



Registered Company No: 02673194

Charity No: 1018643

SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

(A Company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2010

SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

(A Company limited by guarantee)

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Trustees' Report and Financial Statements For the year ended 31 March 2010

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For the year ended 31 March 2010

Trustees

David Barling
Myles Bremner
Peta Cottee (resigned 5/11/09)
Helen Crawley
Anne Dolamore, Chair
Jeremy Faull (resigned 5/11/09)
Vicki Hird (re-elected 5/11/09)
Emma Hockridge
Anthony Kleanthous
Iain Loe (elected 5/11/09)
Philip Lymbery, Treasurer
Tom MacMillan (elected 5/11/09)
Patrick Mulvany
Dr. Annette Pinner (elected 5/11/09)
Dr. Mike Rayner
Patti Rundall, OBE
Robin Simpson (resigned 5/11/09)
Jim Sumberg (resigned 5/11/09)
Bill Vorley (elected 5/11/09)

Company registered number

02673194

Charity registered number

1018643

Registered office

94 White Lion Street, London, N1 9PF, UK

Auditors

Goldwins, 75 Maygrove Road, West Hampstead, London NW6 2EG

Bankers

The Co-operative Bank, PO Box 101, 1 Balloon Street, Manchester, M60 4EP

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Trustees' Report: How we work, and what we do, For the year ended 31 March 2010

The Council of Trustees (who are the Directors of the Charity for company law purposes) present their report and the audited financial accounts for the year ended 31 March 2010. The Trustees confirm that the annual report and financial statements comply with current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in 2005 (revised May 2008).

Sustain represents around 100 national public interest organisations (listed below) working at international, national, regional and local level. It advocates food and agriculture policies and practices that enhance the health and welfare of people and animals, improve the working and living environment, promote equity and enrich society and culture.

Constitution

The company, which is limited by guarantee and therefore governed by its Memorandum and Articles of Association, is also a registered charity.

Governance

Sustain is governed by its membership, which is open to national organisations which do not distribute profits to private shareholders and thus operate in the public interest. Members must be wholly or partly interested in food or farming issues and support the general aims and work of the alliance. Sustain's membership usually meets twice a year in general session (one of these meetings is the Annual General Meeting), and members also attend a range of specialist policy and project working party meetings (see *Review of the Year* below), which are chaired by a Sustain Council member.

The Council members are elected by the membership (and a third of the Council must stand down each year) to form a governing body of 15 Trustees. All Trustees declare any relevant financial interests and these are publicly available. The Council of Trustees meets quarterly to guide the work of the alliance, subject to approval by the members. As the Trustees are drawn from Sustain's membership, all of whom are third sector organisations, they are already familiar with the structure of and governance in this sector. Induction and training is therefore informal.

At the 2009 AGM four Trustees stood down, four new members were elected, and one existing Trustees was re-elected.

Strategic review

Each year Sustain's staff and Trustees meet for a full-day review of our aims and activities, to assess the extent to which changes need to be made and agree appropriate action. This year, we explored the pros and cons of Sustain becoming a larger organisation with more staff, and concluded that – although we should monitor the situation carefully – existing systems remained appropriate. (The exception was our office space, noted below under "Review of the year and future prospects").

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Membership

Association of Public Analysts
Association of School Health Education Co-ordinators
Baby Milk Action
Bio-Dynamic Agricultural Association
British Association for the Study of Community Dentistry
British Dental Association
British Dental Health Foundation
British Dietetic Association
British Heart Foundation Health Promotion Research Grp.
Butterfly Conservation
Campaign for Real Ale (CAMRA)
Campaign to Protect Rural England
Caroline Walker Trust
Centre for Food Policy, City University
Child Poverty Action Group
Children's Society
Common Ground
Commonwork Land Trust
Community Composting Network
Community Nutrition Group
Compassion in World Farming
Consensus Action on Salt and Health
Diabetes UK
f3 the local food consultants
Faculty of Public Health
FairTrade Foundation
Family Farmers' Association
FARM
FARMA (National Farmers' Retail and Markets Assoc.)
Federation of City Farms and Community Gardens
Food Commission
Food Matters
Forum for the Future
Freedom Food
Friends of the Earth
Gaia Foundation
Garden Organic (formerly HDRA)
GMB (Britain's General Union)
Good Gardeners Association
Guild of Food Writers
Health Education Trust
HUSH: The UK E.coli Support Group
Hyperactive Children's Support Group
International Institute for Environment & Development
Land Heritage
The Land is Ours
Local Authorities Coordinators of Regulatory Services (LACORS)
McCarrison Society
National Council of Women
National Federation of Women's Institutes
National Oral Health Promotion Group
National Trust
New Economics Foundation
Northern Ireland Chest, Heart & and Stroke Association
Oral Health Promotion Research Group
Organic Centre Wales
Organic Research Centre (Elm Farm)
Organic Trade Board
Permaculture Association
Pesticides Action Network - UK
Practical Action (Formerly ITDG)
Royal Society for the Prevention of Cruelty to Animals (RSPCA)
Royal Society for the Protection of Birds (RSPB)
Scottish Crofting Federation
Share the World's Resources
Slow Food, UK
Soil Association
Trading Standards Institute
UNISON
UNITE - Agricultural Workers Group
Vegetarian Society
Wholesome Food Association
World-Wide Opportunities on Organic Farms
Women's Environmental Network
Women's Food and Farming Union
World Cancer Research Fund

