



The Vegetarian Society of the United Kingdom Limited
Group Annual Report and Financial Statements
Year ended 31 March 2021

Charity Number 259358 (England and Wales)

Company Number 00959115 (England and Wales)

THE VEGETARIAN SOCIETY OF THE UNITED KINGDOM LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

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REPORT OF THE TRUSTEES

YEAR ENDED 31 MARCH 2021

The Board of Trustees presents its annual report together with the consolidated financial statements of the charity and its subsidiary for the year ended 31 March 2021. This is prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing the accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Our charitable objects

1. The advancement of education of the public in the subject of vegetarianism, in particular by:
 - Promoting the vegetarian diet for the benefit of people, animals and the environment;
 - Informing the wider community on all aspects of vegetarianism.
2. The provision of exclusively charitable services to support and represent vegetarians.

Strategy and Business plan

In November 2019 trustees agreed a new five year strategy to cover the period of 2020 to 2024 and in March 2020, a business plan to deliver the strategy. These documents set out our mission, what we wish to achieve in the next five years (our aims and objectives) and how we will be able to deliver this work.

Our vision

Our vision is a world where everyone is vegetarian.

Our mission

Our mission is to inspire, educate and enable people to be vegetarian.

Our values

Our values guide us in everything we do and they are:

- A vegetarian diet is a positive choice that is kinder to animals, people and our planet
- We recognise different people are vegetarian for different reasons
- We value all vegetarians equally, regardless of their motivation
- We behave respectfully towards people's choices and decisions
- We want everyone to be vegetarian and we will work with people regardless of their current diet
- We will be fair, open and transparent, and we will act with integrity

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- We will not exploit people or animals in pursuit of our aims
- We will reduce our environmental impact
- We will pursue our charitable objects in a positive way

PUBLIC BENEFIT

The trustees have taken account of the Charity Commission's general guidance on public benefit when reviewing the charity's aims, objectives and planning. We deliver public benefit in the work we do, for example:

- Our website offers a wide range of free information for a vegetarian diet and lifestyle, including health and nutrition information, recipes and food information
- Our Vegetarian Society Approved vegetarian and vegan trademarks makes it easier for consumers to make an informed choice when buying vegetarian and vegan products and to trust what they are buying
- We have a free recipe app for the public to download, which has over 500 vegetarian and vegan recipes
- Our annual flagship event, National Vegetarian Week, is all about helping the public gain a better understanding of vegetarianism and its benefits. National Vegetarian Week inspires wide participation from individuals and businesses
- Campaigns – we run campaigns which help inspire and support people to go and stay vegetarian.
- Representation – we speak out for vegetarians and vegans about issues that affect their lives, such as representing their views in the Environment, Food and Rural Affairs Committee (EFRA) consultation on food this year.
- Enquiries and Advocacy service – we work with people to give information, to answer questions and to speak on their behalf with companies and providers of services
- Dietitian Service – we provide a free consultation with a qualified dietitian for people with dietary queries or for those needing specialist information

A key part of the work we would normally undertake to provide public benefit is to provide free cookery courses for community groups and charities, and to run a scholarship programme for aspiring chefs. The enforced closure of the cookery school has meant that we have been unable to perform this work but the school will reopen as soon as is practical.

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ACHIEVEMENTS AND PERFORMANCE

In summary, last year we said our plans were:

Three veggie choices wherever you go by 2025	Not possible	Opportunities to deliver this were very limited because of lockdown so this work has been postponed.
Food boxes for Food Banks project	Ongoing	We have sent out 40,248 meals to food banks across the UK getting healthy nutritious veggie food to people who need it and helping our members help others without compromising their veggie principles.
Trademarks – expand the number of products and clients licensed to carry the trademarks	Ongoing	We now have 20,722 products and 616 companies who are licensed to use the Vegetarian Society Approved trademarks.
National Vegetarian Week 2020	Completed	One of our most successful years, we trended on twitter and a highlight was Steven Fry cooking a recipe for us.
Membership and supporter recruitment – lead generation and giving more content to people	Ongoing	We have been running member recruitment and lead generation campaigns. We have received 9,393 new sign ups throughout the year and produced more content
Fundraising initiatives and grants	Ongoing	We successfully applied for and received £100,000 from Barclays Emergency COVID-19 programme and £10,000 from the Community Fund. Both were for the food box project.
Re open Cookery School	Not possible	The Cookery School remained closed for the whole year. The Assistant Manager left and we did not recruit to the post.
Digital courses from the Cookery School	Completed	We have made 10 new digital courses this year.
Information and Resources, doubling the number of e newsletters and increasing COVID-19 related content.	Ongoing	We doubled the number of newsletters we sent out including information about keeping healthy, cooking with store cupboard ingredients, boosting immunity, and COVID-19 vaccine information.
Pregnancy Guide, Baby and Toddler resource and young people guide	Delayed	This was delayed because of work being reprioritised because of COVID-19 and a lack of capacity.
Develop the Recipe Collection	Ongoing	We have added 35 new recipes to the collection.
Making sure we are a sustainable organisation and mitigating loss of income due to COVID-19	Ongoing	We have increased our income from the Veggie Lotto, doubling the number of players and we have had increased donations (mainly to the food box project) and increased legacy income.

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We have five strategic aims in our Strategy for 2019 to 2024 and each aim has a set of objectives. We will not work towards all of the objectives every year and some will be achieved before others. At the same time, our strategy sets out six services that have been successful and that we intend to continue running throughout the five years of the strategy.

Services we are committed to running:

Services and projects we are committed to running:

1. Vegetarian Society Approved trademarks

The Vegetarian Society Approved vegetarian and vegan trademarks are a very important part of the impact we deliver. We check the ingredients and productions processes of the products that are licensed to carry our trademarks.

Any product displaying the Vegetarian Society Approved vegetarian trademark has met these criteria:

- Free from any ingredient resulting from slaughter
- Only free-range eggs are used
- No cross-contamination during production
- GMO-free
- No animal testing carried out or commissioned

Any product displaying the Vegetarian Society Approved vegan trademark has met these criteria:

- Free from animal-derived ingredients
- No cross-contamination during production
- GMO-free
- No animal testing carried out or commissioned

Members of the public can trust that products carrying our Vegetarian Society Approved trademarks are suitable for them to buy and eat and this makes their lives easier and their shopping quicker. This year we worked with 616 companies to get our trademarks licensed for 20,722 products.

2. Members and Regular Donation Scheme

Our members are at the heart of everything we do. Their financial support enables us to undertake work on their behalf but, equally importantly, they are a community which informs our understanding of what is important to vegetarians and vegans and where our impact needs to be.

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Because this year has been such a difficult time for so many people, we focussed on providing help and support for members about health, nutrition, cooking, managing on limited ingredients, and the COVID-19 vaccinations.

This year we helped members and supporters take part in the EFRA consultation about food, encouraging them to take part in the consultation and representing their views in our submission.

We ran a Twelve Days of Christmas Appeal which reached its target because of generous donations from members and supporters and we have been overwhelmed with the support via individual donations, from members and supporters in particular, for our food box project.

3. National Vegetarian Week

Every May, National Vegetarian Week (NVW) raises awareness of vegetarian food. It has been running for over 25 years. In that time more and more businesses, restaurants, chefs and media outlets have taken part and this has contributed to what is now a wide acceptance of vegetarian food as normal and mainstream. Taking part in a National Vegetarian Week pledge is what made Chris Packham go veggie, so we don't always see the impact of the week quickly, but it certainly pays off. This year we had to switch the theme away from Eating to Beat Climate change and eating out, to NVW at home because of the timing and extension of COVID-19 restrictions. The week still trended on social media, with Steven Fry cooking from home for us and Chris Packham making burgers in the garden with his stepdaughter. Cauldron Foods sponsored the week and there was plenty of coverage, with us trending on twitter. National Vegetarian Week means that the general public become accustomed to vegetarian food and more open to trying it and eating it regularly.

4. High Quality Content for website and social media channels and our members' magazine

This year it has been more important than ever to keep in touch with our members and supporters so they feel part of our community. We know that many of our members and supporters have had a difficult time because of COVID-19. We wanted to help make sure they felt safe and they knew that they matter to us. We put more of our capacity into producing content and we doubled the number of newsletters we sent out. We have delivered content around cooking with store cupboard ingredients, making swaps in recipes when some of the ingredients weren't available, sprouting seeds at home and buying and storing long lasting veg, when food was hard to get hold of. We have produced information on health and nutrition, looking after your immune system, picnics in the living room for families and information about the production and ingredients of the COVID-19 vaccines.

We have produced recipe booklets to encourage new sign ups to the newsletters and this year we turned our Christmas content into a very successful Christmas Club, resulting in 2,500 new subscribers. The content ran from November and included lots of hand-made, home-made recipes, based on

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enjoying the process of cooking and creating something special for the family. The recipes were made ahead and frozen and produced in individual portions so that it didn't matter how many people you ended up with round the table on the day, nothing was wasted.

We have continued to run news items and interviews on celebrities either being veggie or cooking veggie food, including Ella Mills, Rachel Ama, Bosh!, Matt Pritchard, the Hairy Bikers and our two big NVW celebrities, Steven Fry and Chris Packham.

To keep people thinking about all aspects of vegetarianism some of our long read pieces this year have been about ethical dairy, ethics and the egg industry and sustainable diets for zero emissions.

5. Vegetarian Society Cookery School

Sadly the cookery school has remained closed to the public for the whole of the year. Even when restrictions were lifted, the age and layout of our building meant it wasn't viable to run classes with social distancing.

Instead, the school has focussed on making digital classes, producing 10 new digital courses and developing our ability and experience at producing digital content.

