



## **2021 ANNUAL REPORT AND ACCOUNTS**

Year ended 31 December 2021

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Reg. Charity Nos: 279228 (England and Wales) and SC049495  
(Scotland)

Company No: 01468880

# The Vegan Society

## Reference and administrative information

**Charity Nos.** 279228 (England and Wales) and  
SC049495 (Scotland)

**Company No.** 01468880

**Subsidiary Company No.** 12377572

**Registered office and operational address:** Donald Watson House, 34-35 Ludgate Hill,  
Birmingham, B3 1EH

### **Trustees** who served during 2021 and up to the date of this report:

Kamal Adatia	Co-opted 24/07/2021.
Salim Akbar	Elected 28/05/2016. Re-elected 15/08/2020.
Sally Anderson	Elected 15/08/2020. Resigned 06/07/2021.
Joel Bravette	Elected 15/08/2020. Resigned 15/07/2021.
Michele Fox	Elected 15/08/2020. Resigned 15/07/2021.
Christine Fraser	Co-opted 03/09/2021.
David Gore	Elected 28/05/2016. Re-elected 15/08/2020. Assistant Treasurer from 10/11/2018 to 19/09/2020. Treasurer from 19/09/2020.
Paul Higgins	Co-opted 03/09/2021.
Donald Lee	Co-opted 03/09/2021.
Robb Masters	Elected 19/05/2018. Re-elected 22/05/2021. Chair from 23/11/2020 to 15/07/2021. Resigned 15/07/2021.
Mellissa Morgan	Elected 22/05/2021. Vice-Chair from 16/07/2021 to 16/12/2021.
Ali Ryland	Elected 19/05/2018. Resigned 22/05/2021 by rotation.
Jenifer Vinell	Elected 27/06/2015. Re-elected 18/05/2019. Re-elected 22/05/2021. Vice-Chair from 28/05/2016 to 23/11/2020 and from 16/12/2021. Chair from 16/07/2021 to 16/12/2021.

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Stephen Walsh	Elected 27/06/2015. Re-elected 18/05/2019. Vice-Chair from 21/11/2015 to 28/05/2016. Chair from 28/05/2016 to 10/11/2018, from 27/07/2020 to 23/11/2020, and from 16/12/2021. Treasurer from 10/11/2018 to 27/07/2020.
Eshe Kiama Zuri	Elected 18/05/2019. Vice-Chair from 23/11/2020 to 15/07/2021. Resigned 15/07/2021.

### Key management personnel

George Gill	Interim Chief Executive from 01/01/2021. Formerly Chief Executive from 04/05/2016 to 31/12/2020.
Chantelle Adkins	Head of Business Development from 22/02/2018 to 31/12/2019. Director of Business Development from 01/01/2020.
Samantha Calvert	Head of Communications from 05/06/2017.
Louise Davies	Head of Campaigns, Policy and Research from 19/12/2016 to 31/12/2021. Interim Chief Executive from 01/01/2021 to 31/12/2021.
Steve Hamon	Head of Commercial Services from 01/10/2020.
Gurminder Kenth	Head of Operations from 01/03/2021.
Claire Ogley	Head of Campaigns, Policy and Research from 01/02/2022.

**Bankers** Co-operative Bank, 1 Balloon Street, Manchester, M60 4EP

**Solicitors** Bates Wells Braithwaite London LLP, 10 Queen Street Place, London, EC4R 1BE

**Auditors** Third Sector Accountancy Ltd, Holyoake House, Hanover Street, Manchester, M60 0AS

### Staff

The implementation of our charitable activities depends upon maintaining our agreed complement of staff and ensuring continuity of skills and experience. The job market is changing rapidly and more flexible working arrangements and short-term contracts are increasingly becoming the norm.

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## Reference and administrative information

Our staff complement in 2021 varied due to staff movement and expansion. The society had an average of 61 employees, some of whom worked part-time giving 58 full-time equivalent staff members. The staff complement at year end 31 December 2021 was 67, some of whom worked part time giving 65 full-time equivalents.

The society also worked with a range of part-time consultants, including IT consultants, and graphic designers.

Volunteers make a substantial contribution to the society's outreach work. Due to the Covid-19 pandemic and home-working rules, we were unable to accommodate the usual number of office-based volunteers. However, we were supported by some home-working volunteers and specialist volunteers. We are very grateful to all our volunteers.

We regularly review human resource (HR) policies and developments in consultation with HR advisers, and we monitor health and safety policies and practices for staff and volunteers so as to ensure a safe working environment and best practice in recruitment, training and appraisal.

### **Advisers**

Nutrition and Health Advisers are appointed by Council. These positions may be, but are not necessarily, filled by trustees. In 2021, the society's Nutrition and Health Advisers were Sandra Hood and Stephen Walsh.

A Research Advisory Committee maintains close links between the society and the research community and provides specific advice and support as required, e.g. with our survey of the number of vegans. The committee meets at least once a year, and is chaired by Richard Twine (Edge Hill University/CfHAS) and coordinated by Lorna Fenwick McLaren. A full current list of members can be found at <https://www.vegansociety.com/about-us/research/who-we-are>.

### **Ambassadors**

Our ambassadors help us in our work from time to time and raise the profile of the society.

Current Ambassadors are:

Macka B  
Freya Dinshah  
Cor Nouws  
Fiona Oakes  
Roxy Shahidi  
Wendy Turner-Webster  
Benjamin Zephaniah

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Trustees' Annual Report for the year ended 31 December 2021

The trustees present their report and the audited financial statements for the year ended 31 December 2021. Included within the trustees' report is the directors' report as required by company law. The reference and administrative information set out on pages 1 to 3 above forms part of this report. The financial statements comply with current statutory requirements, the Articles of Association and the Statement of Recommended Practice – Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with FRS 102.

## **Objectives and activities**

### *1. Status*

The Vegan Society is a registered charity and a company limited by guarantee that does not have share capital. The guarantee of each member is limited to £1. The governing document is the Articles of Association of the company dated 28 May 2016, amended from time to time at AGMs.

### *2. Objects*

The charity's objects are specifically restricted to the following:

- To further knowledge of and interest in sound nutrition and in veganism and the vegan method of agriculture as a means of increasing the potential of the earth to the physical, moral and economic advantage of humankind.
- To relieve elderly vegans who are in conditions of need.

### *3. Public benefit*

The trustees refer to the information contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. The trustees consider how planned activities will contribute to the aims and objectives that have been set. The Vegan Society's work benefits multiple audiences and causes. Adopting a vegan lifestyle makes a major contribution to reducing animal suffering, achieving environmental sustainability, advancing health and saving lives. The Vegan Society's advice encourages and enables people to make this step in such a way as to benefit themselves, other people, animals and the environment. Recognising and supporting the needs of vegans can also advance the rights of humans and promote equality. Vegan diets contribute to the relief of poverty in the global south through the potential for enhanced global food security. The society's educational material and advice are available to any member of the public, mainly without charge. Working with, and

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valuing the contribution of, volunteers advances community development and engagement in society.

#### *4. Purposes and aims*

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity achieved and the outcomes of its work in the reported period. The trustees report the success of each key activity and the benefits the charity brought to those groups of people it was set up to help. The review also helps the trustees ensure that the charity's aims, objectives and activities remained focused on its stated purpose.

#### *5. Strategic objectives*

The society is guided by its strategy which covers 2017 - 2025.

#### **Objective**

The Vegan Society promotes a way of life which seeks to exclude, as far as possible and practicable, all forms of exploitation of, and cruelty to, animals for food, clothing or any other purpose.

#### **Vision**

A world in which humans do not exploit other animals.

#### **Mission**

To promote veganism for the benefit of people, animals and the environment.

#### **Approach**

The Vegan Society aims to be an effective and efficient organisation, which from a foundation of solid evidence empowers a movement to change the world. We will be imaginative in our tactics and prepared to take informed risks.

The society's messages cover the full spectrum of the benefits of veganism for people, animals and the planet. Keeping in mind our target audiences, our communications will be increasingly aimed at reaching, informing and inspiring non-vegans, and focused on achieving changes in institutional policy and practice.

We are making veganism an easily adopted and widely recognised approach to reducing animal and human suffering and environmental damage by means of

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## Trustees' Annual Report for the year ended 31 December 2021

meaningful, peaceful and factual dialogue with individuals, organisations and companies.

We engage with both individuals and organisations to promote:

More people adopting and sustaining a vegan lifestyle.

All organisations – public, corporate and third sector – improving knowledge, practice and policies in vegan catering, nutrition, and agriculture, and rewarding sustainable, healthy and compassionate lifestyles.

### Themes

The Vegan Society increases knowledge of and interest in veganism by promoting awareness and understanding of information that:

- Makes it easy for people to follow a vegan lifestyle incorporating the principles of sound nutrition.
- Facilitates the development and use of vegan alternatives to all commodities derived wholly or partly from animals.
- Explains the various benefits from being vegan: for people, animals and the environment.
- Challenges the dominant world view of exploiting other animals by showing that a world where nonhuman animals are recognised as fellow beings who are not made to suffer or die for human purposes is possible and desirable.
- Encourages other organisations to make legal, cultural and policy changes to be more supportive of a vegan lifestyle.

The Vegan Society relieves elderly vegans in conditions of need by:

- Providing support and advice to individual elderly vegans in conditions of need and, if appropriate, engaging with others on their behalf.
- Providing information to organisations to help them meet the needs of elderly vegans and to encourage recognition of veganism as a protected belief deserving of respect and consideration.

### Strategic outcomes for 2025

The Vegan Society is pursuing **four strategic outcomes for 2025** in the UK and beyond:

**More people choose to be vegan or at least use vegan alternatives.**

**A more favourable legal and policy framework for veganism and vegan products and services**

**Wider society increasingly recognises the ethical, environmental and human justice problems with animal farming and other uses of animals for human purposes.**

**The Vegan Society is a strong global organisation, which is competent and proactive in addressing vegan issues in an efficient and appropriate manner.**

## *6. Achievements and performance*

The charity's main activities and whom it tries to help are described below. All charitable activities focus on promoting veganism and are undertaken to further The Vegan Society's charitable purposes for the public.

### **6.1 Summary**

The Vegan Society is a first point of contact for new vegans and those seeking information on a range of subjects including: non-human animals; food labelling; vegans in vulnerable situations, such as those in hospitals, prisons and care homes; climate change; nutrition and global food security. We support and encourage individuals, manufacturers, caterers, the media, healthcare professionals, educators, politicians and other organisations to find and adopt vegan solutions. Each month we reach more than a million people online, at events, by email and telephone and through the media.

Our campaigns, policy, advocacy and educational work, informative publications, a strong social media presence and the Vegan Trademark scheme are just some of the tried and tested methods that The Vegan Society uses to help people become and stay vegan. In the past few years, we have campaigned to raise awareness of the environmental benefits of a vegan diet and to promote plant protein as a healthy and sustainable alternative to animal protein.

We sell a limited range of merchandise, and the best-selling charitable item is our own food supplement, VEG 1, which supports vegans to stay healthy on a varied and balanced diet. In addition to income from membership fees, donations and legacies, the income from the sale of VEG 1 and the Trademark registration scheme enables the society to continue our other charitable programmes.

### **6.2 Projects and campaigns at a glance**

Throughout the year, we use our social media channels to build audiences and to generate awareness of the benefits of veganism.

Our campaigns activity has two key objectives - system change and behaviour change. All our activities are aligned with outcomes identified in our strategy.