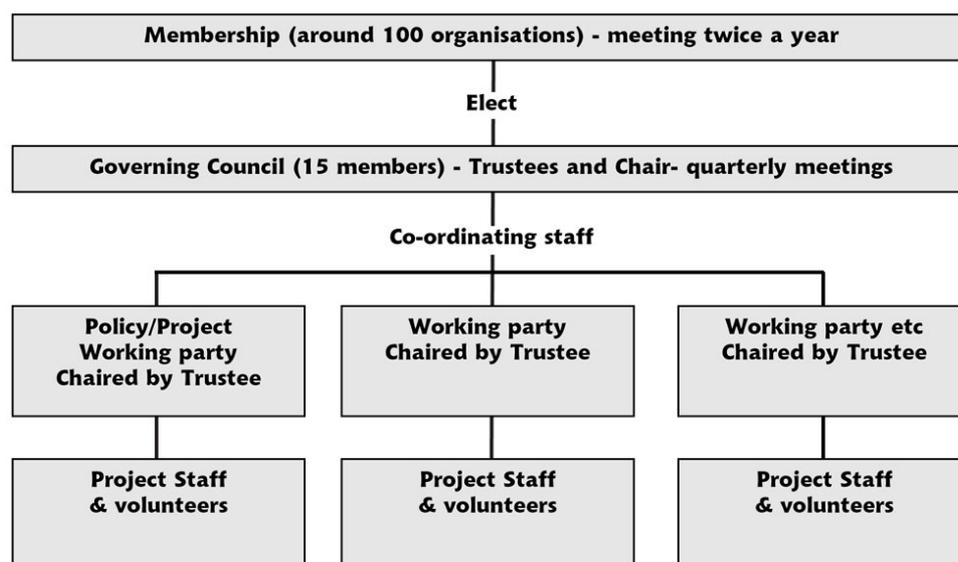
OBSERVERS
Agricultural Christian Fellowship
Allergy Alliance
Chartered Institute of Environmental Health
Christian Aid
Consumer Focus
Consumer Focus Scotland
Consumer Focus Wales
Food Ethics Council
Food Foundation
Linking Environment and Farming (LEAF)
National Heart Forum
Natural England
Royal Society for Public Health
UK Food Group
UK Public Health Association
Which?
Wildlife and Countryside Link
WWF - UK

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Organisational structure

Developments with all of Sustain's work are reported to quarterly Council meetings – and to our membership. The diagram above is a schematic representation of Sustain's structure and does not indicate actual numbers of policy/project working parties or staff.



Finance and administration

Sustain is pleased to continue to retain the services of two excellent specialists, Gavin Dupee and Quoc-anh Tran who, respectively, provide high quality Information Technology and design, and finance and administrative services. They are assisted by Becky Joynt and Nihad Alfulaij, respectively. Towards the end of the year Becky went on maternity leave so we will be recruiting a temporary replacement.

Over the past year Gavin has restructured Sustain's IT infrastructure of Sustain, with triple failsafe backup regimes of all current and archived data, and collaborative file storage and usage across the Sustain projects. He has also developed and enhanced a number of websites, including FoodForLondon.net, OrganicUK.org, FoodCoops.org and RealBreadCampaign.org. In addition, the data management of the Capital Growth project has been comprehensively reworked, to allow site visitors to submit, manage and report on their community food growing spaces. This has also created a sophisticated project management tool for helping Sustain to manage a complicated grants programme effectively and accountably. Office staff now have a variety of ways to track information, streamlining what was a very complex process. The automated 'user' reporting system now enables Capital Growth to closely monitor the success of the project both quantitatively and qualitatively.

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Gavin continues to enhance the Sustain website with a number of dedicated 'action' applications to enhance campaign activity - notably the 'make your own coco-pops poster' widget for the Children's Food Campaign – and continues to develop and add extensions to improve the usability of the website. Its success in terms of hits and its top slot ranking on leading search engines (already impressive) will be further improved with the launch of a dedicated urban agriculture website in the coming year.

Volunteers

Sustain also continues to recruit high quality volunteers to undertake a range of worthwhile tasks in all areas of work. Not only does Sustain get excellent value from its volunteers, but they continue to be able to use the experience they gain at Sustain to go on to obtain good jobs or pursue their research. We remain grateful to long-term volunteer, Flora Wilcox, who prepares the regular news round-up on food and mental health.

Funding

Sustain would like to thank the following funders for their financial support for our work, and for the work of the UK Food Group:

Big Lottery Fund – Changing Spaces and Wellbeing programmes

Big Lottery Local Food Fund (various)

British Heart Foundation

Campaign to Protect Rural England

Covent Garden Market Authority

Esmée Fairbairn Foundation

European Commission (via Germanwatch and Terra Nuova)

Golden Bottle Trust

Greater London Authority (various)

Greenwich Co-operative Development Agency

Grundtvig UK National Agency

Islington Council

London Development Agency (various)

London Health Commission

London Sustainability Exchange

NHS Camden

Plunkett Foundation

Polden-Puckham Charitable Foundation

Sheepdrove Trust

Sustainable Restaurants Association

Tower Hamlets PCT

Review of the Year and Future Prospects

Although food issues were not as politically prominent this year as last, sustainable food and farming continues to attract public attention. Sustain's staff team maintained its high standards, and continued to attract funding so we are once again delighted to welcome new staff (named under their respective headings below), as well as retain existing expertise. However, in April, we will lose our highly valued Campaigns Direct, Richard Watts, so measures are in hand to recruit a replacement. We wish Richard well in his future career and look forward to staying in touch.

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Having outgrown our office space we began the process of looking for a new home. By the end of the year we had been unable to locate anything suitable so began exploring the possibilities for staying in our existing office space, but under new arrangements.

Capital Growth

Capital Growth is the campaign to create 2012 new community food growing spaces in London by the end of 2012, inspired by London's hosting of the 2012 Olympic and Paralympic Games. Following a very successful pilot phase last year, early in 2009 the campaign secured funding for the rest of the project, until December 2012, from the Big Lottery's Local Food programme with match funding from the Greater London Authority. The Capital Growth team is now Ida Fabrizio, Paola Guzman, Seb Mayfield, Sarah Williams and Anna Terzi.

Helping projects with funding

Capital Growth managed the small grants scheme of Islington Council's Edible Islington campaign. Until the end of January 2010 average grants of £2,500 were distributed to community groups who wanted to expand or set up new food growing projects. Edible Islington is now supporting over 40 new food growing projects and is working with Garden Organic's Master Gardener programme to develop a network of local food growers.

Capital Growth secured funding from Design for London (via the London Development Agency) to develop productive green spaces as part of their East London Green Grid programme (ELGG). As well as promoting food growing, the idea was to support groups developing food growing social enterprises in East London. This scheme therefore made revenue funding available to these groups, which allowed projects to spend funds on staff time, training and business planning. The funding round was launched in December 2009 and was divided into medium and small grants, with a total budget of £40,000. Seventeen projects were selected; eight of them for medium grants and nine for small grants.