The Head of the Cookery School, Sam Platt, also made digital cookery content for our main channels, a particular highlight being her and her son making hummus at home in their kitchen!

We hope to reopen the school next year and in the meantime, will continue with digital classes and content.

6. Enquiry Service (including Dietitian Service)

Throughout this year, the enquiry service has helped 509 individuals who asked for help about issues. The number of enquiries has significantly dropped this year because people have not been able to eat out much, a usual source of many complaints.

Some enquiries can be dealt with individually but some lead to information which is shared widely, both about diet and lifestyle. For example, one enquirer asked if pre-gelatinised starch was vegetarian. It is, but it is easy to see why vegetarians might think it isn't. Our Vegetarian Society Approved trademarks team contacted the company in question, Colorcon, and their products are now accredited with the Vegetarian Society Approved vegan trademark. We also added information to our website, explaining what pre-gelatinised starch is.

Our free dietitian service has given advice and support to 39 people, enabling them to continue to eat a vegetarian diet while dealing with other health issues.

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Our performance against our strategic aims and objectives:

Strategic Aim One: Lead the way and be the hub of the vegetarian world

OBJECTIVES:

1.1 Update designs and materials in-line with new website including magazine, leaflets, headed paper

This is ongoing as the website develops.

1.2 Update content from old website to new website

Our new website launched in March 2019 and we have developed a rolling programme of updating pages as they have been moved across from the old website and in-line with new information, updated statistics and new content we are producing.

Feedback from the website has been really positive. It is now fit for purpose and we are able to use it to provide much better content. This is ongoing work.

1.3 Deliver content strategy to deliver more content on more channels and in a wider range of formats, including videos and podcasts

Our content strategy and content training for staff means that we are now producing more and better quality content across the board. We have kept our members and followers up-to-date with topics relevant to vegetarians, and in particular to COVID-19, produced practical support with cooking skills, recipes and health and nutritional information and created thought provoking long reads. We have provided information about vegetarian and vegan products and services and we have represented vegetarians and vegans in the media. See section 4 above.

1.4 Increase social media following

This year we have had mixed responses on social media has not risen but remained fairly stable. We have been building up our Instagram account and were pleased that National Vegetarian Week trended on twitter, as it has in previous years.

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Strategic Aim Two: Inspire people to eat vegetarian food and become vegetarian

OBJECTIVES:

2.1 Run National Vegetarian Week to raise awareness

National Vegetarian Week is a project that we are committed to running and is reported above in section 1.3.

2.2 Update and expand recipe collection

This year we have spent time and resources on commissioning new recipes for the collection, in particular for the Christmas Club. The Christmas recipes were of a very high standard this year and resulted in 2,500 new sign-ups for our e newsletter, bringing us new supporters. We also produced digital recipe booklets and continued to commission seasonal and international recipes for our free online collection.

2.3 Recipe videos and digital cookery demos aimed at flexitarians and new vegetarians

The cookery school have spent their time producing new digital cookery courses and free video content for the wider public, including teaching videos to go with the recipes in our food box project.

2.4 Free courses for young people, vulnerable adults and community groups (mainly meat-eaters) - not possible due to COVID 19 and closure of the cookery school.

In addition to the above work, our Food Boxes project has also contributed to Strategic Aim Two – inspiring people to eat veggie food and go veggie. This project has delivered 40,248 meals to people in food poverty by providing all the ingredients necessary for eight servings in total of two different veggie meals with the recipe cards. The boxes have been distributed widely through Trussell Trust food banks, enabling 40,248 veggie meals to be served. Many of the people using the food banks would not normally eat veggie food but the feedback has been very positive and people will be able to continue cooking low cost, healthy veggie meals using the recipes. This project also contributes to Strategic Aim Three below.

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Strategic Aim Three: Provide information and training to increase knowledge and skills

OBJECTIVES:

3.1 Update content from old website to new website – ongoing, see above section 1.1

3.2 Deliver content strategy – ongoing, see above section 1.2

3.3. Produce health and nutrition guides – for this year: pregnancy guide

The pregnancy guide got held up at the beginning of the year when both the graphic designer and the content writer became unavailable because of COVID-19. Since then it has been delayed as we have needed to use our capacity on producing other content and to deliver the food box project.

3.4 Increase sales of cookery courses for home cooks - not possible due to COVID-19 and closure of the cookery school. However, we have been making digital cookery classes and sales of these have contributed a small income.

3.5 Free courses for young people, vulnerable adults and community groups (mainly meat-eaters) – not possible due to COVID-19 and closure of the cookery school.

Strategic Aim Four: Influence provision to increase quality and choice

OBJECTIVES:

4.1 UK Food Plan to deliver main goal

There are five strands to this work:

- Schools and educational establishments
- Businesses and caterers (the hospitality industry)
- Workplaces
- Hospitals and care homes
- Travel

This work has been suspended as people deal with COVID-19 and we hope to return to it next year. However, we have continued to provide recipes for those schools that have requested them.

4.2 Expand trademark sales

It has been challenging this year to keep customers as some small companies have gone bust, supermarkets have delisted many products in order to stock essentials and some companies have

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waited to see how they would perform financially. However, trademark sales are close to targets, despite all the difficulties and we currently have 20,722 products and 616 companies using the trademarks.

4.3 Scholarship programme to train new chefs – not possible as school is closed.

4.4 Increase sales of professional chefs training – not possible as the school is closed.

4.5 Increase sales of bespoke onsite training for catering outlets – not possible as the school is closed.

4.6 Sell digital training courses for catering staff – not possible as restaurants are closed.

Strategic Aim Five: Organisational excellence and continuous improvement

5.1 Increasing Individual Giving

Our future plans last year included developing membership recruitment, with an increased focus on lead generation. This means getting people involved in our work and making a relationship with them, particularly through our newsletters, before asking them to become members. We have not been successful in increasing membership numbers but we have been very grateful that our numbers have remained stable throughout COVID-19. Some members have cancelled because of reduced financial circumstances and we have recruited enough new members to replace them, but not make the numbers go up significantly.

5.2 Increase income from fundraising sources

We rely heavily on income from memberships and also from the generous general donations some members make alongside their regular membership donations and we thank all our members for their generous support.

This year we have raised £150,100 for the food box project. This includes gifts from businesses, individual donations and a grant of £100,000 from the Barclays Emergency COVID 19 Fund and £9,994 from the Community Fund.

We ran a Twelve Days of Christmas Appeal which slightly exceeded its £1,000 target.

Legacy income has increased this year and enabled us to survive other income losses because of COVID-19. We are very grateful to those who have left us a gift in their will, enabling our important work to continue.

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Lottery income has increased this year, particularly since the Christmas period as we have had more capacity to put into marketing it.

5.3 Increase trademark sales and income – see section 4.2 – although we did not meet our targets, despite COVID-19 we did increase our income compared to last year.

5.4 Increase cookery school income – not possible as the school has been closed.

5.5 Increase sales of online catering training - see section 4.6 – not possible due to Covid-19

5.6 Follow best practice and quality assurance commitments

All of the charity's fundraising activities are undertaken by our paid staff, who receive regular training and support in gaining professional qualifications with the Institute of Fundraising. We do not have any relationships with external professional fundraisers. We are registered voluntarily with the Fundraising Regulator and adhere to their Code of Fundraising Practice. We had no instances of non-compliance during the year and have received no direct complaints this year in respect of our fundraising activities.

We have continued to meet the Information Standard requirements for health and social care information.

We keep up to date with guidance and follow the National Council for Voluntary Organisations (NCVO) best practice guidance in Campaigning and Lobbying. This includes the Charity Commission guidance on Campaigning and Political Activity. For example, we avoid emotionally manipulative images or content, and are transparent in our campaign objectives and methods.

Our data protection procedures are of a high standard and this year, despite a breach happening to Blackbaud, our external provider, our practices meant that little data was affected and the Information Commissioners Officer reported that we had followed procedure and were not liable in any way for the incident.

5.7. Continue commitment to staff training

We have a staff training budget which is used for individual staff to undertake training for their roles and this year because training has moved online, more staff have been able to attend digital training without travel and the budget has gone much further. At the beginning of lockdown we asked staff to make a self-directed personal development plan and allowed them to spend 2 hours per week to pursue that training. This has increased the training people have undertaken and skilled up our workforce with the additional benefit of improving performance and motivation.

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5.8 Staff Recruitment and Induction

During the year a number of posts became vacant. We successfully recruited and carried out online inductions and we now have six staff who have never visited the building! They report feeling part of the team, despite this, so our online induction has obviously worked well.