Unfortunately, the continuing Covid-19 pandemic disrupted many of our plans during the year, and we pivoted to address pressing needs where we could.

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We undertook the following projects:

**a. Live Vegan for Less.**

Our campaign to promote the affordability of vegan food continued to provide support to vegans who may be struggling financially (including budget recipes and tips) and aimed to counter the myth that vegan food is always more expensive (by completing research comparing costs of different vegan and non-vegan protein sources per portion).

**b. Future Normal.**

We continued our new campaign asking people to reflect on their relationship with animals and consider whether their behaviour accurately mirrored their values. We targeted people who would define themselves as animal lovers, and developed creative, engaging content, hosted at [futurenormal.com](http://futurenormal.com), to encourage reflection and long-term behaviour change. Our campaign resulted in:

142,000 visitors to the Future Normal website

An estimated half a million people walking past our first ever large-scale Vegan Society billboard

Adverts on On Demand TV channels for the first time

Collaborating with social media influencers to share Future Normal with their followers

**c. Vegan and Thriving**

Our health and nutrition campaign, Vegan and Thriving, was given a reboot with brand new recipe videos featuring delicious and balanced meals. The campaign is all about showing that you can live life to the fullest on a vegan diet no matter your circumstances, helping people to go and stay vegan. The campaign involved digital billboards outside supermarkets across the UK, over 17,000 people visiting the refreshed webpages, positive media coverage and resources being distributed to 3,000 GP surgeries.

**d. Grow Green**

We continued to seek opportunities to promote long-standing campaigns such as our environmental campaign, Plate Up for the Planet; our plant-based agriculture campaign, Grow Green; and our public-sector catering campaign, Catering for Everyone.

In January 2021 we met with Shadow Food and Farming Minister Daniel Zeichner, alongside the Chief Exec of the Processors and Growers Research Organisation and Vice president of Pulses UK, to discuss what was needed to support plant proteins sector in the UK and presented policy ideas from our Grow Green work.

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In June we held an online conference Grow Green EU, for which we engaged Brussels-based advocacy group Safe Food Advocacy Europe. This included presentations and discussion with representatives from the European Commission, MEP's and other third sector groups with an interest in EU agriculture policy. This event came after policy advocacy work during the previous year and was intended to influence debate leading up to the reform of the Common Agricultural Policy which was enacted later that year.

In September 2021 our landmark 'Planting Value in the Food System' report was launched. This was the conclusion of a comprehensive review of existing work in food and farming policy, and interviews with people from across the farming, food policy and food advocacy sectors. This resulted in a detailed research report and accompanying policy document, micro-site, animation, promotional video and social media assets. Alongside articles and opportunities resulting from the press release we held an All-Party Parliamentary Group meeting to discuss the report findings with the author Alex Lockwood and other experts.

We will be revisiting these important campaigns in 2021. You can find out more about our campaigns at <https://www.vegansociety.com/get-involved/campaigns>.

#### **e. Policy work**

Throughout 2021 we continued to co-ordinate successful responses to policy consultations. We responded to 11 consultations, putting forward robust and evidenced arguments for the inclusion of vegan solutions in the areas of food policy, education, public procurement, food labelling, human rights, advertising, and COVID-19 response.

The Vegan Society was an official delegate at the COP26 international climate summit, where we attended to raise awareness of the link between animal agriculture and the climate crisis. While at the COP 26 summit we spoke to decision makers to gain support for specific plant-based policies, promoted our key messages to attendees via a virtual exhibit and participated in an official UN side event attended by almost 1000 people.

We worked to ensure that vegans in public sector settings have access to more options. We created a CPD (Continuing Professional Development) accredited course to familiarise healthcare professionals with the logistics of plant-based catering. The course was advertised to all CPD-registered members in the healthcare and medical sector, with over 100 people completing it so far. Continuous dialogue with the Scottish government successfully led to the provision of plant milk in the new Healthy Milk and Snack scheme. We also participated in an Equalities Assessment to encourage a similar change in the UK Nursery Milk Scheme.

In 2021, The Vegan Society was a founding member of the Plant-Based Food

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Alliance, a coalition of UK organisations who have come together to create a strong voice for the plant-based food sector in the U.K. The Alliance is seeking to represent food and drink producers, manufacturers, non-governmental organisations, retailers, nutritionists, academic bodies, and consumer organisations. This will give The Vegan Society greater engagement with policymakers and help the sector to have a more powerful and united voice.

**f. Legal work**

The Vegan Society works to protect and further the legal rights of vegans. In 2021, our Advocacy Manager handled around 550 complaints from vegans on a range of issues. We helped bring about policy and practice changes in a number of areas including the provision of school food access to plant-based milk in school and school uniform requirements. We support a number of prisoners with formal complaints about interference with their rights while in prison. Significant successful interventions include two high profile cases one concerning equality for a vegan student on an animal welfare course and one regarding access to plant-based milk in school.

We continued to add practicing lawyers to our legal network who helped us to escalate two matters over the course of the year. Network lawyers in the UK, Canada, USA, Portugal, France, Australia, Germany and Portugal are engaged with vegan issues.

**g. Education work**

In 2021, the Vegan Society launched our Education Network, a group of experts including teachers, lecturers, school food producers and child psychologists who together advocate for vegan-inclusive education. Our new Education Officer will be visiting schools in 2022 to deliver age-appropriate professional advocacy and vegan inclusion education.

**h. Research work**

In 2021 we continued to build the research capacity of The Vegan Society, which serves to improve the evidence base supporting veganism. The continued growth of our Research Advisory Committee and Researcher Network continues to produce high quality reports and articles that feed into our activities, campaigns and policy work.

**i. The Vegan Pledge and VeGuide app**

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The Vegan Pledge is a 30-day online programme for people interested in becoming vegan or those who need additional support. In 2021, 973 people took the Vegan Pledge. VeGuide is a free go vegan app for IOS and Android. UK and US versions are available. Both the pledge and VeGuide share feature tips, information and recipes with participants. VeGuide features a daily quiz and films. The guide can be accessed at <https://www.vegansociety.com/govegan/veguide>. To date the VeGuide app has achieved over 87,000 downloads.

**j. Teen Hub/youth membership**

The Teen Hub was created to address the lack of teen-specific content on the society's website. It aims to support young vegan and vegan-curious teens in some of the specific challenges they face, such as lack of support from those who make decisions around shopping/cooking, lack of understanding from peers, and rights issues which can crop up at school or in work. It also aims to educate about teen-specific vegan nutrition issues, to share the stories of young vegans in their own words as a support and inspiration to others, and to increase membership of the society among young people.

For the second year in a row, the society ran a special youth membership promotion that offered vegans under 26 years of age the opportunity to join the society for one year as an eco-member (receiving a digital version of the magazine) for just £5. During the promotional period October 2021 to January 2022, 88 people joined as youth members with some 27% being given as gifts. Youth membership is now a permanent category of membership and is £12 for the year.

**k. Consumer and trade events**

The Vegan Society usually attends more than 25 vegan and other events annually, including trade shows in the UK and overseas, to reach individuals and the food, drink and cosmetics industries. Covid-19 led to some consumer and trade shows not being held or only being held as online exhibitions. Many consumer exhibitions were not held again in 2020 because of the continuing Covid-19 situation. The Supporter Services team attended two events towards the end of 2021 The Green Party Conference, Birmingham in October and Balance Festival, London in November. It is hoped that it will be possible to return to attending more events in 2022.

**l. Grants**

The Vegan Society Grants Programme awards grants to projects with a central focus on veganism and that encourage non-vegans to go and stay vegan. The

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projects are based across the globe, with a particular emphasis in 2021 on those based in economically developing countries. A typical award is £1000 which is granted to projects that meet our criteria and are selected by our cross-department panel.

Recently awarded grants went to 'Radio programs to encourage non-vegans to go vegan and stay vegan in Sengerema district, Tanzania', and 'Culture and Tradition, a call to animal welfare', which was a community run project to encourage fellow villagers to replace animal skins with synthetic materials in traditional dance festivals in Zimbabwe. In the UK a project titled 'Enjoy Soy' worked to provide vegan culinary training to newly independent young adults.

### 6.3 Partnerships at a glance

The Vegan Society has partnerships with a range of organisations and companies to reach more people or to reach its target audience more effectively. The following is a list of the main partners:

**BDA** – British Dietetic Association – the UK Association of Dietitians.

**Charities Against Hate** - We joined this group to support measures to reduce online hate crime.

**Ecotricity/Green Britain** – One of the three main sustainability goals of Ecotricity is food, and The Vegan Society has played an important role in its NGO-corporate Green Britain Partnership coalition since its inception in 2013.

**SAFE** – The Brussels-based Safe Food Advocacy Europe (SAFE) is a consumer safety lobbying organisation. We contribute to the vegan working group reviewing EU food labelling and promoting vegan organic agriculture in Europe.

**UN Global Compact Group SDG Food System Working Group** - We work with this group to consider the role of plant-based diets in meeting the Sustainable Development Goals.

**Veganuary** - As an official partner of Veganuary we encourage people to try a vegan diet for the month of January.

**VON** – The Vegan Organic Network.

**Vegetarians for Life** – We work with Vegetarians for Life, a registered charity supporting older vegetarians and vegans, as co-hosts of the All Party Political Group (APPG) in parliament.

**Vgeneration** – A voluntary-run group dedicated to young and adolescent vegans previously known as TeenVGN.

We have also expanded our corporate relations with Vegan Trademark holders, building various partnerships that will be in valuable industry and regulatory

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knowledge, as well as opportunities to promote our products and services to a wider audience.

#### **6.4 Beneficiaries of our services**

Direct beneficiaries of our services include vegans, those interested in veganism and those with responsibility for vegans in their care. Individuals following a vegan lifestyle benefit others through reduced environmental damage, reduced pressures on global food supply and reduced suffering to humans and other animals.

#### **6.5 Specific activities**

Each of the four strategic outcomes (see page 6) is addressed by several activities (campaigns, policy, events, communications and business development). Some activities achieve multiple strategic outcomes at the same time. 2021 saw the continued challenge of the Covid-19 pandemic, however we continued to make progress towards our strategic objectives. Some highlights of our activities are given below.

##### **1. More people choose to be vegan or at least use vegan alternatives**

Our information services encourage people to become vegan and ensure they can do so with confidence. Our Vegan Pledge and our VeGuide app play a direct role in helping people become vegan. In 2021 973 people took the 30-day Vegan Pledge and a further 87,000 downloaded the VeGuide app 30-day programme since its launch in November 2018.

The Vegan Trademark makes it easy to identify vegan products and encourages producers to make their products vegan.

Our partnership with Veganuary encourages people to try a vegan diet for the month of January. In 2021 this was impacted by the ongoing pandemic, but we focused on digital advertising and social media work and contributed over a thousand sign-ups. Globally the campaign saw over 500,000 people sign up.

The Teen Hub was created to address the lack of teen-specific content on the society's website to support young vegan and vegan-curious teens in some of the specific challenges they face.

In 2021, The Vegan Society launched its Education Network, a group of experts including teachers, lecturers, school food producers and child psychologists who together advocate for vegan-inclusive education. Our new Education Officer will be visiting schools in 2022 to deliver age-appropriate professional advocacy and vegan inclusion education.

## **2. A more favourable legal and policy framework for veganism and vegan products and services**

The Vegan Society has continued to support the All Party Parliamentary Group (APPG) on Vegetarianism and Veganism in collaboration with Vegetarian for Life. Due to the Covid-19 pandemic, fewer events took place than in other years, however the group convened to discuss: Our Planting Value report; labelling of products; and food security as an issue for vegans and vegetarians.