An event was organised in March 2010 with The Development Planning Unit at University College London (UCL), who teach an urban agriculture module, and two inspiring local community food projects, Organic Lea and Growing Communities (from the London Boroughs of Walthamstow and Hackney, respectively). Twenty-six people attended the event, including UCL students, Capital Growth volunteers, recipients of the ELGG medium grants and urban growers who wanted to know more about how social enterprise approaches could help support the long-term viability of food projects.

In addition, two small grants rounds were managed by Capital Growth during the winter of 2009/10 to provide funding for new growing projects. The first round was launched in late November 2009 with the second in February 2010. Some £150,000 was distributed to nearly 200 projects, so the project is well on course to reach the milestone of supporting 500 food growing projects across all 33 London boroughs by the end of June 2010.

Other support for projects

As well as funding, Capital Growth has been able to offer discounts on materials, as well as helping projects to find free equipment and services. Deals include discounts on seeds, soil testing, tools and insurance. We also ran a garden tools competition, in conjunction with the commercial tool company Fiskars, and were able to give away ten tool kits, each valued at £500, to ten Capital Growth supported projects. Deals, free materials and competitions are promoted via a monthly newsletter that is sent out to

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all registered spaces. As well as these regular newsletters, a quarterly newsletter for the wider network is planned for May 2010 to promote the Capital Growth campaign and the support it can offer.

A partnership with Regent's Park has been developed resulting in the launch of Capital Growth food growing training, and sessions will start in April 2010 on a new growing site in the park's centre. Training sessions, including school training days, are planned across the year and a number of open days are also planned to inspire and motivate people to grow food. A volunteer co-ordinator, Amy Solomans, has been recruited for the first six months of the programme. Based at The Regent's Park site she is responsible for the site and liaising with Capel Manor College, who also use the site.

A team of 15 project support volunteers has been recruited to visit all newly registered growing spaces. These volunteers report back on each space they visit via Capital Growth's online database.

A new database-driven section of the website will be launched in May 2010 and will show a map of all supported spaces, giving a visual representation of the success of the campaign. A click will reveal details of each space, including if they need volunteers and an online form so people can offer time.

Promotion

Capital Growth tested a market stall at the Real Food Market in September 2009 at Covent Garden in central London, to sell produce grown by projects supported by the campaign. The stall was very successful both in selling locally grown produce and also in highlighting the good work that is going on in communities throughout London. Supported projects also provided produce for a food stall at Feast on the Bridge, part of the Thames Festival, September 2009. In March 2010 the Capital Growth team ran two networking events. One hundred and ten people attended, in total, and were able to hear presentations from thriving projects, network over good food and discuss topics such as selling produce, soil contamination and engaging the community, all led by relevant experts.

To date six boroughs have committed to support Capital Growth, collectively committing to 440 spaces, including Camden, Haringey, Islington, Lambeth, Lewisham and Tower Hamlets. Note that we will not officially declare these numbers in our running total until they are fully confirmed. Meetings with various housing associations have resulted in a commitment from Hackney Homes, plus interest from four more social housing providers. Transport for London has also agreed to work with Capital Growth so that community groups can set up growing projects on their unused space.

Monitoring

A comprehensive database has been set up to track and monitor all the spaces, and the data it generates will be used alongside other qualitative and quantitative research to assess the impact of Capital Growth. By the end of the project we should know the extent to which we have met our targets for setting up spaces, involving people, influencing policy and providing training. The evaluation should also show the effectiveness of different types of support for those setting up and running food growing spaces as well as report on people's views on the impact of food growing for them.

Children's Food Campaign

Thanks to funding from the British Heart Foundation, the campaign staff, Christine Haigh and Jackie Schneider, have had yet another busy and successful year, as the following highlights show.

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Baby food

In May 2009 the campaign received extensive national media coverage when it publicised the high levels of sugar and saturated fat, and the presence of trans fats, in some baby foods. A report of our survey, *Junk Food for Babies?*, is available, and was requested by the Department of Health for the attention of the relevant minister. As a result of our campaign, the baby food manufacturer Cow&Gate withdrew the baby biscuits containing the trans fats from the market.

Committee on Advertising Practice

In June we wrote to the Committee on Advertising Practice (CAP), the industry body whose voluntary code sets standards for food advertising to children through non-broadcast media calling for their Code; to be consistent with the Ofcom regulations on TV advertising on the definition of a child as under 16; to adopt the nutrient profiling model; and restrict the use of proprietary brand characters in the same way as licensed characters and celebrities. Unfortunately (but unsurprisingly, given the voluntary industry focus of this Code), the revised Code does not include the changes we had advocated.

Drinking water in parks

In July we launched a campaign for drinking water in all public parks, which, as well as raising the profile of this public health issue, served to expand our network of supporters by asking them to take part in a simple action (reporting on their local park's drinking water provision). We were interviewed by *You and Yours* on Radio 4 about the campaign and also wrote a report on the survey carried out by supporters on the state of drinking fountains in parks. This will be launched, along with the second phase of the campaign, in summer 2010.

Product placement

In response to the government's u-turn in September, proposing to allow product placement inserted into the storyline and content of television programmes, the Children's Food Campaign ran a highly successful campaign against such product placement of junk food. We set up an online action on the website to allow people to respond to the Government consultation, and used the online social networking tool Twitter to promote this. Working with the media secured considerable coverage of the issue: *The Guardian* carried an article on *Comment is free*, published a joint letter from a number of the Royal Medical Colleges, and a columnist wrote on product placement which linked to Sustain's website. In the final week of the consultation *The Guardian* ran a front-page story which resulted in news and radio coverage. We also visited Exeter, the constituency of Culture Secretary, Ben Bradshaw, to collect signatures for a petition. The campaign wrote a response to the consultation and circulated it to supporting organisations which allowed them to use it as the basis for their own submissions.

As a result, over one thousand of our campaign supporters sent responses to the Government consultation, and a range of influential organisations including the Church of England, British Medical Association, National Union of Teachers and ISBA, the trade body representing British advertisers, spoke out publicly against product placement. February 2010 saw a big victory for our campaign when Culture Secretary, Ben Bradshaw, announced there would be no product placement of foods high in fat, salt or sugar. The win is particularly significant as, for the first time, the Government has recognised that children need protecting from junk food advertising in all their viewing, not just during children's programming.

