.

Patrick Holden owns the rental property in which the charity operates. A rent of £14,500 was paid by the charity in the year (2022: £13,387). At the year-end £nil was outstanding (2022 - £3,000).

The aggregate trustee donations to the charity was £20,000 (2022: £15,000).



**The following pages do not form part of the statutory financial statements**

# SUSTAINABLE FOOD TRUST

## DETAILED STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2023

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2023 £	Total 2022 £
<b>Income from:</b>					
<b><i>Donations and legacies</i></b>					
Donations	104,289	57,176	-	<b>161,465</b>	136,353
Sustainable Food Alliance	179,716	-	-	<b>179,716</b>	223,315
Esmée Fairbairn	50,000	500,000	-	<b>550,000</b>	-
General grants	117,689	-	-	<b>117,689</b>	288,158
Prudence Trust	-	100,000	-	<b>100,000</b>	100,000
Prince of Wales	50,000	-	-	<b>50,000</b>	150,000
Postcode Lottery	-	104,000	-	<b>104,000</b>	-
TIDES Foundation	6,040	-	-	<b>6,040</b>	109,030
Sainsburys Family Trusts	50,000	5,000	-	<b>55,000</b>	55,000
Rothschild Foundation	-	100,000	-	<b>100,000</b>	60,000
CHK	-	150,000	-	<b>150,000</b>	-
Gifts in kind	-	-	-	-	148,200
Gift aid	-	7,500	-	<b>7,500</b>	3,000
<b><i>Charitable activities</i></b>					
Ticket sales & event fees	75,060	39,678	-	<b>114,738</b>	28,808
NatWest	421,055	-	-	<b>421,055</b>	248,694
Speaking events	15,173	36	-	<b>15,209</b>	2,032
<b><i>Other trading activities</i></b>					
Management fees	20,000	-	-	<b>20,000</b>	20,000
<b><i>Other Income</i></b>	-	-	-	-	667
<b><i>Investments</i></b>	1,345	-	-	<b>1,345</b>	268
<b>Total income</b>	<b>1,090,367</b>	<b>1,063,390</b>	<b>-</b>	<b>2,153,757</b>	<b>1,573,525</b>

# SUSTAINABLE FOOD TRUST

## DETAILED STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2023

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2023 £	Total 2022 £
<b>Expenditure on:</b>					
<b>Charitable activities</b>					
Wages and salaries	645,842	397,214	-	<b>1,043,056</b>	730,741
Consultancy fees	233,825	230,015	-	<b>463,840</b>	548,956
Travel and subsistence	42,177	26,793	-	<b>68,970</b>	29,507
Rent and rates	26,324	-	-	<b>26,324</b>	23,202
Office expenses and equipment	6,597	-	-	<b>6,597</b>	7,711
Training	118	-	-	<b>118</b>	288
Volunteer costs	60	-	-	<b>60</b>	-
Events	68,818	820	-	<b>69,638</b>	13,376
Grants paid out	-	-	-	<b>-</b>	5,000
Software	15,298	-	-	<b>15,298</b>	8,149
Telephone	829	-	-	<b>829</b>	1,038
Website Design	43,759	18,239	-	<b>61,998</b>	118,498
HR Costs	24,371	-	-	<b>24,371</b>	3,450
Depreciation	5,582	-	-	<b>5,582</b>	4,882
Legal and professional fees	17,547	714	-	<b>18,261</b>	12,549
Exchange gains/losses	626	-	-	<b>626</b>	-
Bad debt	3,940	-	-	<b>3,940</b>	-
Sundry expenses	7,971	-	-	<b>7,971</b>	-
<b>Governance costs</b>					
<i>Auditor's fees:</i>					
Audit	7,100	-	-	<b>7,100</b>	7,200
Accounts preparation	1,700	-	-	<b>1,700</b>	1,800
Other services	-	-	-	<b>-</b>	600
<b>Total expenditure</b>	<b>1,152,484</b>	<b>673,795</b>	<b>-</b>	<b>1,826,279</b>	<b>1,516,947</b>
<b>Net income/(expenditure)</b>	<b>(62,117)</b>	<b>389,595</b>	<b>-</b>	<b>327,478</b>	<b>56,578</b>