An APPG is a group made up of parliamentarians from all political parties. The APPG on Vegetarianism and Veganism is a useful platform for discussion and learning, with the aim of encouraging legislative change.

Throughout 2021 we continued to co-ordinate successful responses to policy consultations. We responded to 11 consultations, putting forward robust and evidenced arguments for the inclusion of vegan solutions and inclusion in the areas of food policy, education, public procurement, food labelling, human rights, advertising, and COVID-19 response.

We worked to ensure that vegans in public sector settings have access to more options. We created a CPD (Continuing Professional Development) accredited course to familiarise healthcare professionals with the logistics of plant-based catering. The course was advertised to all CPD-registered members in the healthcare and medical sector, with over 100 people completing it so far. Continuous dialogue with the Scottish government successfully led to the provision of plant milk in the new Healthy Milk and Snack scheme. We also participated in an Equalities Assessment to encourage a similar change in the UK Nursery Milk Scheme.

## **3. Wider society increasingly recognises the ethical, environmental and human justice problems with animal farming and other uses of animals for human purposes**

Our Future Normal campaign aims to increase rejection of the exploitation of non-human animals.

We successfully identified opportunities to engage with UK and EU politicians about reducing the environmental damage caused by animal farming, most notably in response to a Grow Green policy briefing.

The Researcher Network (RN), Research Advisory Committee and Research webpages continue to grow through increasing membership of the RN and new content from authors.

**4. The Vegan Society is a strong global organisation that is competent and proactive in addressing vegan issues in an efficient and appropriate manner**

We talked with other organisations to ensure that we worked in a co-ordinated and complementary manner to sustain the recent growth in veganism. As the first vegan organisation to be established in the world the society has a particular role to play in the vegan movement but we welcome all organisations, old and new, that are sincerely working to promote veganism.

The Vegan Trademark exceeded its income targets as well registering over 10,800 new products. Trademark social and digital content also helped drive over 150,000 new visits to our website as well as increasing the reach of its dedicated social channels by 29%. We now have just under 3000 brands with registered products, and we are sure to see many more join us in the coming year.

We also launched our fresh look VEG 1 with a plastic-free packaging solution and expanded our digital and wholesales channels to bring VEG 1 to even more people in 2022. We sold over 110,000 pots of our multivitamin VEG 1, sufficient to supply over 45,000 people and promoting wider understanding of the requirements for a healthy vegan diet. We also donated 6,021 pots to foodbanks and other charities supporting vegans at high risk of poor nutrition, reaching part of the public who might otherwise be missed. These donations were enough to provide 1,950 people with a year's supply of VEG 1.

The trustees recognise that more work is needed on separating short and long objectives and reporting performance measures for both. We have already started work on reviewing our strategy and expect to publish a new strategy this year including updated KPIs. This will inform future reports.

## **7. Financial review**

### **7.1 Allocating resources**

As with many educational charities our largest cost is staff. Our staff implement projects and campaigns; respond to requests for information (electronically, by phone and via other channels); and support sales, membership and Trademark administration. The purchase of goods for resale is our second most significant use of funds, but this cost is recouped from the sales. Other direct project costs include publications (primarily the quarterly magazine, *The Vegan*) leaflets, and digital marketing and development; organising and attending events; research; and support for volunteer development. Due to COVID 19 there has still been disruption to some events and where possible funds have been used on appropriate alternatives.

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## 7.2 Income and Expenditure

The Society has continued to grow strongly, and the scale of our activity increased across the board. The main sources of income in 2021 were the Trademark, (Product & Merchandise) Sales, Membership, Legacies and Donations. Income from all sources totalled £3,986k in the 12 months to December 2021 compared with £3,471k in 2020. This is detailed below.

### Income

**Trademark licensing** was the most significant source of income, raising almost £2,872k against a target of £2,600k and compared with £2,092k over the previous 12 months. The direct cost of this activity in 2021 was £1,335k compared with £779k in the previous 12 months.

**Sales** are split in the accounts between sales of material promoting veganism (the vast majority of sales, mainly VEG 1) and ancillary sales (promotional items such as mugs and keyrings). Providing an effective vitamin supplement furthers knowledge of and interest in sound vegan nutrition.

**Sales of Materials Promoting Veganism:** We achieved income of £850k including postage for our VEG 1 supplements and products against a target of £1,175k and compared with £887k in the previous year.

**Donations**, including membership fees and Gift Aid, totalled almost £307k in 2021 compared with £287k for the previous year.

The number of members (including supporters) was stable with 8,435 on 31 December 2020 and 8,471 on 31 December 2021. Membership subscriptions stayed around £227k in 2021 due to the steady number of subscriptions.

We set an ambitious donation target of £213k which included £170k of anticipated grants and sponsorship to support activity at the UN Climate Change Conference, COP26. Uncertainty due to covid reduced this possibility dramatically and we reduced expenditure accordingly. Donations in 2021 were £51k compared with £30k for the previous year and Gift Aid was £28k compared with £30k in 2020.

The society received nearly £17k in legacy income in 2021, down considerably after an exceptional couple of years. Legacy income had been overestimated in previous years requiring a further adjustment downwards of £91k for 2021. Income from legacies fluctuates a great deal from year to year but is a very important part of our overall income. We had estimated a £80k income (60% of a five-year average). We are very grateful to those who support us in this way (<https://www.vegansociety.com/take-action/donate/give-your-will>).

The combined growth in Trademark, Sales, Membership, Legacy and Donation income reflected another extraordinarily successful year for the society and the staff, volunteers and members who made it happen, particularly in such uncertain times. The increased income represents increased impact: engaging with more businesses,

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individual customers and members. The increased income enabled us to do more campaigning and outreach, while keeping our reserves above target, as detailed below.

## **Expenditure**

The costs of the society are incurred through the key activities of communications (to members and supporters, external bodies and through the media), campaigns, research, the Vegan Trademark, goods for resale, administering membership and providing support to members, general organisation support (including finance and running the office) and governance.

Following the guidance set by the Charities Commission to ensure consistent good practice for financial reporting, our Accounts distinguish four categories of cost: Costs of Raising Funds, Expenditure on Charitable Activities, Support and Governance. In the case of The Vegan Society this distinction is not always clear-cut. For example, we sell dietary supplements appropriate to a vegan diet, which supports our key charitable purpose (by providing sound nutritional guidance) but also raises funds; similarly, the Trademark is a key charitable activity to support the availability of vegan products and influence businesses but also raises funds. The costs of membership, the Trademark and sales such as VEG 1 that fulfil our primary purpose come under Expenditure on Charitable Activities. Fundraising comes under Cost of Raising Funds.

Support and governance costs are identified separately in the accounts and then allocated to the two key activities – Raising Funds and Charitable Activities – in proportion to the staff costs for those activities. Support costs include office accommodation and equipment and all the costs for those staff who deal with finance and administration. Each person is assigned to one of these four activities (support, governance, raising funds or charitable activities) except for the CEO, whose time is split between support and governance. The Heads of Department (other than the Head of Business Development) and the Director of Business Development are assigned to support costs, though in practice they contribute directly to our charitable activities as well as through supporting their departments.

Support and governance costs account for £660k compared with £533k in 2020. An unprecedented £49k was spent on lawyers in relation to complaints by members against two trustees and to related issues with the 2021 AGM. A further £5k was spent on mediation between trustees which was not implemented as four trustees resigned the day before the planned mediation. This is discussed further in section 16 (page 27).

The costs of raising funds were £54k in 2021 compared with £66k in the previous year. We were able to increase spending on charitable activities by £1,031k, from £3,105k in 2020 to £4,136k in 2021. Additional outreach and communication activity accounted for £374k of the additional spending, largely driven by the campaigning activity.

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Expenditure on sales of materials promoting veganism, mainly VEG 1, decreased by £15k to £733k. A £22k increase in project costs as a result of increased marketing costs and £24k for donations of VEG 1, was offset by a £54k decrease in the cost of sales due mainly to reduced cost of the new VEG 1 supply in aluminium tins.

Trademark costs increased by £673k mainly due to the growth on the Trademark and the consequent need for additional staff. Project costs also increased substantially due to increased legal and professional fees, increased marketing costs, and increased exchange losses on overseas payments.

Staff costs represented almost half (£1,745k) of total expenditure in 2021 (compared with £1,527k in the previous year), and by the end of 2021 the staff numbers have risen from 50 to 67. Our staff are vital to support our increased impact and the staff complement is regularly reviewed by trustees and senior management to ensure it is effective and sustainable. Some people work less than full-time hours and there was an average of 58 full-time-equivalent staff working during the year (compared with 45 the previous year). The second-largest cost item was goods for resale, which amounted to £658k compared with £606k in 2020.

During the year, external grants totalling £7k were made (compared with £196 the previous year). These grants were made from the International Outreach fund to seven different grassroots projects promoting veganism in Africa (see Grants p. 12).

## **8. Reserves policy**

The Vegan Society intends to keep a minimum reserve of £1,125k plus the Hylton Street offices (£500k to cover working capital and £500k to cover fluctuations in net income relative to budget, and £125k plus the Hylton Street offices towards the purchase of a larger office). We try to avoid reserves persistently being more than £250k above this minimum. Net debtors and stock are included in the calculated reserves, but our working offices (even if owned by us) and any restricted funds are excluded. In calculating reserves, legacies that we expect but have not yet received will be excluded from the available reserves.

This means that we are currently trying to keep our unrestricted undesignated reserves between £1,425k and £1,675k.

By careful use of current reserves, we strive to strike a balance between protecting the society against future fluctuations in funding and releasing funds for immediate action in pursuit of our objectives. The reserves policy is reviewed annually to achieve this balance.

The unrestricted, undesignated reserves available at the end of 2021 were £1,691k compared with £1,795k at the end of 2020. The excess reserves relative to target were due to a combination of many variances including stronger Trademark income

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than expected and a delay in IT spending for a Customer Relations Management (CRM) system, which was carried forward to the 2022 budget.

## 9. *Investment policy*

In general, our strategy is to use low-risk, highly liquid financial investments to achieve a good return while remaining consistent with our charitable objects. We aim to use excess funds for our own work to promote veganism and to this end set higher budgets, where sustainable, for new projects each year as part of our strategic planning processes. Our investments could potentially be drawn on within a year making long term commitments unfavourable and therefore need to be accessible within months rather than years with at most a modest withdrawal charge.

As with many educational charities our largest cost is staff. Our staff implement projects and campaigns; respond to requests for information (electronically, by phone and via other channels); and support sales, membership and Vegan Trademark administration. The purchase of goods for resale is our second most significant use of funds, but this cost is recouped from the sales. Other direct project costs include publications (primarily the quarterly magazine, *The Vegan*) leaflets, and digital marketing and development; organising and attending events; research; and support for volunteer development.

## 10. *Plans for the future*

Our plans centre on the strategic objectives set out in detail previously in this report (page 5). We believe the widespread adoption of a vegan lifestyle has immense potential to benefit animals, people and the environment. Our core role is to educate the public about these benefits and to implement and promote practical steps to make the adoption of such a lifestyle easier and more appealing. We aim to engage more and more people in meaningful educational dialogue and create an environment where an ever-increasing number of people embrace a vegan lifestyle for any of the multitude of benefits it brings. The current cultural climate that we have helped to create (see Achievements, page 7) is notably more favourable to veganism and we will continue to build on this to promote the rapid growth of veganism that is necessary if our ideas are to fulfil their potential to make our world a better place for all who share it.