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Challenging Kellogg's Coco Pops adverts

In January 2010, the cereal manufacturer Kellogg's, a partner in the government's Change4life health campaign, ran an advertising campaign which suggested to children "ever thought of Coco Pops after school?" Coco Pops are 35% sugar, are banned from food provision in schools (under nutrition rules) and not allowed to be advertised on children's television. The adverts also elicited anger from parents on online forums such as Netmums and Twitter, and received coverage in *The Independent*.

We complained to the Advertising Standards Authority about the adverts, coordinated a letter to the Department of Health from other Change4Life partners and encouraged our supporters to complain to Kellogg's. We also set up a competition on our website inviting people to come up with an alternative slogan for the adverts, which generated useful coverage in the marketing press and reported embarrassment for Kellogg's media advisors.

At a Parliamentary Food and Health forum about breakfast clubs, the Children's Food Campaign coordinator Jackie Schneider embarrassed a spokesperson for the company when she questioned the adverts. The Kellogg's representative said that they had not intended to cause upset, and that the posters had been taken down. As a result of our messages to the Government, the Department of Health has said that it "understands the concerns raised and is seeking a meeting with Kellogg's to discuss the matter".

School food

In March 2009, the Local Authority Caterers Association (LACA) made the headlines with claims that the new nutritional standards for secondary school food, due to be introduced in September, were too difficult to meet. We countered these claims, and in April sent a letter to all MPs and Directors of Children's Services in England (where the standards will apply) explaining why it is important that the standards should be introduced as planned.

In May, the Children's Food Campaign held a joint meeting with MPs Sharon Hodgson and Roberta Blackman-Woods and other interested organisations to discuss a campaign for universal free school meals. This followed the announcement of pilot projects of free school meals for all primary school children in Durham and the London Borough of Newham. In early 2010 we worked with Child Poverty Action Group, Save the Children, the National Union of Teachers and Citizen's Advice Bureau to call on all Parliamentary candidates to support free school meals in the run-up to the general election.

The Children's Food Campaign also welcomes and is supporting the Soil Association's campaign for clear rules for the quality of nursery school food.

Food education

In November we hosted a meeting for organisations involved in school food growing initiatives. The meeting was well attended and as a result we have now set up a coalition of organisations including Farming and Countryside Education (FACE), the Food for Life Partnership, Garden Organic and the Royal Horticultural Society to back a new campaign to get every school growing food. The campaign is supported by Blue Peter gardener, Chris Collins, Children's Laureate Michael Morpurgo and Emmerdale actor Lyndon Ogbourne. The campaign calls for every school to have space for food growing, training for teachers, and Ofsted inspections to check that food growing is being taught. We will continue to promote this campaign with the new Government following the election in May 2010.

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Traffic light labelling

In May 2009 the panel commissioned by the Food Standards Agency (FSA) recommended that front-of-pack labelling schemes should include both traffic light colours, which the Children's Food Campaign has been calling for, with the words "high", "medium" or "low", as well as percentage Guideline Daily Amounts (GDAs) - the latter generally being the food industry's preferred scheme. However, in March 2010 we highlighted that the FSA was ignoring its own evidence that traffic light colours are a key part of the best understood front-of-pack label, after the FSA recommended to its board that traffic light labelling should only be optional. We encouraged our supporters to email Lord Rooker, Chair of the FSA Board, to urge him to reject the recommendation. At the Board meeting, the volume of emails received got a particular mention but, despite this, the Board agreed the recommendation, which now needs the approval of the Health Secretary.

Traffic light labelling also received attention at the European level. In March 2010, a vote in the Environment, Public Health and Food Safety committee narrowly failed to make traffic light labelling mandatory, although the outcome doesn't stop individual countries like the UK from adopting national rules about labelling schemes such as traffic lights. There will be a further vote on this later in 2010 involving all MEPs and we will be supporting the British Heart Foundation to lobby MEPs about this.

Supporters' network

In April 2009 we held a screening of the documentary film, "Two Angry Moms", which showed the struggles of parents and campaigners to improve the state of school food in the US. The film was well received, and the event was also used to launch the Children's Food Network, a social networking site to encourage action on children's food issues. In June we surveyed the 4,000 campaign supporters on our email list, and had a good response, which gave us a better picture of our supporters, and their specific interests. Although the network site has not generated as much traffic as we had hoped, we have attracted considerably more interest and support using Twitter, and we have now set up a Facebook page, which we hope will attract more support for the campaign in the coming year.

Good Food on the Public Plate

The successes of the previous years of Good Food on the Public Plate (GFPP), alongside the efforts of other organisations working on public procurement, have increased the levels of interest in sustainable food procurement. From November 2008 to December 2009 the project entered its third phase, funded by the London Development Agency, which allowed us to employ a project team comprising Kena Duignan, David Rose and Jon Walker. An independent evaluation is underway and should be published in summer 2010, and the main achievements of the project are outlined below.

- £216,000 of measurable change has been put into practice. Sixteen public sector institutions are now purchasing a variety of sustainable produce including free range eggs, seasonal fruit and British bacon and sausages. The institutions have built these changes into contracts and standard practice so at least this amount of sustainable produce will be purchased in future years.
- In May 2009 many participants achieved Good Egg awards from Compassion in World Farming (CIWF) for switching from caged to free range eggs. By helping to find suppliers and providing information on pricing the project directly contributed to many of the participants making the switch. This was recognised by CIWF with a Good Egg award to our project. Examples of 2009 winners and 2010 applicants include the Metropolitan Police, Imperial College, Royal Holloway (University of London), the London borough of Enfield, South London and Maudsley NHS Trust.

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winners and 2010 applicants include the Metropolitan Police, Imperial College, Royal Holloway (University of London), the London borough of Enfield, South London and Maudsley NHS Trust.

- The Chelsea Cluster built on the foundations of last year to increase collaborative procurement. Major achievements were bacon from a small company using British reared pigs at Royal Brompton and Royal Marsden hospitals, and Kent-produced fruit and vegetables for all members.
- In November 2009 we held the inaugural Good Food on the Public Plate Awards, an event celebrating the achievements of 14 of our project participants who have changed their purchasing to buy more sustainable food. The awards were held at City Hall, hosted by the London mayor's food advisor Rosie Boycott and attended by over 120 people.
- A London-wide cluster was formed to increase the scale of sustainable food purchased. A tender is due to be issued for milk in 2010 for a number of London Boroughs, so the project is helping to bring this group together, and find alternative supply routes and more sustainable products.
- Similar work has been done to help prepare a contract tender for meat. In November 2009 the team organised, with the help for RSPCA Freedom Food, a visit by five public sector buyers to see three methods of chicken farming; Red Tractor, Freedom Food higher welfare indoor, and free range.