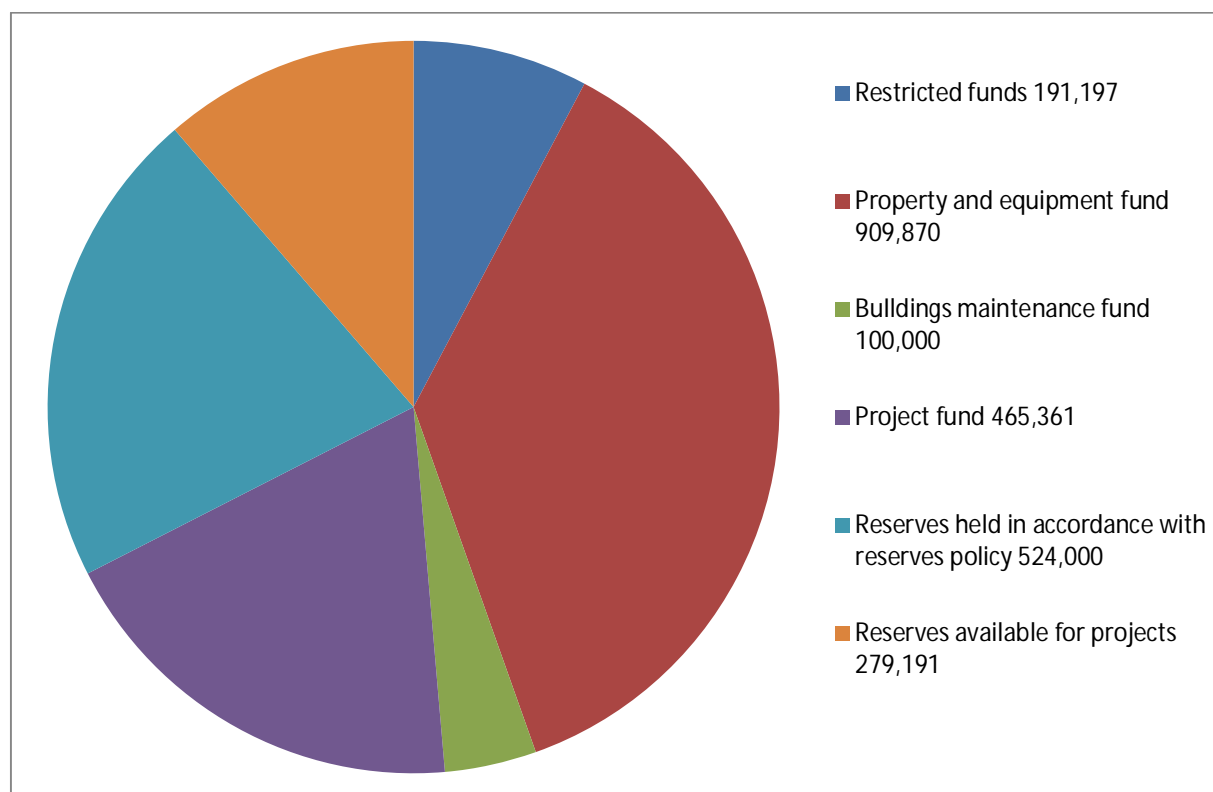
RESERVES

Reserves policy

The policy of the charity is that sufficient of the charity's reserves shall be retained so that, in the event of a decision to close down the charity, funds are available to meet redundancy costs and to arrange an orderly run-down of services over a period of twelve months. As at 31 March 2021, the amount of reserves required to be held is estimated to be £524,000.

Funds at 31 March 2021

The charity's total funds as at 31 March 2021 were £2,469,619 and were made up as follows:



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In accordance with Charity Commission guidance, some of the charity's funds are defined as restricted or designated. **Restricted funds** are funds that have been received by a charity for a specific purpose, for example a donation received to be spent on a specific charitable purpose as defined by the donor.

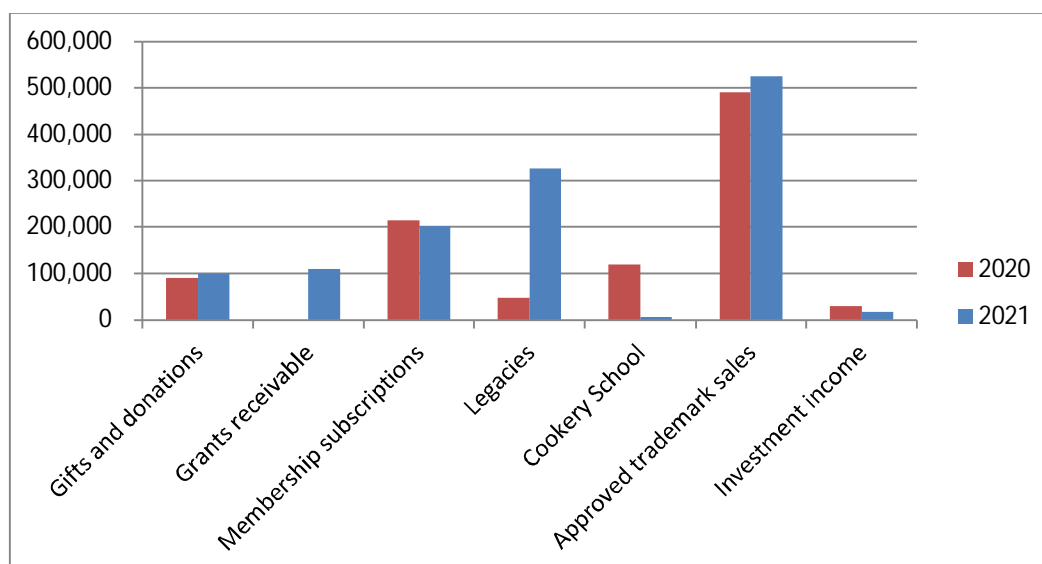
Designated funds are funds that have been earmarked for a particular project or use; in the case of the Vegetarian Society, designated funds consist of a property and equipment fund, a buildings maintenance fund and a project fund. Further information on the various funds held during the year is given in the notes to the accounts.

After deducting restricted and designated funds, £803,191 of reserves remain; this is £279,191 in excess of the requirement of the reserves policy to hold £524,000 in reserves as at 31 March 2021. This amount, together with any additional income received that is over that included in the business plan, will be spent to further the charity's objectives over a reasonable timescale, which will depend on the size and nature of the income source.

FINANCIAL REVIEW

The Statement of Financial Activities reported a deficit for the year of £86,009 before investment gains and losses are taken into account; this compares to a deficit of £538,801 in the previous year. After taking investment gains into account, the charity is reporting an increase in funds for the year of £113,239.

Income



Income for the year ended 31 March 2021 amounted to £1,312,767 as compared to £1,019,942 in the previous year. Income has been boosted by legacy income of £327,313 (£280,147 higher than the

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previous year). Also, £150,120 was received in the year (£109,994 in grant funding and £40,126 in donations) that has enabled us to distribute vegetarian food boxes around the country. Unfortunately, due to the closure of the cookery school for the whole year, an income source in excess of £100,000 was eliminated.

Expenditure

Expenditure for the year was £1,398,776 as compared to £1,558,743 in the previous year, with the reduction being largely attributable to COVID-19:

- The closure of the cookery school resulted in a reduction in direct course costs
- The closure of the building in the year to virtually all staff has resulted in many savings in premises costs
- COVID restrictions meant that we were unable to travel or attend exhibitions

GOING CONCERN

Trustees satisfy their duty to manage and safeguard the charity's assets by reviewing its financial position with reference to the business plan and finance reports, including monthly management accounts and quarterly exception reports. The business plan and associated budget set out how we will finance and deliver our strategy.

The cookery school has been closed throughout the financial year, which has led to a loss in income of over £100,000. Despite that, the charity's balance sheet shows a stronger position at 31 March 2021 than it did 12 months ago; legacy income experienced its highest level since 2014, and investment values displayed a very good recovery from the low at the start of 2020.

The continuing impact of COVID-19 means that future income streams are uncertain. We are as yet unable to set a fixed date for the reopening of the cookery school, and are unable to accurately predict the effect that the economic climate will have on our ability to maintain current levels of business and charitable income, although major sources of income such as trademark sales and membership income have, so far, held up very well. As reported last year, we have been able to move cookery school staff onto producing general content around food and working on other projects such as the Food Box Project, and have focussed marketing on income streams that have the potential to expand, such as the lottery. Trends in the sector suggest that legacy income is likely to remain higher; however, this is not certain and will be affected by the current delays in the finalising of probates.

Trustees are given an update at every meeting that informs them of the charity's current financial position and of its projected financial position in twelve months' time. Based on the information provided, trustees feel assured that reserves are sufficient to fund the charity's activities for a period of at least twelve months after the approval of the financial statements. The position will continue to be closely monitored during the 2021/22 financial year.

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INVESTMENT POLICY AND PERFORMANCE

The present investment objective is to achieve the best overall return given the timescale of planned activities, within an agreed level of risk. This reflects a willingness to take the level of risk required to satisfy the objectives attached to the invested capital. Therefore, an allocation towards equity markets is necessary. The associated risks of such a strategy have been considered by the trustees, who understand in order to achieve a return higher than what could be achieved by prioritising the preservation of the investment's original value, short term fluctuations in value will be experienced.

The charity's ethical stance primarily revolves around screening out investments whose operations are in direct conflict with the nature and objectives of the Vegetarian Society, such as the production and sale of meat. The charity also excludes investment where there is concern in respect of animal testing. The charity does not restrict its fund managers as regards any category of investment, but it expects and encourages the fund managers to invest only in companies that have appropriate governance and social responsibility policies.

The charity allows its fund managers to invest in collectives. They provide the portfolio exposure to overseas investments whilst providing diversification, access to specialist areas and better growth prospects. It is accepted that some of the holdings in collectives may contain investments that would not be selected when buying direct equities, though the trustees believe, on the basis of advice received from Investment Managers, that they would constitute an insignificant proportion of the overall portfolio.