We have the opportunity to build on several of our successful campaigns such as Grow Green, to respond to the Government's National Food Strategy development and to use changes in public opinion on environmental issues to increase the profile of veganism as a sustainable option. We plan to use these opportunities to maximum benefit, steered as always by our guiding principles and core objectives. This involves taking informed risks and being ambitious and creative in our goals, while always ensuring responsibility and accountability to maintain sustainable growth.

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The expansion of our activities and staff levels means that our infrastructure needs to be more robust and facilitate effective relationships with our supporters. Some of our reserves in 2022 will be used to implement a robust Customer Relationship Management (CRM) system. We will also be developing a new website, improving the user experience and refreshing the website design during 2022 as our current Content Management System (CMS) is likely to be no longer supported after November 2023. These infrastructure investments will allow the society to communicate more effectively and efficiently with its members, supporters and enquirers and to provide a better service to website visitors.

In the past five years, membership has also grown significantly, and we saw our highest level of membership ever during 2021. At the end of 2021 we had 8,471 members and we hope to develop this further in 2022. The Vegan Trademark income has increased five-fold since 2016 (about 40% growth per year) and remains our largest source of income with excellent capacity for future growth. We have also identified opportunities for growth in our Business Development team and have been recruiting skilled professionals to help us achieve our goals. The Business Development Department is planning and delivering lots of new and impactful activities in 2022.

#### *11. Structure, governance and management*

The society is a membership-based organisation governed by a board (Council) consisting of up to ten elected members with a further two posts reserved for co-option. The members of the Council are simultaneously the directors of the company and the trustees of the charity.

Overall responsibility for The Vegan Society is vested in the Council, whose members are listed on page 1. Council is responsible for setting overall strategic direction, ensuring funds are spent on charitable objects, overseeing employment of staff, purchase and disposal of property, and investment decisions.

Council has the main responsibility for governance and strategy while staff have the main responsibility for implementation of strategy and the operation of the society. There are inevitably grey areas on the boundary between senior management and Council and we strive to make all major decisions through a process of dialogue between Council and the Senior Management Team (SMT), including the CEO and all heads of department. This means that non-urgent proposals may need to be considered over more than one Council meeting to allow for such dialogue. Whilst dialogue and scrutiny are essential, we are mindful that as a growing organisation, SMT need to be able to respond to dynamic situations with adequate decision making responsibilities.

The Senior Management Team is led by the CEO. The Heads of Department for Communications, for Campaigns, Policy and Research, and for Operations are part

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of the SMT, reporting directly to the CEO. The Director of Business Development chairs the subsidiary's board of directors and reports back to the CEO who is also a director of the subsidiary. The Head of Commercial Services, who is also a member of the SMT, reports to the Director of Business Development.

There are two society membership categories: full members, who have declared that as a minimum they adhere to a vegan diet, and supporters, who do not currently meet this requirement but who support the society's objects. Full members are currently entitled to vote at General Meetings and those aged 16 years or over are also entitled to stand for election to Council. An Annual General Meeting (AGM) – to deal with statutory business, appoint ambassadors and consider proposals from members and Council – is normally held in May each year.

Sufficient trustees are required to stand down from Council each year to ensure at least three vacancies for election. No trustee may serve for more than four years without seeking re-election.

All candidates must be proposed by two other full members. If there are more candidates than vacancies, then election is by online or postal ballot shortly before the AGM. If there are not more candidates than vacancies, then (since the 2016 AGM) there is a vote by ordinary resolution on each individual candidate.

The Council appoints the Chair, Vice-Chair and Treasurer from among their number. The Council currently meets once a month together with the Senior Management Team of the society.

As part of trustee induction and training, new and co-opted trustees are provided with the society's Articles of Association, the reports and accounts for the previous two years, the current strategic plan and two years of minutes, plus documents describing the society's organisational structure, internal procedures and financial policies and procedures. All new trustees are required to attend some form of agreed relevant governance training.

The organisation is a charitable company limited by guarantee, incorporated and registered as a charity on 20 November 1979. The company was established under a Memorandum of Association that established the objects and powers of the charitable company and is governed under its Articles of Association.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 12 to the accounts.

#### **Overview of Council meetings 2021**

Trustees during 2021: Kamal Adatia (KA), Salim Akbar (SA), Sally Anderson (SEA), Joel Bravette (JB), Christine Fraser (CB), Michele Fox (MF), David Gore (DG), Paul Higgins (PH), Donald Lee (DL), Robb Masters (RM), Ali Ryland (AR), Jenifer Vinell (JV), Stephen Walsh (SW), Eshe Kiama Zuri (EKZ).

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RM was Chair until 15/07/21. JV was Chair from 16/07/21 to 16/12/21. SW was Chair from 16/12/21. EKZ was Vice-Chair until 15/07/21. MM was Vice-Chair from 16/07/21 to 16/12/21. JV was Vice-Chair from 16/12/21. DG was Treasurer throughout the year.

All meetings include review of operational reports from the CEO and other staff including any requests for increased resources. Other routine business includes review of the financial position, risk register and action log. E-votes are routinely used to approve minutes. These standard activities are not listed for individual meetings.

Date	Main business (including E-votes recorded in minutes)	Trustee attendance
25/01/21	Grants Program, Readership Survey, AGM planning, Trademark terminology (Life membership discounts, Consulting lawyers re complaints, Food system Report, Members' motions from trustees)	SA, SEA, JB, MF, DG, RM, AR, JV, SW, EKZ
21/03/21	Trading subsidiary, Race research proposal, Racism investigation, Framework document (Food system report, Trademark criteria, Members' motions from trustees, EDI Consultant)	SA, SEA, JB, MF, DG, RM, AR, JV, SW, EKZ
17/04/21	AGM preparation, Signatories, Trademark project, Grants proposals, Diverse Matters Investigation, Working groups framework, Values and Objects review proposals (Approval of counterarguments for motions)	SA, SEA, JB, MF, DG, RM, AR, JV, SW, EKZ
30/04/21	Response to comments on social media	SA, SEA, JB, MF, DG, RM, AR, JV, SW, EKZ
18/05/21	Proposal to AGM to adjourn the meeting	SA, SEA, JB, MF, DG, RM, AR, JV, SW, EKZ
21/05/21	Revised proposal to AGM to adjourn the meeting, Council proposal to postpone AGM without opening the meeting, Serious Incident Report update, Instruction to Bates Wells to provide advice	SA, SEA, JB, MF, DG, RM, AR, JV, SW, EKZ
18/06/21	Special meeting called to discuss QC report - adjourned without the business being discussed.	SA, SEA, JB, MF, DG, RM, AR, JV, SW, EKZ
28/06/21	QC report, preparation of a public statement	SA, SEA, JB, MF, DG, RM, AR, JV, SW, EKZ

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Date	Main business (including E-votes recorded in minutes)	Trustee attendance
29/06/21	AGM, Trademark criteria, Modern Slavery statement/Exploitation of humans and charitable objectives (Approval of AGM documents, Food system report, QC report, mediation)	SA, SEA, JB, MF, DG, RM, MM, JV, SW, EKZ
16/07/21	Appointment of officers, Statement on resignations	SA, DG, MM, JV, SW
20/07/21	Serious Incident Report update, Communications with staff	SA, DG, MM, JV, SW
24/07/21	Co-option of Kamal Adatia	SA, DG, MM, JV, SW
26/07/21	Older vegans working group, QC report recommendations (Public statement on QC report, Older vegans working group, Trustee visits to office, Reply to Charity Commission, Young Trustees movement, Balanced representation at trustee meetings with advisers – all E-votes were before 10 July)	KA, SA, DG, MM, JV, SW
06/08/21	Serious Incident Report update, Communication with staff, Governance Review, Publication of QC report, QC report recommendations	KA, SA, DG, MM, JV, SW
03/09/21	Co-option of three additional trustees, Membership discounts, Reserves policy, Modern Slavery statement (Candidate co-option pack)	KA, SA, DG, MM, JV, SW
01/10/21	Reserves Policy, 2022 Budget, Governance Review, Complaints, CEO recruitment	KA, SA, CF, DG, PH, DL, MM, JV, SW
11/11/21	AGM preparation, Trustee social media policy, Framework document, Governance Review, EDI training, Complaints (Response to Charity Commission)	KA, SA, CF, DG, PH, DL, MM, JV, SW
16/12/21	Appointment of officers and other trustee roles, CEO recruitment, Signatories, End of year message to staff, Complaints (Appointment of interim CEO)	KA, SA, CF, DG, PH, DL, MM, JV, SW

## 12. Related parties and relationships with other organisations

The society did not have any significant related-party transactions nor relationships with other organisations during 2021. Related-party transactions are disclosed in note 12 to the accounts.

### *13. Remuneration policy for key management personnel*

Council is responsible for setting pay scales for all staff and sets the CEO's salary. The National Joint Council for Local Government Services (NJC) pay scale is now used for all staff, including the CEO.

Council has committed to move our pay scales up each year against the NJC scale as required in order to ensure that the bottom of the scale stays above the living wage set by the Living Wage Foundation. As is normal, apprentices may be paid less than this amount. In 2019, we carried out a benchmarking exercise comparing our salaries with those of other voluntary sector organisations. After careful review of the results we moved our payscales up significantly in terms of NJC scale points (most roles moved up by 8 points) to remove a clear gap between our salaries and salaries for comparable roles.

### *14. Fundraising*

The Vegan Society gratefully receives the majority of our voluntary income through gifts left in wills, as well as a significant amount through regular and one-off donations. We support people in raising money for us through taking on challenge events and engaging their own workplaces and communities. We have one relationship with a commercial partner in place which was established many years ago and is considered a good ongoing relationship which fits well with The Vegan Society's values.

All the charity's fundraising activities are undertaken in-house by our fundraising team and we do not have any relationships with external professional fundraisers. The Vegan Society is registered with the Fundraising Regulator and we adhere to the Code of Fundraising Practice and associated rulebooks as set out by them as a governing body. We had no instances of non-compliance with the code during the year and have received no complaints through the Charity Commission.

Our privacy policy is kept up to date and reflects the changes made to the General Data Protection Regulation made recently. This is accessible to everyone via our website and clear instructions are given on how to contact us if anyone should have any grievances with our fundraising activities.

Fundraising requests are made only of supporters who have opted in to receive communications from us, and they can unsubscribe at any time. We received no complaints this year in relation to fundraising activities.

All our staff are well trained in dealing with members of the public and The Vegan Society is also a member of the Institute of Fundraising, which provides guidelines and training to ensure that our fundraising team practices are in line with industry standards.

## ***15. Risk management***

### **Principal risks and uncertainties facing the charity**

Protecting the society against potential risks is a key part of Council responsibilities. The major risks to which the charity is exposed, as identified by the trustees and documented in a risk register, have been reviewed and systems or procedures established to manage those risks. Council has made our risk management process more systematic and increased the frequency at which major risks are formally reviewed by trustees. These are reviewed by the Chair and CEO on a monthly basis and considered at each Council meeting.

The following review highlights a few of the most important areas of risk and the overall approach to managing those risks.

The most fundamental asset of the society is its reputation as an authoritative voice on all matters concerning veganism. This reputation underpins the society's ability to attract members and donations and to influence government, health professionals and the media.

### **Financial risks**

Investing resources in new areas always entails risk, so such decisions are particularly carefully reviewed as part of the annual planning process. The potential impact of substantial new spending proposals is assessed against cautiously projected reserves and monitored carefully by senior staff and Council.