At the end of 2009 Kena Duignan left us to return to New Zealand (to be replaced by Rosie Blackburn) and in March 2010, David Rose ended his contract with the project. We are excited to note that Kena is continues to promote healthy and sustainable food policy, and we remain in contact to share information and advice. We are currently awaiting the result of a funding bid to the Greater London Authority to take the Good Food on the Public Plate project to March 2012.

Good Food Training for London

This project was funded by the London Development Agency (LDA) and managed by Greenwich Co-operative Development Agency (GCDA), working in partnership with Sustain. Sustain project office Pamela Brunton provided free-of-charge food skills training to public sector catering and service staff, to increase the proportion of healthy and sustainable food. By the end of the project's funding, in October 2009, Pamela had exceeded all the project's targets, recruiting and training more than 650 people from hospitals, prisons and care settings, as well as developing new areas of work. These achievements were document in the interim report, *'Good Food Training: What we have learned'* and the final evaluation report, from City University, and included:

- training courses on a range of issues including nutrition, cooking and food growing at a number of prisons in London;
- creating a pool of horticultural knowledge and experience to draw on to run food growing training in schools, and organising a Good Food Summer School;
- training events focusing on the contract process, on cooking with cheaper cuts of meat from higher welfare systems, and on promoting attractive vegetarian options on menus;
- contributing to the revision of public sector catering's National Occupational Standards (NOS) by the catering Sector Skills Council, People 1st;
- working with London Early Years Foundation to develop National Occupational Standards for the nursery catering sector;
- working with Westminster Kingsway, a leading catering college and accredited as a member of a national network for food and drink training.
-

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While we were disappointed that funding could not be obtained to continue to develop the project, it has left a lasting positive legacy. We remain in close contact with Pamela, who is currently based in the Sustain office working on a maternity cover post for the Soil Association.

Good Food for Our Money

The Good Food for Our Money campaign, funded by the Esmée Fairbairn Foundation, has had a very successful first year and is looking forward to building on the progress achieved to date. We are constructing an impressive coalition of campaign supporters from a diverse range of organisations that continue to provide invaluable advice and campaign support.

Parliament

The campaign for a new law for better public sector food needs support from MPs so we focused our parliamentary campaign this year on two important public sector food issues that would act as 'wedge issues' and rally support – the purchase of caged eggs and unsustainable seafood.

On seafood, we worked closely with David Drew MP to draft and raise support for the "Public Bodies (Procurement of Seafood) Bill", which was introduced to Parliament for its First Reading on 24 February 2010. To publicise the Bill project officer, Alex Jackson, donned a tuna costume and visited Parliament on the day of the Bill's First Reading to have his photo taken with 14 supporting MPs. The Bill would have stopped public organisations buying seafood that is unsustainable, but is likely to run out of parliamentary time before the General Election is called.

On animal welfare standards for eggs, Chris Mullin MP introduced a Westminster Hall debate on 3 November 2009, to ask government to stop the public sector buying eggs from caged systems. He also tabled Early Day Motion 140 to raise support for this cause. By the end of March, 165 MPs had signed the EDM, making it the 32nd most popular motion out of 1,315 tabled in the last Parliament.

While support from these Labour MPs was very welcome, the campaign wants cross-party political support, so we have also had discussions with both the Conservative and Liberal Democrat parties. For example, we played a pivotal role in the Conservative Party's public sector food procurement taskforce chaired by prospective Conservative Party MP for Richmond, Zac Goldsmith. While we wait for further news about how these proposals will be received by the party, we have developed our own 'Code for Sustainable Food'. This would set legal, minimum standards for public sector food, along with a points based system to enforce rising standards over time.

In addition, we have drafted parliamentary legislation to bring these standards into law which took considerable preparation. The highlight of this process was a very informative roundtable discussion in Westminster in December 2009 which was chaired by Dr Alan Whitehead MP and attended by a number of food and climate change experts. Based on what we learned, we have now drafted a "Public Bodies Sustainable Food Bill", and will be campaigning for MPs to support it in the next Parliament.

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Party conferences

We played a key role in setting up a public sector procurement event (with a focus on food) at each of the Liberal Democrat, Labour and Conservative party conferences in autumn 2009, as part of the lively 'Climate Clinic' debates and promotional events. These events were well attended and sparked fascinating and useful political debates with MPs, local councillors and other campaigners.

Hospital food report

We have published two editions of a report on hospital food, in December in 2009 and March 2010, both available on our website, and both resulting in extensive media coverage. The first edition calculated that government had spent more than £50 million on failed, voluntary initiatives to improve hospital food. In March, we re-published the report with updated figures and a foreword by Professor Tim Lang of the Centre for Food Policy. Media coverage included an appearance on GMTV, a live debate on BBC Radio 4's "You and Yours" programme and coverage in *The Daily Mail*, *The Daily Telegraph* and on BBC Breakfast. As well as raising general awareness about problems with public sector food it also brought us into friendly contact with celebrity chef Loyd Grossman who had previously been involved with attempts to improve hospital food. We are exploring how he might be able to support the campaign in future.

Government policy

Although we participated fully in consultations throughout the year on the Department of Health's voluntary 'Healthier Food Mark' for public sector food, set up as a result of the government's Food Matters report, this approach to standards has continued to be very weak – despite the considerable public money already poured into this. More positively, our seafood campaign (see above) led to a meeting in March 2010 with Exchequer Secretary Sarah McCarthy-Fry. Towards the end of the year we saw some signs that government was considering a mandatory standard for seafood in the public sector.

Website and social networking

The parliamentary campaign and hospital food reports have driven many new visitors to our new campaign website. In addition, the campaign now has a Facebook page and can also be found on Twitter, both of which are helping to increase the number of campaign supporters.

London Food Link

London Food Link welcomed back network administrator Vanessa Domenzain from maternity leave in 2009. Unfortunately, the parenting demands and a long commute meant that, early in 2010, Vanessa left us, to be replaced by Georgie Knight. These personnel changes did not dent the continued rise of the London Food Link network, with membership reaching over 300. In October 2009 we conducted the annual members' survey, and the good response rate showed that the online forum and the opportunity to be part of the network, with associated network activities, are the two elements that our members most value. LFL will therefore focus its efforts on these areas.