For investments with fund managers, the aim is to provide income to meet the immediate needs of the charity and growth of capital and income to mitigate the effects of inflation in the long term; this aim equates to a moderate investment risk. Currently, performance is compared to a composite benchmark that is made up as follows:

Asset class (with current allocation)	Performance compared against:
Cash (2.5%)	Bank of England Base Rate
UK Gilts (2.5%)	ICE BofA UK Gilts All Stocks TR*
Global Sovereign Bonds (3.0%)	ICE BofA Global Government TR*
Global Index Linked Bonds (2.5%)	ICE BofA Global Inflation Linked Government GBP hedged TR*
UK Corporate Bonds (3.0%)	ICE BofA Sterling Corporate & Collateralized GBP hedged TR*
Global Corporate Bonds (6.0%)	ICE BofA Global Corporate GBP hedged TR*
UK Equities (24.0%)	FTSE All Share TR*
Overseas Equities (44.5%)	FTSE All World ex UK TR*
Absolute Return (6.0%)	HFRX Absolute Return GBP hedged TR*
Global Property (3.0%)	MorningStar Global REITS TR*
Gold (3.0%)	Gold LBMA GBP

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*TR – Total Return is the return an investor receives when income is reinvested

Our investment managers have been very active with the portfolio's positioning throughout the COVID-19 crisis. At a high level, the rebalancing of the investments at the lows of equity markets in March, and subsequent recovery through late spring and early summer, ensured the portfolio was positioned to fully participate in the recovery.

The statement of financial activities reports a net gain on investments of £199,248 in the year, leading to the capital value of investments held with investment managers increasing to £889,385. There was a 33.79% improvement in respect of the cumulative performance of our portfolio in the year ended 31 March 2021, compared to a 26.77% increase in the benchmark. Gross income yield on these investments for the year to 31 March 2021 came to 1.4% gross, compared to 2.5% in the year ended 31 March 2020, as many companies took the step of announcing zero dividends in the year.

The charity's shorter-term funds are directly invested into deposit accounts in a way that strikes a balance between maximising the return and having funds available to fund expenditure when needed. An average amount of £397,830 was invested in fixed term and notice accounts in the year, yielding 1.25% in interest, which compares to a yield of 1.55% for the 12 months to 31 March 2020.

FUNDRAISING

The Vegetarian Society receives most of its voluntary income through gifts in wills, regular donations and single donations. Additionally, we support people raising money for our work through crowdfunding campaigns, fundraising appeals and seeking sponsorship for their own challenge events and activities. Several companies also make a donation to our work when a customer signs up to their services through a prescribed link (affinity partnerships).

All of the charity's fundraising activities are undertaken by our paid staff, who receive regular training and support in gaining professional qualifications with the Chartered Institute of Fundraising. We do not have any relationships with external professional fundraisers. We are registered voluntarily with the Fundraising Regulator and adhere to their Code of Fundraising Practice. We had no instances of non-compliance during the year and have received no direct complaints this year in respect of our fundraising activities.

RISK MANAGEMENT

The trustees are responsible for ensuring that the charity has a risk management process through which risks arising from existing operations and strategic developments are identified, evaluated and, where possible, action is taken. The trustees delegate the day-to-day management of risk to the Chief Executive.

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The following risk procedures are carried out:

- Senior Management Team reviewed the risk register as part of their regular meetings, identifying new risks, reassessing likelihood and impact, and considering progress against mitigating actions on the register. The outcome of these reviews is reported to trustees on a quarterly basis
- The trustees annually review the key strategic risks that the charity faces, which is done by considering risks in the context of the following questions:
 1. Are you making the desired impact in support of your beneficiaries and can you evidence it?
 2. Are you managing the finances to ensure you continue to make an impact in the medium to long term?
 3. Are you meeting your legal, regulatory and donor compliance requirements and expectations?
 4. Are you able to respond effectively to any incident that could result in damage to your reputation?
 5. Are there any risks that are at the heart of what the charity stands for?
 6. Do you have the right people and culture in place? Are people well managed and is H.R. strong?
- The risk register identifies control procedures, monitoring processes and actions designed to minimise or manage any potential impact on the charity should any risks materialise

A summary of the principal risks that the charity is currently facing are noted below:

Uncertainty about COVID-19

At the moment, there is still a lot of uncertainty around when COVID-19 restrictions will be lifted. The Vegetarian Society Cookery School has had to remain closed throughout the financial year, and will not be able to reopen until social distancing is not required because of the layout of the building. However, legacy income has increased and other income streams have not reduced by much. The diversity of our income streams, together with our recent successes in grant funding, and the prediction that legacy income will continue to be high, provide some protection against a possible future downturn.

Changes in key personnel

During the year our Chief Executive Officer has resigned and the trustees have now finalised the appointment of a new Chief Executive Officer. We are aware that this could create an unsettling period for the organisation but advance planning and preparation should minimise this.

Permanent reduction in investment value

As part of our investment strategy, the charity holds funds with Investment Managers to maximise our return in the medium to long term. The risk attached to this is that if the charity needs to withdraw funds from Investment Managers at a time when market values are low, we would lose money on our investments. Our mitigation against this risk is to regularly review our short and medium term needs and

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to return funds from the Investment Managers when the market is high to reasonable, if there is likelihood that they will be required to service cash flow within the next two years. The funds would be placed in a more short term investment such as a fixed term account or a notice account.

Cyber security

Blackbaud, the providers of our Customer Relations Management database (CRM), suffered a cyber-attack during the year. Although we dealt with communicating the breach in a way that ensured that the Vegetarian Society remained compliant with regulations, the legal cost and staff capacity required to do so was considerable. We are aware that the probability of cyber security incidents is likely to increase, which affects reputational risks, potential fines and increases costs, because insurers and contractors will seek to recoup their own increased costs. We feel that we have all the controls in place that we can, but it will always be a risk whilst we are using a CRM.

CHARITY GOVERNANCE CODE

The charity has adopted the Charity Governance Code, and has applied all recommended standards to its work. An action plan has been drawn up to track progress against the code, and an annual review of this action plan is included in the trustees' work programme.

The following actions are in place at 31 March 2021 and trustees intend to address them during the coming year:

- We shall aim to develop a more user friendly board effectiveness questionnaire in time for the September 2021 Council meeting
- The action to target ethnic diversity within the trustee recruitment process is ongoing
- Procurement policies will be reviewed and updated

PLANS FOR THE FUTURE

We are now in the third year of our five year strategy and although this gives us a clear direction to the work we want to deliver, our plans have to be flexible because at the time of writing we are still in lockdown for COVID-19.

The main goal of our strategy is: **Three veggie choices wherever you go by 2025**

This is delivered through our project the UK Food Plan and involves five strands of work which are:

Schools and educational establishments
Businesses and caterers (the hospitality industry)
Workplaces
Hospitals and care homes
Travel

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Opportunities to deliver this work are limited during lockdown but we hope to continue with it later in the year.

Because this work has been delayed, we have been able to focus resources on delivering our food boxes project and we aim to continue this throughout the next year, expanding it to housing associations, schools and other community groups.

Our strategy outlines successful services and campaigns that we will continue to deliver and these are:

- Vegetarian Society Approved vegetarian and vegan trademarks – this year we will accredit more products so you can trust what you are buying
- National Vegetarian Week – 2021 will include a pledge to go veggie for a week and a call to donate to the charity, in line with our increased focus on delivering impact and using this to raise money for future work
- Vegetarian Society Cookery School – we hope to reopen to the public in September, hold more free community classes for local groups and continue to develop digital classes
- Enquiry and dietitian services - we will continue to provide expert advice and answers to queries
- Information and resources – we will deliver the resources that were delayed this year and we plan to develop new resources to show that a vegetarian diet does not have to be more expensive than a meat diet.
- Membership and supporters scheme – we are continuing to develop engagement and resources for our member and supporter community.

Christmas Club – because this year's Christmas Club was so well received and gave us 2,500 new newsletter subscribers, we plan to deliver a Christmas Club again in 2021 with increased targets.

Fundraising – we aim to build on this year's successes with grants from trusts and by running our own appeals, to make the organisation more sustainable.

Environment – we plan to run a campaign around the COP26 meetings in November, recruiting more people to Eat to Beat Climate Change.

Tools to go veggie – we plan to add more recipes to our collection and develop a new section on our website dedicated to cooking skills.

Support to go veggie – we plan to develop a new support programme which focuses on behaviour change to support people going veggie for the first time.

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THANK YOU

The Vegetarian Society is a charity which relies on supporters, volunteers, members, corporate partners, fundraisers and cookery school students in order to inspire the vegetarian community and reach out to the increasing number of people interested in vegetarian food. The trustees would like to thank everyone who has donated their time, energy and funds, for making the work this year possible. We wouldn't be here without you.

Fellowship

Trustees consider on an annual basis whether or not to elect to the status of Fellow, a person whom they consider has rendered distinguished service to the vegetarian movement.

Further to an agreement at the September Council meeting, a presentation of a fellowship was made to Paul Appleby. Paul has been a member since 1981, and was a local contact and local group organiser for 25 years; he has also acted as a speaker and a spokesperson for the Vegetarian Society as well as acting as an advisor to enable us to make informed statements in the media. Until earlier this year, Paul was the Senior Statistician for the EPIC research team at the University of Oxford. He has co-authored papers on plant-based diets and heart health, cancer rates, fracture risk and diabetes to name a few, and was a founder member of the International Vegetarian Union Science Group.

Legacies

We are very grateful to everyone who has left the Vegetarian Society a gift in their will or who is planning to do so. We really value this method of supporting the future of vegetarianism, and it ensures your legacy of compassion lives on. This year we have recognised legacy income in the accounts from the following supporters:

	£
The estate of Vera Goran	190,710
The estate of Pamela Dean	59,849
The estate of Gillian Newcombe	50,000
The estate of Brent Harrison	20,000
The estate of John Sykes	3,311
The Philadelphia Bible Christian Church	1,959
The estate of Douglas Martin	1,000

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Vegetarian Society is a charitable company limited by guarantee, incorporated on 29 July 1969 and registered as a charity on 9 September 1969. The charity is governed by its Memorandum and Articles of Association adopted on 29 July 1969 and last amended on 13 June 2015.