### **Governance risks**

The Vegan Society is governed by its board of trustees ("Council"), made up of members who volunteer their time, dedication and commitment to ensure that the society pursues its mission effectively. These trustees are elected by the society's broad voting membership: every subscribing member who is a dietary vegan can vote in the election of trustees, and those aged 16 or over can stand as candidates for Council. This provides members with the opportunity to influence the direction of the society, and to hold Council to account.

However, governance risks may arise if the elected trustees are unable to fulfil their responsibilities. This could occur if Council did not have the appropriate skills or knowledge, or if there were excessive conflict (see 16 Complaints, resignations and a governance review).

Since 2017, two out of twelve posts on Council have been reserved for appointment by co-option if necessary to provide additional skills. These have not yet been utilised but Council did make four co-options in 2021 and believes this has confirmed the potential benefit of more active use of co-options.

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Since 2018, Council has also been required to inform members of the skills, experience, diversity and commitment needed by Council, in order to inform members' decisions regarding standing for election or voting on candidates, and thereby support appropriate skills being present among Council members. To this end, an audit of trustees' skills is now undertaken annually. Nevertheless, it is still possible that the current process for appointing trustees may not produce an ideal balance of skills and perspectives.

Trustees are required to stand down at the fourth AGM after election, or to ensure there are at least three vacancies at each AGM. High turnover of trustees can create issues with retention of knowledge and continuity. Conversely, low turnover can lead to stagnation and a lack of diversity. Typically, few resignations occur outside those required by our articles but 2021 was exceptional (See 16 Complaints, resignations and a governance review).

We look forward to a competitive election for trustee posts at the 2022 AGM, with at least five vacancies for appointment of new trustees.

#### **Mitigation**

##### ***Trademark misuse***

We have a website form for supporters to inform us of any misuse of the Vegan Trademark they might have encountered <https://www.vegansociety.com/vegan-trademark/report-trademark-logo-misuse>.

##### ***Nutritional information***

We have agreed statements on policy and general enquiries which are used to provide any public responses, e.g. media enquiries. Our dietitian, Heather Russell, updates our nutritional information on a regular basis and other key information is solidly evidence-based.

##### ***Social media policies***

The society also maintains a robust social media policy for its social media channels to ensure reasonable but clear actions against those who cause offence, repeatedly undermine the organisation or put the society at risk. The Vegan Society is mindful of the potential risks to the reputation of the organisation through its online social media forums and is active in monitoring the content of these platforms and managing any potential risks that arise. We recently approved a specific social media policy for trustees.

##### ***Spending level controls***

Purchase orders for more than £50,000 must be approved by Council unless covered by a previously approved budget, in which case they can be approved jointly by the CEO and Treasurer. Management accounts are produced every two months to monitor progress and are circulated to Council for review. These approvals levels will be reviewed in the future.

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### ***Covid-19***

The Covid-19 pandemic presented an unprecedented and unknown situation for The Vegan Society. Our infrastructure is such that we were able to relocate to home-working with minimal disruption. We took the difficult decision in 2020 to place some of our Communications, Campaigns, Policy and Research staff on to the Job Retention Scheme. As planned projects and events were postponed, workloads were diminishing and this decision reduced our expenditure. We have largely recovered from the impact of Covid but expect to retain a much greater level of working from home than before the pandemic – at any given time most staff will be working from home.

### ***Trustees***

Following consultation with members in 2016, the 2017 AGM made a number of constitutional changes to improve our governance: reserve two posts on Council for co-option; allow Council to remove a trustee with an appeal to an appeals committee; require all Council members to be committed to a vegan lifestyle; and allow a response by a proposer to a counterargument. Key decisions that could conflict with members' power to appoint directors (co-option and removal of directors and removal of a member) all require a 75% majority of all trustees.

The information that is sent to prospective trustees gives realistic information about the requirements of the role of trustee. This ensures that new trustees hold appropriate expectations and understanding of the role in order to minimise the number of trustees who resign shortly after joining Council.

We now hold biennial governance training days attended by trustees and senior management staff in order to promote communication and a shared focus within the organisation.

Maintaining an occupational requirement to be vegan for many of the posts within the organisation and ensuring that this is clearly communicated during the advertising and interviewing process ensures that our workforce is well informed on veganism, and personally committed to the objectives of the organisation. The occupational requirement to be vegan covers all senior management roles even if they are not outward-facing as well as all outward-facing roles. We are currently very successful in recruiting committed vegans.

We have adopted the Charity Governance Code for larger charities ([www.charitygovernancecode.org](http://www.charitygovernancecode.org)) as a tool to support continuous improvement. Specific issues in 2021 led to a governance review which is ongoing (more details in section 16).

## *16. Complaints, resignations and a governance review*

In December 2020, serious allegations were made on social media about two trustees, accompanied by a number of formal complaints to the society. Initial legal advice recommended an external investigation and, despite serious reservations from many trustees, that was the route we took, at an eventual cost of more than £40k in fees to lawyers. Dealing with the complaints interacted with and exacerbated differences among trustees, culminating in five resignations from Council in July 2021. Our CEO George Gill resigned at the end of 2020 but returned as Interim CEO at the beginning of 2022.

The trustees deeply regret that negative conflict among trustees led to a public split in the board and consequent adverse publicity for the society during 2021. This was a serious collective governance failure for which all the trustees on the board prior to the resignations must take responsibility. We are resolved to avoid such costs and disruption in the future by learning lessons from this experience.

The complaints, and our actions to address them, were reported to the Charity Commission as a serious incident and the Commission was kept informed of progress on this. A QC was engaged to investigate the complaints, but the QC's report was not available by the time of the AGM in May 2021. A proposal was put to the AGM to adjourn the meeting immediately, so as to prevent the results of the trustee election taking effect before the investigation process was complete and to avoid the possibility of allegations still under investigation influencing decisions at the AGM. This proposal was rejected by the members at the AGM and the election took effect (*for more detail see AGM minutes*).

The QC's report was received on 7 June 2021 and Council issued a statement on the report (<https://www.vegansociety.com/investigation-report>). Most complaints were not upheld, but the QC concluded that two social media posts by one trustee included unprofessional and inappropriate content. The QC's report included some general recommendations to Council, which Council agreed to seek to implement. The recommendations in most cases require considerable interpretation as they were not very prescriptive, and in one case required a motion to this AGM (to allow members to introduce restrictions on the length of time that individuals can serve as trustees).

On 24 June, having seen the report, the Charity Commission formally advised that the trustees should pursue mediation and carry out a governance review.

In July 2021, before planned mediation could take place, five trustees resigned and withdrew from the mediation. This prevented us from implementing that part of the Charity Commission advice, but we have established links to a mediation service which can be used if needed in the future, thus meeting one of the QC report's recommendations.

The 2017 Charity Governance Code recommended an external board performance review every three years and we had not yet had such a review, so an external governance review was being considered anyway. We set about conducting a

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governance review through three steps: co-opting additional trustees with relevant experience to enable the formation of a strong governance working group involving trustees and senior managers (*done*); getting expert advice from the Centre for Charity Effectiveness (*under way*); and an external review of updated processes against the Charity Governance Code (*to follow later in 2022*).

The trustees who resigned published resignation statements critical of the remaining trustees, which generated some media coverage and caused significant concern among staff and members. Most of the trustees who resigned also submitted formal complaints critical of all or some of the remaining trustees.

The remaining trustees followed advice that, in the best interests of The Vegan Society, they should not publicly contest the allegations being made by those who resigned nor retaliate with counter-allegations. We wish the former trustees well in their work to promote veganism.

Instead, four new trustees were co-opted, all of them unconnected with any of the remaining trustees. An email was sent to all members for whom we had email addresses, inviting applications for co-option. There was an excellent response, for which the existing trustees were very grateful. The co-opted trustees were all chosen to bring an independent perspective and relevant experience to help improve governance.

The co-options allowed the complaints from trustees who had resigned to be considered independently of the remaining trustees who were subjects of these complaints. This process drew on the extensive and varied experience of the co-opted trustees and did not involve any further costs to the society. The complaints from the former trustees were not upheld.

The experience of dealing with an unprecedented year of complaints led to the development of a new complaints policy for the society (<https://www.vegansociety.com/complaints-procedure>). This also fulfilled one of the QC report recommendations. A new social media policy for trustees was also approved, fulfilling another of the QC report recommendations. We believe that these new policies place the society in a much better position to deal with any future complaints and disputes, while reducing the risk that these will arise in relation to trustees' social media content.

The current trustees have put considerable effort into considering and applying the advice from the Charity Commission and the recommendations from the QC report and taking other actions to improve governance, including the joint trustee/staff working group mentioned earlier.

We have already made considerable progress with implementing the advice and recommendations that we have received and there are motions to this AGM to continue the process. An expert from the Centre for Charity Effectiveness is working with trustees and senior management to help improve our governance. We expect to have addressed all the recommendations from both the Charity Commission and the

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QC's report by the end of 2022, but there may be further motions to the 2023 AGM in the light of the ongoing governance review and of decisions at the 2022 AGM.

### *17. Equality, Diversity and Inclusion (EDI)*

The complaints in 2020-21 included allegations of racism, with some former trustees featuring both as complainants and as subjects of complaints. When the complaints were formally considered, *none* of these allegations were upheld.

One aspect of the conflict among trustees related to how the society should respond to exploitation of humans by humans. As set out in our Intersectionality policy and our Equal Opportunity and Diversity policy, we are committed to avoiding all forms of discrimination in our activities and to making our charitable services accessible to all, recognising and welcoming human diversity of all forms.

While applauding the essential work done by many excellent human rights organisations, this board considers that the value of The Vegan Society lies in working to end the exploitation of non-human animals (who cannot represent themselves), and for the consequent improvement of the environment for all living things. We believe The Vegan Society is well-placed to win ground in a world growing ever more aware of the cruelty of animal agriculture and the harm it does to every one of us. We are eager to carry on with that work together with our members and other stakeholders.

The Vegan Society staff and trustees wholeheartedly recognise the importance of promoting equality, diversity and inclusion in carrying out our work. We are not in a position to judge the inner thoughts of individuals, conscious or otherwise, but we are able objectively to quantify disparities relating to our work and to look for improvement opportunities.

We have made a start on sharing such objective measures, as shown in the following.

#### *Composition of Council*

We have compiled records of all society trustees since 2000 and know their apparent sex, their age and in almost all cases their ethnicity. This allowed us to look at the composition of Council over time.

Over the period 2000 to 2015, 5% were people of colour, 64% were male, and the average age was 48. From 2016 until now, 23% were people of colour, 60% were male and the average age was 53. Among the current trustees, 33% are people of colour, 67% are male and the average age is 59. Before the recent resignations 30% were people of colour, 50% were male and the average age was 52.

The average age of all charity trustees in the UK is about 61. The average age of the UK adult population is about 49 and the average age of The Vegan Society's members is similar. However, based on the society's surveys through Ipsos Mori, the average age of adult vegans in the UK is about 37. Including more younger trustees

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would make us more representative of the current UK vegan population without detracting from being representative of our members and the overall population.

The average percentage of charity trustees in the UK who are male is 64%, so we are unsatisfactorily typical in this respect. Furthermore, both for our members and for vegans in the UK, the proportion of females is close to two-thirds. Including more females would therefore make us more representative in every way: relative to the general population, the overall vegan population and our own members. We welcome non-binary trustees but we have insufficient information to comment on what proportion would be representative.