Circulation of the full-colour, re-designed *Jellied Eel* quarterly newsletter continued to grow, being distributed at a number of London food events throughout the year, and was regularly stocked by around 80 outlets around the city and with a circulation of around 20,000. The Networking events were also more popular than ever. The April 2009 event at Mudchute City Farm was attended by around 70 people, and more than 80 people squeezed into the Big Winter Network Do at the award winning Duke of Cambridge organic gastropub in November. The next event is scheduled for May 2010.

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Ethical Eats

Based on the fledgling network established in 2007, Sustain successfully applied to the Big Lottery's Local Food fund to develop an Ethical Eats network, which is now a Beacon project for the Lottery. Since the project's official start in October 2009, project officers have been advising London's caterers on ways to make their businesses more sustainable, helping them to use more local and sustainable ingredients, conserve energy and water and reduce waste.

Project officers have been laying the foundations for a busy schedule over the next three years. They are planning to hold roughly one workshop, seminar, producer visit or community event per month, each on a different aspect of sustainability in the catering sector. Between events they will be recruiting new catering businesses to the network; disseminating relevant information via an Ethical Eats e-bulletin and other social networking media; and working closely with project partners, The Sustainable Restaurant Association (<http://www.thesra.org/>).

○ The Sustainable Restaurant Association (SRA)

Ethical Eats is working closely alongside the SRA, a new national membership organisation which aims to make eating out in the UK more sustainable. Members are given access to information and advice on fourteen sustainability topics, and are encouraged to go through an audit process to be rated gold, silver or bronze according to their performance in each area. An Advisory Board of industry and sustainability experts, including Sustain's Policy Director, Kath Dalmeny, oversees the SRA's work. Through membership of the advisory board, Sustain aims to ensure that standards are well informed by good practice in sustainability and the tremendous wealth of expertise accessible through Sustain's membership network and project partners.

The organisation launched at Hotelympia, the UK's largest trade show for the catering sector, in March 2010. In the run-up to the launch, project officers were busy helping to finalise factsheets for the SRA members' packs and text for the members' area of the website, as well as advising on the SRA audit process. The launch was covered by various national and regional publications including *Restaurant Magazine*, *The Evening Standard* and *The Guardian*, and continues to receive excellent press coverage in consumer and trade media.

○ Events

A series of workshops on sustainable food were organised for Level 3 Catering Students at the prestigious Westminster Kingsway College. Topics covered included fair trade, animal welfare and vegetarian cookery, with a final session featuring a presentation on the SRA and a cookery demo by former Gordon Ramsay protégé Mark Sargeant. Chef lecturer Miranda Godfrey is interested in continuing to work together with Ethical Eats in the next academic year.

In March, SRA members and Ethical Eats contacts were invited to a sustainable seafood event at the Zetter Hotel, featuring a screening of the seafood documentary *The End of the Line*, and a talk from Emily Howgate of the Good Catch initiative, a partnership of organisations promoting sustainable seafood, which includes Sustain. We look forward to a full and varied programme of industry and community events over the coming months, including a seminar on energy and water saving measures in June, a workshop on waste in June and a trip to an organic livestock farm in Suffolk in September.

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○ Awards

In January 2010, the Ethical Eats team judged the 'Sustainable Food' category of the 2010 Sustainable City Awards. The winner was The Duke of Cambridge, the Soil Association certified organic pub in Islington, with Mexican restaurant Wahaca coming runner-up. Ethical Eats will also be judging the food category of the Considerate Hotel of the Year Awards in May 2010.

○ Staff changes

In February, project officer Jamie Ford returned to his previous employer Bibendum to run their ethical wine division, but will continue to produce London Food Link's *Jellied Eel* magazine on a consultancy basis, with Ben Reynolds. Kirsty Balmer joined the team in March, having worked for Government agencies and NGOs in Australia, and in the catering industry. Charlotte Jarman returned to Sustain after a six-month sabbatical to work part time on the Ethical Eats project, whilst also striving to practice what she preaches as manager of a new catering business, Lumen Café (<http://www.lumencafe.com/>).

○ Funding

The project got off to a rather difficult start in terms of funding, with the London Development Agency unexpectedly withdrawing funding, part of which was match-funding for Ethical Eats. Thanks to the assistance of the organisation Compact (<http://www.thecompact.org.uk>), which helps the third sector tackle problems with government funding relationships, the LDA agreed to full and final settlement of money owed. The team continues to investigate alternative sources of funding to make up the shortfall.

Good Food for Camden: the healthy and sustainable food strategy

Project officers Rosie Blackburn and Anna Terzi continued to run the engaging and increasingly well supported food strategy process in Camden, funded by NHS Camden and begun last year. They had already established a Good Food Partnership (GFP) group to ensure Camden stakeholders had an opportunity to be involved with the development of the strategy, help implement the action plan, and, most important, ensure the work continued once Sustain was no longer involved. The Partnership met seven times during the year and by the end had 160 members, with around a quarter regularly attended meetings, and all receiving a monthly round-up of food related events and news.

Throughout the year, feedback from GFP members has been very positive. In particular, members benefited from networking and an increased profile for their work thanks to affiliation to the GFP. At the last GFP meeting, several members expressed their thanks to Sustain and their regret that we would no longer be involved (though we hope a Sustain officer will attend future meetings as a member of the Partnership).

○ Good Food Partnership core group meeting

The core group met for the first time in February 2010. This group has ten key members of the GFP and its task is to maintain communication between the wider GFP, NHS Camden and the Borough Council.

The meeting sparked lots of interesting ideas on the future of the GFP, its structure and content of future GFP meetings so we are confident the group will take great care of the wider Partnership.

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o Activities and publications

Using the format we established last year we successfully ran a 'Buy it, cook it, eat it' training course for those in the public, private and voluntary sector involved with buying food for their organisation in Camden.

'Your Guide to Good Food in Camden' has been published and NHS Camden is starting to circulate it. People will be referred to the online version in the first instance, to save money and paper. 'Your directory of Good Food suppliers in and around Camden' is also now available online.