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REPORT OF THE TRUSTEES

YEAR ENDED 31 MARCH 2021

Directors and trustees

The directors of the charitable company are its trustees for the purpose of charity law. The trustees serving throughout the year and since the year end were as follows:

Dale Hoyland (Chair of Council)
Katharine Bagshaw (resigned 5 September 2020)
David Bennett
Clare Crowther
Michelle Hallmark (appointed 17 February 2021)
Michael Harriott
Andrew Johnson (Treasurer)
Debbie Jones
Conn O'Neill (Deputy Chair)
Anne Plaskett (appointed 17 February 2021)
Sophie Randles-Dunkley (appointed 17 February 2021)

The directors of the company are the company members and are therefore, the only people entitled to vote at General Meetings. The liability of the company members is limited to £10, being the amount that each company member undertakes to contribute to the assets of the charity in the event of the charity winding up.

None of the charity's trustees receive remuneration or benefit from their work with the charity.

Recruitment and appointment of trustees

The charity is governed by a board of up to 12 trustees. Trustees are responsible for directing the affairs of the charity, ensuring that it is solvent, well-run, and delivering the charitable outcomes for the benefit of the public for which it has been set up.

Further to an annual review of skills gaps and trustee places available, trustees will decide if they need to actively recruit board members. A recruitment process is in place with an application form and interview process. The recruitment process is designed to attract a diverse range of candidates that are reflective of the membership of the organisation and the wider vegetarian community, with the skills and experience the charity needs.

The board of trustees

The board of trustees (also known as Council) is legally responsible for directing the affairs of the charity. One third of trustees retire by rotation at each annual general meeting (in addition to trustees who have been appointed between AGMs). Seven Council meetings were held during the year in which trustees reviewed and directed the charity's strategy, budget and performance.

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A committee was formed in November 2020 to coordinate the recruitment of an incoming Chief Executive Officer; the committee discontinued in May 2021 at the completion of the task. Other than that, trustees did not operate any committees during the financial year because all strategic matters were dealt with directly by Council.

Trustee indemnity insurance is in place to cover trustees against personal liability if legal claims are made against them, either by the charity or by a third party. Trustees are entitled to be insured against claims that may arise from their legitimate actions as trustees as long as they have acted honestly and reasonably.

Trustee induction and training

New trustees are given an induction to ensure that they are fully briefed on the charity's strategy and business plan, the Articles of Association, Charity Commission guidance on trustee responsibilities, code of conduct, policy manual and the role of Council. Governance skills are kept up to date by the use of professional subscriptions and training courses.

Senior management team

The trustees delegate the day-to-day running of the charity to the Chief Executive Officer and Senior Management Team. The Senior Management Team in post during the year were:

Lynne Elliot	Chief Executive Officer
Lance Bell	Head of Campaigns and Engagement
Vanessa Brown	Head of Business and Catering Services
Antony Byatt	Head of Finance
Fay Counts	Head of Fundraising and Membership
Jen Elford	Head of Research and Information
Sam Platt	Head of Cookery School
John Soonaye	Head of Communications

One employee received employee benefits (excluding employer pension costs) between £60,000 and £70,000 in both 2019/20 and 2020/21.

The pay of senior management is reviewed annually in accordance with the charity's pay and reward policy. This policy means that an incremental pay increase is awarded to all staff (except those already at the top of their scale) as long as they have achieved the objectives that were set at the start of the year.

Pay scales for all staff are set with reference to local government pay scales, which are extensively used in the voluntary sector. They are a result of negotiation between trade unions (Unite, Unison and GMB) and the Local Government Association.

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YEAR ENDED 31 MARCH 2021

Related parties

No trustee or other person related to the charity had a personal interest in any contract or transaction entered into during the year.

The charity has one subsidiary, VSUK Trading Limited, which is currently being retained as a dormant company in order to accommodate any material non-primary purpose activities that may arise in the future.

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REPORT OF THE TRUSTEES

YEAR ENDED 31 MARCH 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Charity Registration Number	259358 (England & Wales)
Company Registration Number	00959115 (England & Wales)
Registered Office	Parkdale Dunham Road Altrincham WA14 4QG
Charity's Bankers	The Co-operative Bank PLC 1 Balloon Street Manchester M60 4EP
Charity's Auditors	Slade & Cooper Beehive Mill Jersey Street Ancoats Manchester M4 6JG
Charity's Investment Advisors	Brewin Dolphin 1 The Avenue Spinningfields Square Manchester M3 3AP

The charity does not retain a single firm of solicitors, but contracts a firm with the relevant experience and expertise as and when circumstances require it.

THE VEGETARIAN SOCIETY OF THE UNITED KINGDOM LIMITED

REPORT OF THE TRUSTEES

YEAR ENDED 31 MARCH 2021

STATEMENT OF RESPONSIBILITIES OF THE TRUSTEES

The trustees (who are also directors of the charitable company charity for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally 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 group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable group 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.

Insofar as the trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime of the Companies Act 2006.

This report was approved by the Board of Trustees on 25 August 2021 and signed on its behalf by:

Dale Hoyland, Chair
Parkdale, Dunham Road, Altrincham, WA14 4QG

THE VEGETARIAN SOCIETY OF THE UNITED KINGDOM LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE VEGETARIAN SOCIETY OF THE UNITED KINGDOM LIMITED (CONTINUED)

Opinion

We have audited the financial statements of the Vegetarian Society of the United Kingdom Limited (the 'parent charitable company') and its subsidiaries for the year ended 31 March 2021, which comprise the Consolidated Statement of Financial Activities (including the income and expenditure account), the Balance Sheets of the group and the parent charitable company, the Consolidated Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charitable company's affairs as at 31 March 2021, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

THE VEGETARIAN SOCIETY OF THE UNITED KINGDOM LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE VEGETARIAN SOCIETY OF THE UNITED KINGDOM LIMITED (CONTINUED)

Other information

The trustees are responsible for the other information. The other information comprises the information included in the report of the trustees, 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 that fact.

We have nothing to report in this regard.

Opinion on other matter 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 directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report.

THE VEGETARIAN SOCIETY OF THE UNITED KINGDOM LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE VEGETARIAN SOCIETY OF THE UNITED KINGDOM LIMITED (CONTINUED)

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- enquiry of management and those charged with governance around actual and potential litigation and claims.
- enquiry of the charity's staff, management and those charged with governance to identify any instances of non-compliance with laws and regulations.
- reviewing minutes of meetings of those charged with governance.
- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

THE VEGETARIAN SOCIETY OF THE UNITED KINGDOM LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE VEGETARIAN SOCIETY OF THE UNITED KINGDOM LIMITED (CONTINUED)

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members and its trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Christy Yun Hing Lau FCCA DChA CTA
Senior Statutory Auditor

for and on behalf of
Slade & Cooper Limited
Statutory Auditors
Beehive Mill
Jersey Street
Manchester
M4 6JG

Date: 17th September 2021

Slade & Cooper Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE VEGETARIAN SOCIETY OF THE UNITED KINGDOM LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES AND INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
INCOME:					
Donations and legacies	3	589,655	40,126	629,781	353,260
Charitable activities	4	20,097	109,994	130,091	139,038
Other trading activities	5	527,715	-	527,715	493,982
Investments	6	17,710	-	17,710	30,058
Other	7	7,470	-	7,470	3,604
Total income		<u>1,162,647</u>	<u>150,120</u>	<u>1,312,767</u>	<u>1,019,942</u>
EXPENDITURE:					
Raising funds	8	150,007	-	150,007	131,947
Charitable activities	9	1,126,299	122,470	1,248,769	1,426,796
Other		-	-	-	-
Total expenditure		<u>1,276,306</u>	<u>122,470</u>	<u>1,398,776</u>	<u>1,558,743</u>
Net income before gains / (losses) on investments		(113,659)	27,650	(86,009)	(538,801)
Net gains / (losses) on investments		<u>199,248</u>	<u>-</u>	<u>199,248</u>	<u>(48,409)</u>
Net income / (expenditure) and net movement in funds for the year		85,589	27,650	113,239	(587,210)
Transfers		<u>(1,809)</u>	<u>1,809</u>	<u>-</u>	<u>-</u>
		83,780	29,459	113,239	(587,210)
Reconciliation of funds:					
Total funds at 1 April 2020		2,194,642	161,738	2,356,380	2,943,590
Total funds at 31 March 2021		<u><u>2,278,422</u></u>	<u><u>191,197</u></u>	<u><u>2,469,619</u></u>	<u><u>2,356,380</u></u>

THE VEGETARIAN SOCIETY OF THE UNITED KINGDOM LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES AND INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

NOTE OF HISTORICAL COST SURPLUS / (DEFICIT) – CURRENT YEAR

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Net income / (expenditure) and net movement in funds for the year	85,589	27,650	113,239	(587,210)
Realisation of investment revaluation (losses) / gains of previous years	(1,047)	-	(1,047)	22,787
Historical cost surplus / (deficit) for the year	<u>84,542</u>	<u>27,650</u>	<u>112,192</u>	<u>(564,423)</u>

NOTE OF HISTORICAL COST SURPLUS / (DEFICIT) – PREVIOUS YEAR

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Net income / (expenditure) and net movement in funds for the year	(525,528)	(61,682)	(587,210)	(300,366)
Realisation of investment revaluation (losses) / gains of previous years	22,787	-	22,787	90,403
Historical cost surplus / (deficit) for the year	<u>(502,741)</u>	<u>(61,682)</u>	<u>(564,423)</u>	<u>(209,963)</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derives from continuing activities.