The average percentage of trustees in the UK who are people of colour is about 8%. The percentage of people of colour in the UK adult population is about 12%. The percentage among adult vegans, based on Vegan Society surveys, is about 18%. Recent representation of people of colour on Council is higher than all these values. We do not have data on the ethnicity of our own members, but based on more detailed examination of past trustees, more *women* of colour and more people of colour with ethnic backgrounds beyond the Indian subcontinent would make Council more fully representative of the current UK vegan population.

This analysis partly fulfils another of the QC report recommendations. We acknowledge and regret that the recent resignations had an adverse impact on the diversity and representativeness of Council and we are committed to continuing to monitor the composition of Council and to promoting a representative and diverse Council.

### *Employee pay gaps*

We have used demographic information from our HR system along with payroll data to calculate pay gaps for current employees. Pay for part-time employees is adjusted to a full time equivalent salary so that we are effectively comparing hourly rates. The calculations do not include individuals who have missing gender or ethnicity data in our HR system. We do not report a pay gap for groups containing less than five people as these are unlikely to be meaningful and would risk disclosing information about individuals. For this reason we do not report a breakdown by quartiles of income, but just report the mean and median pay gaps.

A positive pay gap for a group means that group is paid *less* than the reference group. The median gap reflects the middle of the salary distribution for each group while the mean gap is more sensitive to the higher salaries in the distribution.

ethnicity	percent in group	mean pay gap	median pay gap
Other	16%	-6%	3%
White British	74%	0%	0%
White Other	10%	6%	2%

The Vegan Society  
Trustees' Annual Report for the year ended 31 December 2021

gender	percent in group	mean pay gap	median pay gap
Man	15%	0%	0%
Non Binary	1%		
Woman	83%	11%	6%

We plan to report these pay gaps regularly and will investigate any gap that seems to extend beyond expected random variation. The gaps above are all consistent with random variation, so do not indicate any systematic disparity in pay. For example, the gaps would fluctuate if the CEO in the calculation was a White British woman (as last year) rather than an Indian man (as at the time the report was prepared).

Monitoring over time will allow us to drill down to more specific ethnic groups and to detect relatively small but potentially systematic differences between the broad groups above.

The high proportion of women among our employees is consistent with the high proportion of women among vegans (about two thirds) along with the fact that 60% of the workforce in the UK charity sector are women.

The ethnicity proportions are reasonably consistent with the UK population but the proportion of the "Other" group is much lower than for Birmingham where we are based and is also slightly lower than for vegans in the UK. We aim to identify and remove any barriers to a fully representative workforce.

#### *Ongoing work on EDI*

During 2021 the society worked with Diverse Matters Limited on a diversity and inclusion audit, and staff are updating internal HR policies drawing on the report from that audit.

Both staff and trustees are taking relevant training on EDI and trustees expect to approve an EDI strategy for the society as a whole by the end of 2022. This will meet another of the QC report recommendations.

We recognise that there are many opportunities to do better to meet the needs of all in our work to promote veganism. Council has appointed a trustee EDI Champion to support other trustees in ensuring that equality, diversity and inclusion are embedded in Council's decision-making.

### ***18. Statement of responsibilities of the trustees***

The trustees (who are also directors of The Vegan Society 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).

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Trustees' Annual Report for the year ended 31 December 2021

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

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities Statement of Recommended Practice (SORP).
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable United Kingdom 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 an ongoing 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 the financial position of the charitable company at any time 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.

As far as the trustees are aware:

There is no relevant audit information of which the charitable company's auditors are unaware.

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 auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees (voting members) on 31 December 2021 was 7,616. The trustees are members of the charity, but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

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Trustees' Annual Report for the year ended 31 December 2021

### **Auditors**

Third Sector Accountancy Limited were reappointed as the charitable company's auditors at the 2020 AGM and have expressed their willingness to continue as auditors. However, as they have been our auditors for longer than is usual there is a proposal to this year's AGM to appoint Locke Williams Associates LLP as our auditors. We thank Third Sector Accountancy Limited for their challenging scrutiny and careful advice over many years.

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

### **Thank you**

Donations from members and supporters enable the society to help new vegans; support existing vegans and influence those with a responsibility for vegans, e.g. in care homes, hospitals and vulnerable situations. The more non-vegan products are replaced with vegan versions, and the more mainstream veganism becomes, the more we help our ultimate beneficiaries: the millions of non-human animals exploited by humans. We are grateful to all who have helped us with donations and to our volunteers who have given a substantial amount of their time.

The trustees' annual report was approved by the trustees on 07 April 2022 and signed on their behalf by

*Stephen Walsh*

Stephen Walsh

*Chair, The Vegan Society*

# Independent auditor's report to the members and the trustees of The Vegan Society

## Opinion

We have audited the financial statements of The Vegan Society (the 'parent charitable company') and its subsidiary ('the group') for the year ended 31 December 2021 which comprise the Consolidated Statement of Financial Activities, the Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at [date] 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;
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

## 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 parent 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 directors with respect to going concern are described in the relevant sections of this report.

## **Independent auditor's report to the members and the trustees of The Vegan Society**

### **Other information**

The other information comprises the information included in the trustees report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information.

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.

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

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

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

In the light of the 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 included within the trustees' report.

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

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' 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 trustees' report and from the requirement to prepare a strategic report.

## **Independent auditor's report to the members and the trustees of The Vegan Society**

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on pages 32 to 33, the trustees (who are also 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 the 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**

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Based on our understanding of the group and environment in which it operates, we identified the principal risks of non-compliance with laws and regulations related to pension legislation, tax legislation, employment legislation, health and safety legislation, data protection, and other legislation specific to the sector in which the group operates, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the reporting requirements under the Charities SORP and FRS102, and the Charities Act 2011.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principle risks were related to the pressure on management to achieve particular results. Audit procedures performed by the group engagement team included:

## Independent auditor's report to the members and the trustees of The Vegan Society

- Review of correspondence with the regulators and with legal advisors;
- Discussions with management including consideration of known or suspected instances of non-compliance;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journal entries; and
- Challenging assumptions and judgments made by management.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of the audit 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 Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and 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 and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*P Morrello*

Patrick Morrello (Senior Statutory Auditor)  
For and on behalf of Third Sector Accountancy Limited, Statutory Auditor  
Holyoake House  
Hanover Street  
Manchester  
M60 0AS

Date:

19 / 04 / 2022

The Vegan Society  
Group Statement of Financial Activities  
(including Income and Expenditure account)  
for the year ended 31 December 2021

	Note	Unrestricted funds £	Restricted funds £	Total funds 2021 £	Unrestricted funds £	Restricted funds £	Total funds 2020 £
<b>Income from:</b>							
Donations and legacies	3	232,207	-	232,207	451,533	-	451,533
Charitable activities	4	3,738,631	-	3,738,631	2,993,109	-	2,993,109
Other trading activities	5	12,891	-	12,891	4,999	-	4,999
Investments	6	1,967	-	1,967	22,314	-	22,314
<b>Total income</b>		<b>3,985,696</b>	<b>-</b>	<b>3,985,696</b>	<b>3,471,955</b>	<b>-</b>	<b>3,471,955</b>
<b>Expenditure on:</b>							
Raising funds	7	54,417	-	54,417	66,658	-	66,658
Charitable activities:	8	4,128,840	7,000	4,135,840	3,104,879	-	3,104,879
<b>Total expenditure</b>		<b>4,183,257</b>	<b>7,000</b>	<b>4,190,257</b>	<b>3,171,537</b>	<b>-</b>	<b>3,171,537</b>
<b>Net income/(expenditure) before net gains/(losses) on investments</b>		<b>(197,561)</b>	<b>(7,000)</b>	<b>(204,561)</b>	<b>300,418</b>	<b>-</b>	<b>300,418</b>
Unrealised gains/(losses) on investments		12,407	-	12,407	(21,217)	-	(21,217)
<b>Net income/(expenditure) for the year</b>	10	<b>(185,154)</b>	<b>(7,000)</b>	<b>(192,154)</b>	<b>279,201</b>	<b>-</b>	<b>279,201</b>
<b>Net movement in funds for the year</b>		<b>(185,154)</b>	<b>(7,000)</b>	<b>(192,154)</b>	<b>279,201</b>	<b>-</b>	<b>279,201</b>
<b>Reconciliation of funds</b>							
Total funds brought forward		2,076,096	13,884	2,089,980	1,796,895	13,884	1,810,779
<b>Total funds carried forward</b>		<b>1,890,942</b>	<b>6,884</b>	<b>1,897,826</b>	<b>2,076,096</b>	<b>13,884</b>	<b>2,089,980</b>

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

The Vegan Society  
Company number 1468882  
Balance Sheets  
as at 31 December 2021

		The group		The Charity	
	Note	2021 £	2020 £	2021 £	2020 £
<b>Fixed assets</b>					
Tangible assets	15	305,877	309,344	305,877	309,344
Intangible assets	16	65,266	1,907	65,266	1,907
Investments	17	97,989	85,582	97,989	85,582
<b>Total fixed assets</b>		<b>469,132</b>	<b>396,833</b>	<b>469,132</b>	<b>396,833</b>
<b>Current assets</b>					
Stock	20	201,532	24,085	83,781	24,085
Debtors	21	584,179	845,830	286,098	845,830
Cash at bank and in hand		1,135,369	1,232,511	821,032	1,232,511
<b>Total current assets</b>		<b>1,921,080</b>	<b>2,102,426</b>	<b>1,190,911</b>	<b>2,102,426</b>
<b>Liabilities</b>					
Creditors: amounts falling due in less than one year	22	(492,386)	(409,279)	(169,766)	(409,279)
<b>Net current assets</b>		<b>1,428,694</b>	<b>1,693,147</b>	<b>1,021,145</b>	<b>1,693,147</b>
<b>Total assets less current liabilities</b>		<b>1,897,826</b>	<b>2,089,980</b>	<b>1,490,277</b>	<b>2,089,980</b>
<b>Net assets</b>		<b>1,897,826</b>	<b>2,089,980</b>	<b>1,490,277</b>	<b>2,089,980</b>
<b>Funds of the charity:</b>					
Restricted income funds	23	6,884	13,884	6,884	13,884
Unrestricted income funds	24	1,890,942	2,076,096	1,483,393	2,076,096
<b>Total charity funds</b>		<b>1,897,826</b>	<b>2,089,980</b>	<b>1,490,277</b>	<b>2,089,980</b>

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.

The notes on pages 42 to 62 form part of these accounts.

Approved by the trustees on 07 April 2022 and signed on their behalf by:

  
Stephen Walsh

  
David Gore

The Vegan Society

Consolidated Statement of Cash Flows  
for the year ending 31 December 2021

	Note	2021 £	2020 £
<b>Cash provided by/(used in) operating activities</b>	27	<b>(32,528)</b>	<b>151,630</b>
<hr/>			
<i>Cash flows from investing activities:</i>			
Dividends, interest, and rents from investments		1,967	22,314
Purchase of tangible fixed assets		(66,581)	(4,101)
<hr/>			
<b>Cash provided by/(used in) investing activities</b>		<b>(64,614)</b>	<b>18,213</b>
<hr/>			
Increase/(decrease) in cash and cash equivalents in the year		(97,142)	169,843
Cash and cash equivalents at the beginning of the year		1,232,511	1,062,668
<hr/>			
<b>Total cash equivalents at the end of the year</b>		<b>1,135,369</b>	<b>1,232,511</b>
<hr/> <hr/>			

## **1 Accounting policies**

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

### **a Basis of preparation**

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 in October 2019 - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The Vegan Society meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

### **b Group financial statements**

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary The Vegan Society Trading International Ltd on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure account are not presented for the charity itself following exemptions afforded by section 408 of the Companies Act 2006.