On behalf of NHS Camden, we managed a small pot of funding which was allocated to four very worthwhile projects in Camden (Global Generation, Queen's Crescent Community Association, Lumen Café at Lumen United Reform Church and community centre, and St Michael's Church of England Primary School). The funding aims to encourage GFP members to work together on helping to implement some of the action in the Action Plan. However, not all the funding was allocated by the end of the year, so we are discussing with NHS Camden and the Council how to deal with this.

Sustain's involvement in Good Food for Camden is due to finish in May, with all aspects of our contract successfully completed.

London's wholesale markets

With funding from the London Development Agency (LDA)'s Local Infrastructure project, Zeenat Anjari was seconded from Sustain's London Food Link as a Business Development Manager at New Covent Garden Market (NCGM). During Zeenat's maternity leave her work was covered by consultants, Mad for Food, who were already working on other parts of the project. During the year Covent Garden Market Authority signed up to the Mayor's Green Procurement Code, which encourages them to tackle food and other waste. The project also organised:

- two events for British Food Fortnight for chefs and caterers on showcasing seasonal fruit and vegetables on autumn menus.
- a November workshop with fresh produce retailers on how to make best use of NCGM to buy local, seasonal fruit and vegetables with sustainability accreditation.
- work with LEAF Marque to identify all accredited farms that sell into NCGM but do not use the LEAF logo to identify produce grown to better environmental standards. In addition, Zeenat is liaising with Supply London and Red Tractor on how to encourage traders to obtain accreditation, so that they can win business with London 2012 catering and with public sector contracts.

Despite these useful initiatives, by the end of the year funding for the project remained uncertain.

Olympic food

Sustain's Policy Director, Kath Dalmeny, sits on the Food Advisory Group to the London 2012 Olympics, which is working with the London 2012 organisers to help achieve London's ambition to run 'the greenest Games yet'. The group met several times during the year and a number of sub-groups were formed, which reported back to the London Organising Committee of the Olympic and Paralympic Games (LOCOG).

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Kath was appointed chair of the sub-group on fish group, and consulted over 50 fish specialists from across the seafood and conservation sectors, including several members of the Good Catch and Ethical Eats networks. This culminated in an agreed policy that all fish for the London 2012 should be "demonstrably sustainable", and that fish should be treated as an iconic sustainability message for the Games. This was warmly welcomed by LOCOG, by Rosie Boycott (Mayor's food advisor) and by two of the companies that are official Olympic sponsors.

Kath and Jon Walker (Good Food on the Public Plate) also contributed extensively to the sub-groups on crops and on livestock sub-groups. Unfortunately, when LOCOG's Food Vision was published at the beginning of December 2009, animal welfare and environmental standards were expressed only as 'aspirational'. More positively, LOCOG remains committed to serving only sustainable fish, some fairly traded food and drinks, and encouraging caterers to use local and seasonal food. They have also promised to require catering staff to be trained to meet the standards, and create some opportunities for smaller food businesses to take part.

An Olympic Food Charter will be launched in spring 2010 to encourage other organisations and caterers to adopt a sustainable food policy in support of London 2012. We hope that that Games organisers will see the value in continuing to work with a wide range of stakeholders on food issues, up to the Games period, to develop and implement an exemplary healthy and sustainable food policy that can get high-profile attention and support.

Involvement in the Olympic food process has proved useful for opening other doors. Kath and Jon were also invited by the international governing body of football, FIFA, to a meeting at Wembley at the beginning of October 2009 to address sustainability and the 2018 World Cup bid. Further, Kath and Jon are now developing – with the support of sustainable seafood organisations that we worked with closely on the Olympic Food Advisory Group – plans for a Sustainable Fish City campaign to use the inspiration of London 2012 to win high-profile commitments by public and private sector food companies to adopting demonstrably sustainable fish buying policies.

Well London – Buywell

Hannah Williams has continued to run Buywell on behalf of Sustain, part of the Big Lottery-funded Well London portfolio project, led by the London Health Commission, with our food access strand funded via London Sustainability Exchange. She has been supporting community groups and businesses to make it easier for people to buy healthy, affordable and sustainably produced food in 10 deprived neighbourhoods across London.

This year Hannah has helped groups to set up and launch the following food co-ops:

- Bellingham Food Co-op at St Augustine's School, Lewisham
- Hounslow West FoodBox scheme at the Hub, SureStart Hounslow
- Larkhall Food Co-op at 110 Union Road Community Centre, Lambeth
- South Acton Food Co-op in South Acton estate, Ealing
- White City Food Co-op at Phoenix High School, Hammersmith and Fulham
- Woodberry Down Food Co-op at Woodberry Down School, Hackney

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She has provided each of these groups, run by volunteers in the community, with help to conduct needs assessments, undertake business and project planning, locate products, deal with financing, marketing, monitoring and evaluating their projects, and setting up support networks locally. Hannah has also run training days, in August 2009 and February 2010, for prospective food co-op teams to learn the skills needed to start their projects. She has also set up market visits, mentoring and project exchange visits for volunteers.

Hannah has also continued to work with Sustain's Suzanne Natelson (see Making Local Food Work below) to host a London Community Feast event in May 2009. The event was for community food groups and 45 delegates participated in workshops and a cooking demonstration. They also continued to co-produce the quarterly e-newsletter, *The Gherkin*, for community food projects across London.

o Buywell Retail project

The Buywell Retail project was launched September 2009 in 15 convenience stores across London. The project was funded by Well London, Tower Hamlets NHS and the London Development Agency, and employed specialist retail consultants, Rice Retail Marketing. It aimed to support local convenience stores to improve access to fresh, affordable and sustainable fruit and vegetables in Well London areas and other low-income areas of London. Hannah has been managing the project partnership, which included organising a fresh produce training day in November to help retailers understand more about buying, stocking and selling fresh fruit and vegetables.

The project was successful in increasing fruit and vegetable sales in the participating stores and a customer evaluation showed that people reported eating more fruit and vegetables, are buying more fruit and vegetables from the stores and are more positive about their local store. The London Mayor's Food Advisor, Rosie Boycott, attended one of the store launches, which helped to attract very positive media coverage, including on BBC TV's *London Tonight*. Hannah has also been supporting neighbouring retailers and food co-ops to work together to share deliveries of fresh produce and support each other to improve their operations. This partnership has been working particularly well in Hind Grove in Tower Hamlets, and Tower Hamlets is intending to continue to develop this work with retailers when this phase of the project ends.

o Other projects

Hannah has helped expand existing food access projects to benefit Well London areas. For example she has supported HealthWorks in Newham to work with four more cafés to achieve the Healthier Options award. She is now helping the Council and NHS in the London Borough of Barking & Dagenham on a similar scheme. Building on the food access work by Community Food Enterprise (CFE) in Newham, Hannah has worked with CFE to expand and market their services, including sending the mobile food store to new venues in Well London target areas in Newham, and Barking & Dagenham.