THE VEGETARIAN SOCIETY OF THE UNITED KINGDOM LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2021

	Notes	Group 2021 £	2020 £	Charity 2021 £	2020 £
FIXED ASSETS					
Intangible assets	16	-	-	-	-
Tangible assets	17	909,870	964,466	909,870	964,466
Investments	18	889,385	708,464	889,387	708,466
		<u>1,799,255</u>	<u>1,672,930</u>	<u>1,799,257</u>	<u>1,672,932</u>
CURRENT ASSETS					
Stock	20	10,123	15,322	10,123	15,322
Debtors	21	313,284	183,504	313,284	183,504
Investments	22	394,400	445,743	394,400	445,743
Cash at bank and in hand		357,867	431,249	357,867	431,249
		<u>1,075,674</u>	<u>1,075,818</u>	<u>1,075,674</u>	<u>1,075,818</u>
LIABILITIES:					
Creditors: amounts falling due in less than one year	23	(405,310)	(392,368)	(406,348)	(393,406)
Net current assets		<u>670,364</u>	<u>683,450</u>	<u>669,326</u>	<u>682,412</u>
Total assets less current liabilities		<u>2,469,619</u>	<u>2,356,380</u>	<u>2,468,583</u>	<u>2,355,344</u>
FUNDS:					
Restricted funds		191,197	161,738	191,197	161,738
UNRESTRICTED FUNDS:					
Designated funds		1,475,231	1,692,440	1,475,231	1,692,440
General fund		803,191	502,202	802,155	501,166
Total charity funds	25	<u>2,469,619</u>	<u>2,356,380</u>	<u>2,468,583</u>	<u>2,355,344</u>

These accounts are prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

Approved by the trustees on 25 August 2021 and signed on their behalf by:

Andrew Johnson, Treasurer

The notes on pages 34 to 53 form part of the financial statements.

THE VEGETARIAN SOCIETY OF THE UNITED KINGDOM LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2020 £
Cash provided by / (used in) operating activities	(a)	(157,572)	(348,624)
Cash flows from investing activities			
Investment income		17,710	30,058
Purchase of tangible fixed assets		(3,190)	(2,038)
Purchase of investments		(207,886)	(450,076)
Proceeds from sale of investments		277,556	544,087
Cash provided by investing activities		84,190	122,031
Increase / (decrease) in cash and cash equivalents in the year		(73,382)	(226,593)
Cash and cash equivalents at the beginning of the year		431,249	657,842
Cash and cash equivalents at the end of the year		357,867	431,249

NOTES TO THE CASH FLOW STATEMENT

	2021 £	2020 £
(a) Reconciliation of net movement in funds to net cash outflow from operating activities		
Net movement in funds	113,239	(587,210)
Depreciation charge	57,786	60,371
Loss on disposal of fixed assets	-	178
(Gains) / losses on investments	(199,248)	48,409
Investment income	(17,710)	(30,058)
Transfer current asset investment to cash at bank & in hand	-	100,598
(Increase) / decrease in stock	5,199	1,347
(Increase) / decrease in debtors	(129,780)	83,757
Increase / (decrease) in creditors	12,942	(26,016)
	(157,572)	(348,624)
(b) Analysis of cash and cash equivalents at the end of the year		
Included in cash at bank and in hand	357,867	431,249

THE VEGETARIAN SOCIETY OF THE UNITED KINGDOM LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation of group financial statements

The Vegetarian Society is a public benefit entity. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016 and Update Bulletin 2 published on 5 October 2018), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006 and UK Generally Accepted Accounting Practice. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

b) Preparation of the accounts on a going concern basis

The trustees consider that no material uncertainties exist about the charity's ability to continue as a going concern.

c) Group financial statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary, VSUK Trading Limited, on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because advantage has been taken of the exemption afforded by section 408 of the Companies Act 2006.

d) Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Designated funds are unrestricted funds which have been earmarked for specific purposes as decided by the trustees; details of these funds are given in note 25.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors.

THE VEGETARIAN SOCIETY OF THE UNITED KINGDOM LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

e) Incoming resources

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably. The following specific policies are applied to particular categories of income:

- i. Donations and membership subscriptions are accounted for when they are received by the charity
- ii. Investment income is included when receivable
- iii. Incoming resources from trademark sales are accounted for evenly over the period of the licence
- iv. Incoming resources from the Cookery School, magazine advertising and sponsorship are accounted for as the charity earns the right to consideration by its performance

Income from grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Incoming resources are stated net of VAT.

f) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised; more information about their contribution is given in the Trustees' annual report.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

THE VEGETARIAN SOCIETY OF THE UNITED KINGDOM LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

g) Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- i. Costs of raising funds comprise the costs associated with attracting voluntary income, investment income and the costs of trading for fundraising purposes, and their associated support costs
- ii. Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries, and their associated support costs

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h) Grant making activities

Grant making activities are payments made by the charity to institutions to enable them to further the purposes of the charity on its behalf. Such expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably, and includes associated support costs.

i) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include staff costs (e.g. salaries, training and recruitment), premises costs (e.g. maintenance, rates, insurance and utilities), administrative costs (e.g. printing, postage and telephone), IT costs and depreciation. These costs have been allocated between cost of raising funds and expenditure on charitable activities on the basis of head count.

j) Operating leases

Rentals payable under operating leases are charged on a straight line basis over the term of the lease.

k) Taxation

The charity is exempt from UK Corporation Tax. However its subsidiary is not similarly exempt.

l) Intangible fixed assets

Intangible assets are included at cost and capitalised where the individual amount is over £250. Depreciation is calculated to write off the cost less estimated residual value of intangible fixed assets over their estimated useful life on the following basis:

Trademarks – 15% straight line

THE VEGETARIAN SOCIETY OF THE UNITED KINGDOM LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

m) Depreciation and tangible fixed assets

Tangible fixed assets are included at cost or valuation and capitalised where the individual amount is more than £250.

Website costs are capitalised to the extent that they relate to income-generating activities.

Depreciation is calculated to write off the cost or revalued amount less any estimated residual value of fixed assets over their estimated useful life on the following basis:

Computer equipment – 33% straight line

Fixtures, fittings and equipment – 15% straight line

Buildings – 2% straight line

n) Fixed asset investments

Investments (other than cash investments) are stated in the balance sheet at market value. Profits / losses on investments which have been realised on disposal, together with interest and dividends are reflected in the surplus / deficit for the year on the income & expenditure account. Unrealised profits / losses are retained in the investment revaluation reserve on the balance sheet until such time as they are realised.

Cash investments that are due to mature in over one year from the balance sheet date are also shown under investments.

o) Stocks

Stocks are stated at the lower of cost and net realisable value.

p) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

q) Current asset investments

Current asset investments include cash and other investments that are due to mature in less than one year or in more than three months from the balance sheet date.

r) Cash at bank and in hand

Cash at bank and in hand includes cash and other investments that are due to mature in three months or less from the balance sheet date.

s) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

THE VEGETARIAN SOCIETY OF THE UNITED KINGDOM LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

t) Pensions

The charity contributes to a group pension scheme on behalf of its employees. The pension charge represents the contributions payable by the charity in the year.

u) Financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2. LEGAL STATUS OF THE CHARITY

The charity is a company limited by guarantee registered in England and Wales, and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The registered address is disclosed on page 24.

3. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted £	Restricted £	2021 £	Unrestricted £	Restricted £	2020 £
Gifts and donations	59,871	40,126	99,997	62,876	28,118	90,994
Membership income	202,471	-	202,471	215,100	-	215,100
Legacies	327,313	-	327,313	47,166	-	47,166
	589,655	40,126	629,781	325,142	28,118	353,260

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted £	Restricted £	2021 £	Unrestricted £	Restricted £	2020 £
Cookery school	7,008	-	7,008	119,307	-	119,307
Grants	-	109,994	109,994	-	-	-
Advertising income	4,589	-	4,589	6,166	-	6,166
Education and campaigning	8,500	-	8,500	13,565	-	13,565
	20,097	109,994	130,091	130,038	28,118	139,038

5. INCOME FROM OTHER TRADING ACTIVITIES

	2021 £	2020 £
Approved trademark sales	525,500	491,426
Merchandise income	2,215	2,556
	527,715	493,982

THE VEGETARIAN SOCIETY OF THE UNITED KINGDOM LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

6. INVESTMENT INCOME

	2021	2020
	£	£
Bank and building society interest	5,138	9,779
Dividends received	12,572	20,279
	<u>17,710</u>	<u>30,058</u>

7. OTHER INCOME

	2021	2020
	£	£
Affinity products commission	7,470	3,604
	<u>7,470</u>	<u>3,604</u>

8. EXPENDITURE ON RAISING FUNDS

	2021	2020
	£	£
Fundraising costs		
Staff costs	61,015	58,883
Direct fundraising costs	29,280	17,888
Support costs	49,747	44,839
	<u>140,042</u>	<u>121,610</u>
Merchandise		
Cost of merchandise sold	<u>2,751</u>	<u>2,295</u>
Investment management costs		
Fees for portfolio management	<u>7,214</u>	<u>8,042</u>
Total	<u>150,007</u>	<u>131,947</u>