### **c Preparation of the accounts on a going concern basis**

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

### **d Judgments and estimates**

The trustees have estimated the fair value of the investment property to be £300,000 at the year end, but they do not consider that this estimation uncertainty at the reporting date has a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next reporting period.

Notes to the accounts for the year ended 31 December 2021 (continued)

**e Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other 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 charity 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.

Income received in advance of a provision of a specified service is deferred until the criteria for income recognition are met. Membership subscriptions, including life subscriptions, are non-refundable and are in substance donations rather than payments for goods and services. They are therefore recognised as income when they are received.

**f Donated services and facilities**

There were no donated professional services or facilities. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised; refer to the trustees' annual report for more information about their contribution.

**g Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

**h Fund accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

Notes to the accounts for the year ended 31 December 2021 (continued)

**i Expenditure and irrecoverable VAT**

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:

- Costs of raising funds comprise the costs of the membership scheme and non-primary purpose trading and associated support costs.
- Expenditure on charitable activities includes the costs of communications and outreach, trademark, and primary purpose trading undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

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

**j 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 back office costs, finance, personnel, payroll and governance costs which support the charity's programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 9.

**k Operating leases**

Operating leases are leases in which the title to the assets, and the risks and rewards of ownership, remain with the lessor. Rental charges are charged on a straight line basis over the term of the lease.

**l Tangible fixed assets**

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Furniture and equipment	10 years
Computer equipment	3 to 5 years

The long leasehold property is an investment property and is included within tangible fixed assets. It is included in the balance sheet at its fair value at the balance sheet date, and changes in its fair value are recognised in the Statement of Financial Activities.

**m Intangible fixed assets**

Website and database software development costs are capitalised when they are of enduring economic benefit to the charity. They are depreciated on a straight line basis over 3 to 5 years.

Notes to the accounts for the year ended 31 December 2021 (continued)

**n Fixed asset investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

**o Stock**

Stock is included at the lower of cost or net realisable value. In general, cost is determined on a first in, first out basis. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving, and defective stocks. Where stock is intended to be donated to beneficiaries for charitable purposes, its net realisable value is deemed to be its cost to the charity.

**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 Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**r 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.

**s Financial instruments**

The charity only has financial assets and financial 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Notes to the accounts for the year ended 31 December 2021 (continued)

**t Pensions**

Employees of the charity are entitled to join a defined contribution scheme. The charity's contribution is restricted to the contributions disclosed in note 11. There were no outstanding contributions at the year end (2020: £12,746). The costs of the defined contribution scheme are included within support and governance costs and allocated to the funds of the charity using the methodology set out in note 9.

**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 £1 per member of the charity. The registered office address is disclosed on page 1.

# The Vegan Society

## Notes to the accounts for the year ended 31 December 2021 (continued)

### 3 Income from donations and legacies

	Unrestricted £	Restricted £	Total 2021 £	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>Total 2020</i> £
Donations	50,961	-	50,961	29,976	-	29,976
Gift Aid	28,349	-	28,349	29,799	-	29,799
Subscriptions	227,392	-	227,392	227,282	-	227,282
Grants	-	-	-	42,925	-	42,925
Legacies	16,501	-	16,501	121,551	-	121,551
Adjustment to legacy receivable included in previous year	(90,996)	-	(90,996)	-	-	-
<b>Total</b>	<b>232,207</b>	<b>-</b>	<b>232,207</b>	<b>451,533</b>	<b>-</b>	<b>451,533</b>

### 4 Income from charitable activities

	Unrestricted £	Restricted £	Total 2021 £	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>Total 2020</i> £
Sales of material promoting veganism	849,545	-	849,545	887,302	-	887,302
The Vegan magazine	17,212	-	17,212	13,932	-	13,932
Trademark (product authentication)	2,871,874	-	2,871,874	2,091,875	-	2,091,875
<b>Total</b>	<b>3,738,631</b>	<b>-</b>	<b>3,738,631</b>	<b>2,993,109</b>	<b>-</b>	<b>2,993,109</b>

# The Vegan Society

## Notes to the accounts for the year ended 31 December 2021 (continued)

### 5 Income from other trading activities

	Unrestricted £	Restricted £	2021 £	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>2020</i> £
Affinity commission	1,440	-	1,440	1,950	-	1,950
Ancillary sales	1,413	-	1,413	837	-	837
Publication licensing	389	-	389	430	-	430
Sales commission	-	-	-	812	-	812
Other trading activities	9,649	-	9,649	970	-	970
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	12,891	-	12,891	4,999	-	4,999
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

### 6 Investment income

	Unrestricted £	Restricted £	Total 2021 £	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>Total 2020</i> £
Income from bank deposits	1,967	-	1,967	2,814	-	2,814
Rent - investment property	-	-	-	19,500	-	19,500
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	1,967	-	1,967	22,314	-	22,314
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

# The Vegan Society

## Notes to the accounts for the year ended 31 December 2021 (continued)

### 7 Cost of raising funds

	Unrestricted £	Restricted £	2021 £	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>2020</i> £
Fundraising: staff costs	39,366	-	39,366	38,239	-	38,239
Fundraising: direct costs	-	-	-	11,668	-	11,668
Cost of non-primary purpose sales	435	-	435	970	-	970
Marketing and outreach costs	157	-	157	-	-	-
Other costs	(111)	-	(111)	-	-	-
Governance costs (see note 9)	1,890	-	1,890	823	-	823
Support costs (see note 9)	12,680	-	12,680	14,958	-	14,958
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	54,417	-	54,417	66,658	-	66,658
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The Vegan Society

Notes to the accounts for the year ended 31 December 2021 (continued)

8 Analysis of expenditure on charitable activities

	Communications and Outreach Programmes £	Sales of material promoting veganism £	Trademark (product authentication) £	Total 2021 £	Communicatio ns and Outreach Programmes £	Sales of material promoting veganism £	Trademark (product authentication) £	Total 2020 £
Staff costs	701,330	62,796	980,914	1,745,040	605,515	65,423	595,946	1,266,884
Project costs	699,225	71,766	353,756	1,124,747	444,529	50,456	183,192	678,177
Donations	7,000	23,675	-	30,675	-	-	-	-
Cost of sales	37,740	551,771	-	589,511	36,853	605,638	-	642,491
Governance costs (see note 9)	33,664	3,014	47,085	83,763	12,743	1,408	12,824	26,975
Support costs (see note 9)	225,909	20,228	315,967	562,104	231,642	25,592	233,118	490,352
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	1,704,868	733,250	1,697,722	4,135,840	1,331,282	748,517	1,025,080	3,104,879
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted	7,000	-	-	7,000	-	-	-	-
Unrestricted	1,697,868	733,250	1,697,722	4,128,840	1,331,282	748,517	1,025,080	3,104,879
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	1,704,868	733,250	1,697,722	4,135,840	3,104,879	748,517	1,025,080	3,104,879
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The Vegan Society

Notes to the accounts for the year ended 31 December 2021 (continued)

9 Analysis of governance and support costs

	Support £	Governance £	Total 2021 £	Support £	Governance £	Total 2020 £
Travel, meetings, recruitment and training	41,151	3,939	45,090	17,943	1,178	19,121
Staff costs	237,845	17,065	254,910	219,691	16,175	235,866
IT costs	104,438	1,440	105,878	72,970	120	73,090
Equipment	10,386	-	10,386	9,029	-	9,029
Premises costs	95,691	-	95,691	92,794	-	92,794
Office expenses	16,192	392	16,584	14,964	4,022	18,986
Outreach costs	-	-	-	172	-	172
Professional fees	30,977	57,818	88,795	40,061	5,955	46,016
Governance and finance	29,593	5,000	34,593	23,515	348	23,863
Other support costs	1,821	-	1,821	-	-	-
Depreciation	6,689	-	6,689	14,171	-	14,171
	<u>574,783</u>	<u>85,654</u>	<u>660,437</u>	<u>505,310</u>	<u>27,798</u>	<u>533,108</u>

All governance and support costs are allocated to activities in the same proportion as staff costs allocated to those activities.

Allocated to activities as follows:

	Support £	Governance £	Total 2021 £	Support £	Governance £	Total 2020 £
Cost of raising funds	12,680	1,890	14,570	14,958	823	15,781
Charitable activities						
Communications and outreach	225,909	33,664	259,573	231,642	12,743	244,385
Sales of materials promoting veganism	20,228	3,014	23,242	25,592	1,408	27,000
Trademark (product authentication)	315,967	47,085	363,052	233,118	12,824	245,942
	<u>574,784</u>	<u>85,653</u>	<u>660,437</u>	<u>505,310</u>	<u>27,798</u>	<u>533,108</u>

# The Vegan Society

## Notes to the accounts for the year ended 31 December 2021 (continued)

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

This is stated after charging/(crediting):	2021	2020
	£	£
Depreciation of tangible fixed assets	5,248	10,318
Depreciation of intangible fixed assets	1,441	3,856
Operating lease rentals:		
Property	48,750	54,031
Other	4,718	4,994
Net (gains) / losses on foreign exchange	48,089	31,169
(Profit) / loss on fair value movement of investment property	-	35,000
(Profit) / loss on fair value movement of investments	(12,035)	(13,888)
Auditor's remuneration - audit fees	5,000	4,000
Auditor's remuneration - accountancy fees	2,850	1,500
	<hr/>	<hr/>

### 11 Staff costs

Staff costs during the year were as follows:

	2021	2020
	£	£
Wages and salaries	1,731,411	1,293,016
Social security costs	165,727	119,045
Pension costs	98,478	70,518
Other staff costs	3,647	3,454
Contract staff	40,053	41,613
	<hr/>	<hr/>
	2,039,316	1,527,646
	<hr/>	<hr/>

#### Allocated as follows:

Cost of raising funds	39,366	38,239
Charitable activities		
Communications and outreach	701,330	592,172
Sales of material promoting veganism	62,796	65,423
Trademark (product authentication)	980,914	595,946
Support costs	237,845	219,691
Governance costs	17,065	16,175
	<hr/>	<hr/>
	2,039,316	1,527,646
	<hr/>	<hr/>

# The Vegan Society

## Notes to the accounts for the year ended 31 December 2021 (continued)

### Staff costs (continued)

One employee has employee benefits in excess of £60,000 (2020: 1).

The average number of staff employed by the group during the period was 61 (2020: 47).

The average full time equivalent number of staff employed by the group during the period was 58 (2020: 45).

The average number of staff employed by the charity during the period was 29 (2020: 47).

The average full time equivalent number of staff employed by the charity during the period was 27 (2020: 45).

The key management personnel of the charity comprise the trustees (unremunerated), the Chief Executive Officer, the Director of Business Development and the Heads of Department. The total employee benefits of the key management personnel of the charity were £278,668 (2020: £205,618).

### 12 Trustee remuneration and expenses, and related party transactions

Neither the management committee nor any persons connected with them received any remuneration or reimbursed expenses during the year (2020: Nil).

No member of the management committee received travel and subsistence expenses during the year (2020: five received £701).

There were no donations with conditions from related parties (2020: £Nil).

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, including guarantees, during the year (2020: nil).