THE VEGETARIAN SOCIETY OF THE UNITED KINGDOM LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

9. EXPENDITURE ON CHARITABLE ACTIVITIES

	2021 £	2020 £
Approved trademark sales		
Staff costs	115,190	119,487
Marketing	199	36,976
IT costs	6,468	6,468
Legal and professional	4,112	11,052
Subscriptions	605	347
Support costs	75,615	86,754
	<u>202,189</u>	<u>261,084</u>
Cookery school		
Staff costs	56,715	82,452
Direct course costs	7,301	44,583
Delivery of charitable courses	18	17,523
Marketing	30,319	27,670
Repairs and consumables	1,532	3,909
IT costs	2,656	1,434
Depreciation	3,274	3,726
Finance charges	250	1,396
Sundry expenses	531	196
Support costs	33,231	38,991
	<u>135,827</u>	<u>221,880</u>
Education and campaigning		
Staff costs	278,494	303,016
Direct campaign and engagement costs	127,624	97,951
PR costs	6,912	9,848
Depreciation	28,868	28,868
IT costs	9,201	3,511
Support costs	154,213	188,520
	<u>605,312</u>	<u>631,714</u>
Membership services		
Staff costs	81,642	76,346
Content and magazine costs	35,213	43,346
Direct membership costs	4,875	11,185
Finance charges	856	726
Support costs	59,696	58,487
	<u>182,282</u>	<u>190,090</u>

THE VEGETARIAN SOCIETY OF THE UNITED KINGDOM LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

Expert information and support		
Staff costs	69,835	63,877
Direct research costs	13,526	19,160
Support costs	39,798	38,991
	<u>123,159</u>	<u>122,028</u>
Total	<u>1,248,769</u>	<u>1,426,796</u>
	2021	2020
	£	£
Restricted expenditure	122,470	92,231
Unrestricted expenditure	1,126,299	1,334,565
	<u>1,248,769</u>	<u>1,426,796</u>

Analysis of grant-making activities:

Expenditure on charitable activities in respect of education and campaigning, as shown in note 9, includes the payment of grants to institutions as noted below:

	2021	2020
	£	£
National Vegetarian Week	-	10,745
Eco Green Flag Awards	-	10,000
Christmas	-	-
Related support costs	-	8,695
Total	<u>-</u>	<u>29,440</u>

10. ANALYSIS OF SUPPORT COSTS

	2021	2020
	£	£
Staff costs	236,091	224,602
Premises expenses	40,981	73,929
Management and finance	36,898	45,591
Equipment and IT	43,573	45,808
Postage, telephone and stationery	10,361	14,142
Depreciation	25,643	27,959
Governance costs	18,753	24,551
	<u>412,300</u>	<u>456,582</u>

THE VEGETARIAN SOCIETY OF THE UNITED KINGDOM LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

Allocated as follows:

Fundraising costs	49,747	44,839
Membership services	59,696	58,487
Approved trademark sales	75,615	86,754
Cookery School	33,231	38,991
Education and campaigning	154,213	188,520
Expert information and support	39,798	38,991

Total	412,300	456,582
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11. ANALYSIS OF GOVERNANCE COSTS

	2021	2020
	£	£
Staff costs relating to governance	15,014	14,643
Trustee costs	113	6,082
Audit fees	3,626	3,826
Legal and consultancy fees	-	-

Total	18,753	24,551
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12. NET INCOMING / (EXPENDITURE) FOR THE YEAR

	2021	2020
	£	£
This is stated after charging:		
Depreciation of tangible assets	57,786	60,371
Amortisation of intangible assets	-	-
Loss on disposal of fixed assets	-	178
Payments under operating leases – fixtures, fittings and equipment	2,449	2,564
Auditors' remuneration	3,600	3,600

THE VEGETARIAN SOCIETY OF THE UNITED KINGDOM LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

13. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

	2021 £	2020 £
Wages and salaries	800,943	831,732
Social security costs	72,228	70,952
Employer's contribution to a defined contribution pension scheme	40,825	40,622
	<u>913,996</u>	<u>943,306</u>

Allocated as follows:

	2021 £	2020 £
Expenditure on raising funds:		
Fundraising	61,015	58,883
Membership	81,642	76,346
Expenditure on charitable activities:		
Approved trademark sales	115,190	119,487
Cookery School	56,715	82,452
Education and campaigning	278,494	303,016
Expert information and support	69,835	63,877
Support and governance costs:		
Support	236,091	224,602
Governance	15,014	14,643
	<u>913,996</u>	<u>943,306</u>

One employee received employee benefits (excluding pension contributions) between £60,000 and £70,000 in both the current year and the previous year. Employer pension contributions of £3,123 (previous year - £3,040) were made into a defined contribution scheme in respect of that employee.

The key management personnel of the charity comprise the trustees and the Senior Management Team, whose names are listed in the Trustees' Report. The total amount of remuneration paid to the Senior Management Team for the year (including employer's national insurance and pension costs) was £375,613 (2020 - £351,808).

THE VEGETARIAN SOCIETY OF THE UNITED KINGDOM LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

14. STAFF NUMBERS

The average number of employees, analysed by function, was:

	2021 Number	2020 Number
Fundraising	2	2
Membership services	3	3
Education and campaigning	8	9
Expert information and support	2	2
Approved trademark sales	4	4
Cookery School	2	2
Management, finance and administration	7	7
	<u>28</u>	<u>29</u>

15. TRUSTEES' REMUNERATION AND EXPENSES

	2021 Number claiming	2020 Number claiming	2021 £	2020 £
Travel and subsistence	<u>0</u>	<u>9</u>	<u>0</u>	<u>4,204</u>

None of the members of the Board of Trustees received any remuneration during this year or last year.

16. INTANGIBLE FIXED ASSETS – GROUP AND COMPANY

	Trademarks £
Cost	
At 1 April 2020	27,508
Additions	-
At 31 March 2021	<u><u>27,508</u></u>
Amortisation	
At 1 April 2020	27,508
Charge for the year	-
At 31 March 2021	<u><u>27,508</u></u>
Net book value	
At 31 March 2021	<u>-</u>
At 31 March 2020	<u>-</u>

THE VEGETARIAN SOCIETY OF THE UNITED KINGDOM LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

17. TANGIBLE FIXED ASSETS – GROUP AND COMPANY

	Freehold property £	Fixtures, Fittings & equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 April 2020	1,000,000	155,202	131,745	1,286,947
Additions	-	824	2,366	3,190
Disposals	-	(150)	-	(150)
Revaluation	-	-	-	-
At 31 March 2021	<u>1,000,000</u>	<u>155,876</u>	<u>134,111</u>	<u>1,289,987</u>
Depreciation				
At 1 April 2020	133,333	120,177	68,971	322,481
Charge for the year	16,000	9,789	31,997	57,786
Disposals	-	(150)	-	(150)
Revaluation	-	-	-	-
At 31 March 2021	<u>149,333</u>	<u>129,816</u>	<u>100,968</u>	<u>380,117</u>
Net book value				
At 31 March 2021	<u>850,667</u>	<u>26,060</u>	<u>33,143</u>	<u>909,870</u>
At 31 March 2020	<u>866,667</u>	<u>35,025</u>	<u>62,774</u>	<u>964,466</u>

Included in the value of £850,667 above for freehold property are gross depreciable buildings at a value of £650,667.

All the assets are used by the charity.

18. INVESTMENTS – FIXED ASSETS

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Cost or valuation				
Market value at 1 April 2020	708,464	1,063,397	708,466	1,063,399
Additions	75,879	287,215	75,879	287,215
Transfer from current asset investments	-	-	-	-
Transfer to current asset investments	-	(100,598)	-	(100,598)
Disposals	(94,206)	(493,141)	(94,206)	(493,141)
Net investment gains / (losses)	199,248	(48,409)	199,248	(48,409)
Market value at 31 March 2021	<u>889,385</u>	<u>708,464</u>	<u>889,387</u>	<u>708,466</u>
Historical cost at 31 March 2021	<u>714,199</u>	<u>735,849</u>	<u>714,991</u>	<u>735,851</u>

THE VEGETARIAN SOCIETY OF THE UNITED KINGDOM LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

Investments at market value are represented by:

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
UK fixed interest bonds and deposits	107,564	106,614	107,564	106,614
UK equities	278,996	215,477	278,996	215,477
Overseas fixed interest bonds and deposits	-	-	-	-
Overseas equities	360,399	245,890	360,399	245,890
Global collective investments	124,666	112,251	124,666	112,251
UK property investment trusts	17,760	28,232	17,760	28,232
Cash investments	-	-	-	-
Investment in trading subsidiary	-	-	2	2
	<u>889,385</u>	<u>708,464</u>	<u>889,387</u>	<u>708,466</u>

19. RESULTS FROM SUBSIDIARY'S TRADING ACTIVITIES

The charity has one wholly owned trading subsidiary VSUK (Trading) Limited, whose details at 31 March 2021 are as follows:

Name	Country of incorporation	Class of shares held	Percentage held by the company
VSUK Trading Limited	England	Ordinary	100

Until 1 April 2012, the activity of VSUK Trading Limited was the promotion of the Vegetarian Society's "Approved" trademark. These activities were transferred to the Vegetarian Society with effect from 1 April 2012, with VSUK Trading Limited being retained as a dormant subsidiary.

The Group Balance Sheet excludes £2 in relation to shares held in the subsidiary, VSUK Trading Limited.

20. STOCKS

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Goods for resale	<u>10,123</u>	<u>15,322</u>	<u>10,123</u>	<u>15,322</u>

THE VEGETARIAN SOCIETY OF THE UNITED KINGDOM LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

21. DEBTORS

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Amounts falling due within one year:-				
Trade debtors	99,625	99,902	99,625	99,902
Prepayments	55,281	55,770	55,281	55,770
Accrued income	157,863	26,829	157,863	26,829
Other debtors	515	1,003	515	1,003
	<u>313,284</u>	<u>183,504</u>	<u>313,284</u>	<u>183,504</u>

22. INVESTMENTS – CURRENT ASSETS

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Cost at 1 April 2020	445,743	333,828	445,743	333,828
Additions	132,007	162,861	132,007	162,861
Transfer from fixed asset investments	-	100,598	-	100,598
Transfer to fixed asset investments	-	-	-	-
Transfer to cash at bank and in hand	-	(100,598)	-	(100,598)
Disposals	(183,350)	(50,946)	(183,350)	(50,946)
Cost at 31 March 2021	<u>394,400</u>	<u>445,743</u>	<u>394,400</u>	<u>445,743</u>

Investments at market value are represented by:

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Bank deposits	<u>394,400</u>	<u>445,743</u>	<u>394,400</u>	<u>445,743</u>

23. CREDITORS

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	17,286	20,941	17,286	20,941
Social security and other taxes	32,787	37,956	32,787	37,956
Accruals	48,583	42,115	48,583	42,115
Deferred income	300,900	285,590	300,900	285,590
Other creditors	5,754	5,766	5,754	5,766
Amounts owed to group undertakings	-	-	1,038	1,038
	<u>405,310</u>	<u>392,368</u>	<u>406,348</u>	<u>393,406</u>

THE VEGETARIAN SOCIETY OF THE UNITED KINGDOM LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

24. DEFERRED INCOME

	Group £	Charity £
Balance at 1 April 2020	285,590	285,590
Amount released to incoming resources	(285,590)	(285,590)
Amount deferred in the year	300,900	300,900
Balance at 31 March 2021	<u>300,900</u>	<u>300,900</u>

Deferred income comprises:

- Cookery School income invoiced or received in advance of the course
- Income received in advance of the publication or display of an advert
- Sponsorship money received in advance of the event to which it relates
- Approved trademark sales invoiced in respect of that proportion of the licence that relates to after the year end

THE VEGETARIAN SOCIETY OF THE UNITED KINGDOM LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

25a. RECONCILIATION OF MOVEMENTS IN ACCUMULATED FUNDS – CURRENT YEAR

	At 1 April 2020	Incoming resources (incl gains)	Outgoing resources (incl losses)	Transfers	At 31 March 2021
	£	£	£	£	£
Restricted funds					
Supporting veganism (a)	134,160	-	(28,357)	1,809	107,612
Sahara project (b)	724	-	-	-	724
Young carers' project (c)	802	-	-	-	802
Food box appeal (d)	26,052	150,120	(94,113)	-	82,059
	<u>161,738</u>	<u>150,120</u>	<u>(122,470)</u>	<u>1,809</u>	<u>191,197</u>
UNRESTRICTED FUNDS:					
Designated funds					
Property and equipment fund	964,466	-	-	(54,596)	909,870
Buildings maintenance fund	172,502	-	(8,273)	(64,229)	100,000
Projects fund	555,472	-	(249,081)	158,970	465,361
Operational management fund	-	1,162,647	(1,011,738)	(150,909)	-
	<u>1,692,440</u>	<u>1,162,647</u>	<u>(1,269,092)</u>	<u>(110,764)</u>	<u>1,475,231</u>
General fund	502,202	202,570	(10,536)	108,955	803,191
	<u>2,194,642</u>	<u>1,365,217</u>	<u>(1,279,628)</u>	<u>(1,809)</u>	<u>2,278,422</u>
Total funds	<u><u>2,356,380</u></u>	<u><u>1,515,337</u></u>	<u><u>(1,402,098)</u></u>	<u><u>-</u></u>	<u><u>2,469,619</u></u>

THE VEGETARIAN SOCIETY OF THE UNITED KINGDOM LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

25a. RECONCILIATION OF MOVEMENTS IN ACCUMULATED FUNDS – PREVIOUS YEAR

	At 1 April 2019	Incoming resources (incl gains)	Outgoing resources (incl losses)	Transfers	At 31 March 2020
	£	£	£	£	£
Restricted funds					
Supporting veganism (a)	223,420	-	(91,691)	2,431	134,160
Sahara project (b)	-	1,264	(540)	-	724
Young carers' project (c)	-	802	-	-	802
Food box appeal (d)	-	26,052	-	-	26,052
	<u>223,420</u>	<u>28,118</u>	<u>(92,231)</u>	<u>2,431</u>	<u>161,738</u>
UNRESTRICTED FUNDS:					
Designated funds					
Property and equipment fund	1,022,977	-	-	(58,511)	964,466
Buildings maintenance fund	198,881	-	(26,379)	-	172,502
Projects fund	850,369	-	(330,399)	35,502	555,472
Operational management fund	-	872,517	(964,852)	92,335	-
Cookery School subsidy fund	-	119,307	(136,840)	17,533	-
	<u>2,072,227</u>	<u>991,824</u>	<u>(1,458,470)</u>	<u>86,859</u>	<u>1,692,440</u>
General fund	647,943	-	(56,451)	(89,290)	502,202
	<u>2,720,170</u>	<u>991,824</u>	<u>(1,514,921)</u>	<u>(2,431)</u>	<u>2,194,642</u>
Total funds	<u><u>2,943,590</u></u>	<u><u>1,019,942</u></u>	<u><u>(1,607,152)</u></u>	<u><u>-</u></u>	<u><u>2,356,380</u></u>

THE VEGETARIAN SOCIETY OF THE UNITED KINGDOM LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

Restricted funds

(a) The charity was bequeathed a legacy in 2013 with a value of £397,064. In accordance with a request in the will, this will be used to support veganism. £28,357 of this fund has been spent in 2020/21, made up of:

- Funding expenditure to market a vegan trademark
- Funding the vegan element of our campaigns and engagement work for the year
- Commissioning vegan recipes for the recipe database

£289,756 of this fund was spent in previous years; this brings the total amount of expenditure from the fund to date to £318,113.

(b) A crowdfunding campaign took place in December 2019 to raise funds for Sahara Women's Aid project, which helps women who are living with, or fleeing domestic abuse. Funds raised will fund two cookery courses, the first of which was held in February 2020. A second course will be held when possible.

(c) A crowdfunding campaign took place in January 2020 to raise funds for a vegetarian cookery class for young carers. Sufficient funds have been raised to hold one such class which will take place when the cookery school reopens.

(d) As part of the reprioritising of our work in light of the COVID-19 situation, we started an appeal to raise funds to enable us to get vegetarian food boxes into food banks. During the year ended 31 March 2021, grant funding of £100,000 was received from Barclays and £9,994 was received from the National Lottery, and donations from the public of £40,126 were also received. This means that, taking into account donations of £26,052 that were received in the previous year, a total amount of £176,172 had been raised as at 31 March 2021. £94,113 of this was spent by the year end. Fundraising and delivery work on this project continues in the 2021/22 financial year.

(e) Interest is being accrued on these funds at a rate equivalent to the average rate received on fixed term deposits during the year, which was 1.55% for the year ended 31 March 2021.

Designated funds

The property and equipment fund is a designated reserve representing the amount of the charity's funds that are locked up in freehold land and buildings and other fixed assets which are needed for operational purposes.

Buildings maintenance fund: an estimate of £100,000 is set aside to provide for major unexpected and uninsured property maintenance.

Project fund: funds have been designated to ensure that key pieces of work can be delivered over the next few years. Details of this work are included under "Achievements and Performance" and "Plans for the Future". The fund includes all project staff costs that will be required to deliver this work.

Operational management fund: the charity planned for its ongoing work to be financed by ongoing income. Ongoing income and expenditure is shown separately in this fund, with the resulting deficit for the year being funded by a transfer from reserves at the end of the year.

THE VEGETARIAN SOCIETY OF THE UNITED KINGDOM LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

General fund

As at 31 March 2021, the balance of reserves in the general fund amounts to £803,191, of which £524,000 is required to be retained to satisfy the requirements of the charity's reserves policy.

Included in the general fund is an investment revaluation reserve of £175,186 which represents the amount by which the market value of investments held at the year exceeds their cost. At 31 March 2020, the market value of investments was £27,385 lower than their original cost.

26a. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS – CURRENT YEAR

	General Fund £	Designated Funds £	Restricted Funds £	Total £
Fixed assets	803,191	996,064	-	1,799,255
Cash at bank and in hand	-	166,670	191,197	357,867
Other net current assets	-	312,497	-	312,497
	<u>803,191</u>	<u>1,475,231</u>	<u>191,197</u>	<u>2,469,619</u>

26b. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS – PREVIOUS YEAR

	General Fund £	Designated Funds £	Restricted Funds £	Total £
Fixed assets	502,202	1,170,728	-	1,672,930
Cash at bank and in hand	-	269,511	161,738	431,249
Other net current assets	-	252,201	-	252,201
	<u>502,202</u>	<u>1,692,440</u>	<u>161,738</u>	<u>2,356,380</u>

27. OTHER FINANCIAL COMMITMENTS

	2021 £	2020 £
At 31 March 2021, the total of future minimum lease payments under non-cancellable operating leases was as follows:		
Fixtures, fittings and equipment		
Within 1 year	2,449	2,449
Within 2 to 5 years	5,391	7,840
More than 5 years	<u>-</u>	<u>-</u>

THE VEGETARIAN SOCIETY OF THE UNITED KINGDOM LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

28. CONTINGENT ASSETS

The Vegetarian Society is entitled to receive an income distribution from the estate of John Sykes until 2063, at which point the capital value of the estate will be distributed. Based on current values, the Vegetarian Society's entitlement to a capital distribution will be approximately £260,000. This income has not been recognised in the financial statements; because the capital payment occurs so far in the future, it is not considered possible to value the income that will be received with any degree of certainty.

The Vegetarian Society has been bequeathed a 20% share in the estate of Janet Shorts, which has an estimated value of £50,000; although this will not be received until a life interest has expired. Because the timing and amount of the legacy are uncertain, this is not currently included in the accounts.