During the year, the subsidiary company paid a management charge to the parent charity of £237,668 (2020: Nil) and a donation of £676,896 (2020: Nil).

### 13 Government grants

The government grants recognised in the accounts were as follows:

	2021 £	2020 £
Coronavirus Job Retention Scheme	-	42,943
	<hr/>	<hr/>
	-	42,943
	<hr/>	<hr/>

There were no unfulfilled conditions and contingencies attaching to the grant.

# The Vegan Society

## Notes to the accounts for the year ended 31 December 2021 (continued)

### 14 Corporation tax

The charity is exempt from tax on income and gains falling within Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

The charity's trading subsidiary The Vegan Society Trading International Ltd gift aids available profits to the parent charity. Its charge to corporation tax in the year was:

	2021 £	2020 £
UK corporation tax at 20% (2020: 20%)	-	-

### 15 Fixed assets: tangible assets

#### The group

	Investment property (long leasehold) £	Office equipment £	Computer equipment £	Total £
<b>Cost</b>				
At 1 January 2021	300,000	70,460	-	370,460
Additions	-	1,781	-	1,781
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December	300,000	72,241	-	372,241
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>				
At 1 January 2021	-	61,116	-	61,116
Charge for the year	-	5,248	-	5,248
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December	-	66,364	-	66,364
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net book value</b>				
At 31 December	300,000	5,877	-	305,877
	<hr/>	<hr/>	<hr/>	<hr/>
<i>At 31 December</i>	<i>300,000</i>	<i>9,344</i>	<i>-</i>	<i>309,344</i>
	<hr/>	<hr/>	<hr/>	<hr/>

# The Vegan Society

## Notes to the accounts for the year ended 31 December 2021 (continued)

### Fixed assets: tangible assets (continued)

<b>The charity</b>	Investment property (long leasehold)	Office equipment	Computer equipment	Total
<b>Cost</b>	£	£	£	£
At 1 January 2021	300,000	70,460	-	370,460
Additions	-	1,781	-	1,781
At 31 December	300,000	72,241	-	372,241
<b>Depreciation</b>				
At 1 January 2021	-	61,116	-	61,116
Charge for the year	-	5,248	-	5,248
At 31 December	-	66,364	-	66,364
<b>Net book value</b>				
At 31 December	300,000	5,877	-	305,877
<i>At 31 December</i>	<i>300,000</i>	<i>9,344</i>	<i>-</i>	<i>309,344</i>

The investment property is held at valuation in the accounts. The historic cost is £190,000, and its net book value under the historic cost convention would have been £143,047.  
The property is valued at its market value as determined by an independent valuer.

# The Vegan Society

## Notes to the accounts for the year ended 31 December 2021 (continued)

### 16 Fixed assets: intangible assets

#### The group

Cost	Website and Database £
At 1 January 2021	54,816
Additions	64,800
	<hr/>
At 31 December	119,616
	<hr/> <hr/>
<b>Depreciation</b>	
At 1 January 2021	52,909
Charge for the year	1,441
	<hr/>
At 31 December	54,350
	<hr/> <hr/>
<b>Net book value</b>	
At 31 December	65,266
	<hr/> <hr/>
<i>At 31 December</i>	<i>1,907</i>
	<hr/> <hr/>

# The Vegan Society

## Notes to the accounts for the year ended 31 December 2021 (continued)

### Fixed assets: intangible assets (continued)

#### The charity

Cost	Website and Database £
At 1 January 2021	54,816
Additions	64,800
	<hr/>
At 31 December	119,616
	<hr/>
<b>Depreciation</b>	
At 1 January 2021	52,909
Charge for the year	1,441
	<hr/>
At 31 December	54,350
	<hr/>
<b>Net book value</b>	
At 31 December	65,266
	<hr/>
<i>At 31 December</i>	<i>1,907</i>
	<hr/>

### 17 Investments

	The group		The charity	
	2021	2020	2021	2020
	£	£	£	£
Market value at the start of the year	85,582	71,694	85,582	71,694
Add net gain/(loss) on revaluation	12,407	13,888	12,407	13,888
	<hr/>	<hr/>	<hr/>	<hr/>
Market value at the end of the year	97,989	85,582	97,989	85,582
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Investments comprised:</b>				
Equities	97,989	85,582	97,989	85,582
	<hr/>	<hr/>	<hr/>	<hr/>

Investments are all carried at fair value and are all traded in quoted public markets except the shares in the subsidiary undertaking.

# The Vegan Society

## Notes to the accounts for the year ended 31 December 2021 (continued)

### 18 Subsidiary undertaking

The charitable company owns the whole of the issued ordinary share capital of The Vegan Society Trading International Ltd, a company registered in England. The subsidiary can be used for non-primary purpose trading activities, without the limit of £80,000 in total that applies to the charity itself, as well as for primary purpose trading. All its trading activities must support and promote veganism and have been approved by the society trustees. The subsidiary was set up during the previous financial year but was dormant for that period and had no significant assets and liabilities.

Available profits are gift aided to the charitable company. A summary of the results of the subsidiary is shown below:

Profit and loss account	2021 £	2020 £
Turnover	2,780,584	-
Cost of sales	(395,954)	-
Administration costs	(1,062,517)	-
Management charge (from parent)	(237,668)	-
	<hr/>	<hr/>
Net profit	£ 1,084,445	£ -
	<hr/> <hr/>	<hr/> <hr/>
 Balance sheet	 2021 £	 2020 £
Current assets	730,170	1
Creditors due in less than one year	(322,620)	-
	<hr/>	<hr/>
	£407,550	£1
	<hr/> <hr/>	<hr/> <hr/>
Called up share capital	1	1
Profit and loss account	1,084,445	-
Less: donation to parent	(676,896)	-
	<hr/>	<hr/>
	£407,550	£1
	<hr/> <hr/>	<hr/> <hr/>

# The Vegan Society

## Notes to the accounts for the year ended 31 December 2021 (continued)

### 19 Parent charity

The parent charity's gross income and the results for the year are disclosed as follow:

	2021 £	2020 £
Gross income	2,132,082	3,471,955
Surplus/(deficit) for the year	(599,702)	279,201

### 20 Stock

	The group		The charity	
	2021 £	2020 £	2021 £	2020 £
Goods for resale	201,532	24,085	83,781	24,085

### 21 Debtors

	The group		The charity	
	2021 £	2020 £	2021 £	2020 £
Trade debtors	314,248	219,549	24,476	219,549
Other debtors	173,094	436,332	173,094	436,332
Prepayments and accrued income	96,837	189,949	88,528	189,949
	584,179	845,830	286,098	845,830

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

	The group		The charity	
	2021 £	2020 £	2021 £	2020 £
Trade creditors	147,969	146,445	126,610	146,445
Other creditors and accruals	51,383	53,354	10,740	53,354
Deferred sales income	198,435	150,833	-	150,833
Taxation and social security costs	94,599	58,647	32,416	58,647
	492,386	409,279	169,766	409,279

Deferred sales income represents trademark sales invoiced, where the trademark certificate has not yet been issued.

# The Vegan Society

## Notes to the accounts for the year ended 31 December 2021 (continued)

### 23 Analysis of movements in restricted funds

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2021 £
<b>Funds</b>					
The international					
Outreach Fund	7,884	-	(7,000)	-	884
Vehicle fund	6,000	-	-	-	6,000
<b>Total</b>	<b>13,884</b>	<b>-</b>	<b>(7,000)</b>	<b>-</b>	<b>6,884</b>

#### Previous reporting period

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2020 £
<b>Funds</b>					
<i>The International</i>					
Outreach Fund	7,884	-	-	-	7,884
Vehicle fund	6,000	-	-	-	6,000
<b>Total</b>	<b>13,884</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,884</b>

Name of	Description, nature and purposes of the fund
The International Outreach Fund	The International Outreach Fund was established in 2006-07. It can only be used to support the promotion of veganism in developing countries with low GDP per capita. From 2013-14, this has been done through the grants system and by individual projects detailed in annual plans.
Vehicle fund	for the purpose of acquiring a vehicle for the use of the charity

# The Vegan Society

## Notes to the accounts for the year ended 31 December 2021 (continued)

### 24 Analysis of movement in unrestricted funds

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers £	As at 31 December 2021 £
General fund	2,064,845	3,998,103	(4,183,257)	(59,892)	1,819,799
Designated property assets	11,251	-	-	59,892	71,143
	<u>2,076,096</u>	<u>3,998,103</u>	<u>(4,183,257)</u>	<u>-</u>	<u>1,890,942</u>
<b>Previous reporting period</b>	<i>Balance at 1 January 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers £</i>	<i>As at 31 December 2020 £</i>
General fund	1,774,452	3,450,738	(3,171,537)	11,192	2,064,845
Designated property assets	22,443	-	-	(11,192)	11,251
	<u>1,796,895</u>	<u>3,450,738</u>	<u>(3,171,537)</u>	<u>-</u>	<u>2,076,096</u>
<b>Name of</b>	<b>Description, nature and purposes of the fund</b>				
General fund	The free reserves after allowing for all designated funds				
Designated property assets	The fixed assets are essential for the future operation of the charity and so are excluded from free reserves.				

# The Vegan Society

## Notes to the accounts for the year ended 31 December 2021 (continued)

### 25 Analysis of group net assets between funds

#### Current reporting period

	General fund £	Designated funds £	Restricted funds £	Total £
Tangible fixed assets	300,000	5,877	-	305,877
Intangible fixed assets	-	65,266	-	65,266
Fixed asset investments	97,989	-	-	97,989
Net current assets/(liabilities)	1,421,810	-	6,884	1,428,694
Total	1,819,799	71,143	6,884	1,897,826

#### Previous reporting period

	General fund £	Designated funds £	Restricted funds £	Total £
Tangible fixed assets	300,000	9,344	-	309,344
Intangible fixed assets	-	1,907	-	1,907
Fixed asset investments	85,582	-	-	85,582
Net current assets/(liabilities)	1,679,263	-	13,884	1,693,147
Total	2,064,845	11,251	13,884	2,089,980

## 26 Operating lease commitments

The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property		Equipment	
	2021	2020	2021	2020
	£	£	£	£
Less than one year	8,333	50,000	1,952	5,173
One to five years	-	8,333	1,272	5,736
	<hr/>	<hr/>	<hr/>	<hr/>
	8,333	58,333	3,224	10,909
	<hr/>	<hr/>	<hr/>	<hr/>

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property		Equipment	
	2021	2020	2021	2020
	£	£	£	£
Less than one year	8,333	50,000	1,952	5,173
One to five years	-	8,333	1,272	5,736
	<hr/>	<hr/>	<hr/>	<hr/>
	8,333	58,333	3,224	10,909
	<hr/>	<hr/>	<hr/>	<hr/>

## 27 Reconciliation of net movement in funds to net cash flow from operating activities

	2021	2020
	£	£
<b>Net income/(expenditure) for the year</b>	(192,154)	279,201
<b>Adjustments for:</b>		
Depreciation charge	6,689	14,171
Loss/(profit) on sale of fixed assets	-	1,120
(Gains)/losses on investments	(12,407)	(13,888)
(Gains)/losses on investment property	-	35,000
Dividends, interest and rents from investments	(1,967)	(22,314)
Decrease/(increase) in stock	(177,447)	(2,251)
Decrease/(increase) in debtors	261,651	(315,703)
Increase/(decrease) in creditors	83,107	176,294
	<hr/>	<hr/>
<b>Net cash provided by/(used in) operating</b>	(32,528)	151,630
	<hr/>	<hr/>