Making Local Food Work

Sustain is part of the Big Lottery funded Making Local Food Work national programme, running from 2007 to October 2012, and co-ordinated by the Plunkett Foundation. Sustain is managing two major strands of the programme - Food Supply & Distribution, and Food Co-ops & Buying Groups, equating in financial terms to about one quarter of the £10m national programme. The rest of the programme is being run by other national partners, several of which are Sustain members, and coordinated by the Plunkett Foundation. Each of Sustain's strands, in turn, is working with several community-based food

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enterprises around the country, to help communities take more control of their food and where it comes from.

Food Supply and Distribution

At the beginning of the year project officer, Clare Horrell, issued a tender for an IT project designed to explore the possibility of creating a stock management system that could be used by a variety of community food groups. A specialist company was appointed who has already created a system which we believe might meet these groups' needs. The first two pilot projects began testing the ordering and invoicing web-based system in August 2009 and demonstrations have been given to two more projects. Unfortunately a number of the projects that we originally hoped to include have decided not to take part, mainly because of lack of staff time and problems with integration into their existing systems.

○ New food hub partners

Following an assessment of six new hubs, two have been agreed and formally accepted by the Big Lottery. One involves a cooperative meat box scheme to be established in Colne Valley greenbelt land outside London, to provide a market for provenance-labelled meat grown in a way that conserves bio-diverse landscapes. The other is a large horticultural food growing project that will grow fruit and vegetables for sale through the Unicorn Grocery workers' cooperative in Manchester.

We have also been supporting the sustainable food social enterprise Growing Communities, from Hackney, North London. They are currently developing plans for a national replication programme, and Sustain has been helping to develop communication materials and participating in planning sessions. This process has also led to early discussions about Sustain supporting such activities in future by bringing together the ethical banking and progressive funding sectors to discuss how to support such entrepreneurship in the sustainable food sector in future.

A lively event was held in Manchester in November 2009; "Community food hubs; exploring ideas and practice", covering issues such as small-scale distribution, analysing food hubs, exploring the tension between social and commercial work, managing costs, using IT systems and influencing food policy.

○ Evaluation

Three case studies have been published on our website, sharing what we have learnt so far from the project partners that have completed their work. These look at:

- the issues facing food access projects when trying to develop direct relationships with producers;
- a scheme in Walthamstow, run by the community enterprise Organic Lea, to distribute surplus produce from allotments via their box scheme and market stall;
- the experience of Local Food Links in Bridport developing a facility to provide hot meals to local schools.

Following a tendering process, the University of Glamorgan has been appointed as the external evaluator for this strand of the project. They will be visiting all of the local projects to establish criteria for measuring the way projects have built resilience in the local food sector by developing social enterprises that improve access to fresh, sustainably produced food, and to assess beneficiaries.

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The project officer for this strand, Clare Horrell, went on maternity leave towards the end of the year and her cover is Rachel Billett, with a background in Lottery grants assessment and support for community groups. Two of the projects – in Bridport, Dorset; and in Newcastle - will be leaving the MLFW programme in September 2010 when their funding ends. We are now consolidating what has been achieved, evaluating what has worked, and communicating this through our networks.

Food Co-ops and Buying Groups

One of the main developments with the Food Co-ops and Buying Groups strand of Making Local Food Work over the last year has been to widen our reach across the country. After a marathon recruitment process, we have recruited eight part-time freelance food co-op advisers to cover each of the eight regions in England (with project officer Maresa Bossano covering the ninth region in London). Their main roles include providing one-to-one advice to new and existing food co-ops in their areas, organising regional networking and training events and promoting food co-ops through the local media, events and to local community-based organisations.

Both Maresa and the regional advisers have given presentations and run workshops at a variety of events across the country including: New Covent Garden wholesale market; Co-operatives UK food co-ops forum in Birmingham; East Midlands food poverty event; the Growing Collaboration event at the Eden Project in Cornwall; Fresh Ideas events in Winchester and Oxford; and events coordinated by Well London, amongst many others.

○ Publications

Maresa produced and distributed the printed version our *Food Co-ops Toolkit*, which has already proved very popular and received excellent feedback. She also distributed other free materials for food co-ops, such as banners and leaflets, and continued to update content on the popular Food Co-ops website and Food Co-ops Finder database, which are among the most visited pages on Sustain's website. The Food Co-ops Finder map now has over 130 food co-ops listed. Maresa has also promoted the project via her Food Co-ops e-newsletter which is sent to over 500 subscribers, and via the online social networking tools Facebook and Twitter, which together have over 1,000 followers.

Maresa is now producing a series of fact sheets about food co-ops in different settings. The first gives guidance on establishing a food co-op in a university and she liaised with the student environmental group People & Planet and the National Union of Students (NUS) to promote this via their Degrees Cooler programme. Since producing the fact sheet Maresa and the team of regional food co-op advisors have advised new food co-ops at City University, York University, Exeter University (Falmouth Campus), Manchester University and Bristol University.

The second fact sheet is on schools and was produced in partnership with the Soil Association. Our regional food co-op advisers will be aiming to encourage schools involved in the Lottery-funded Food for Life partnership programme to set up food co-ops or organic buying groups.

○ Evaluation and review

In the first half of the year Maresa continued to work with Somerset Community Food, Food Chain North East and London Food Link who were helping to support new and existing food co-ops in their areas. An evaluation team was recruited from the Centre for Food Policy at City University London for the first stage of the programme, which has so far focused particularly on work in London, Somerset and the North East.

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Maresa has also reviewed the successful food co-ops she has encountered during her work, with a view to helping them to spread what they have learned more widely. As a result, some funding has been provided to the very successful and highly respected workers' co-operative, Unicorn Grocery in Manchester, so that they can develop a toolkit to help others who wish to learn about how to run a similarly successful co-operative retail outlet. Maresa is also investigating other avenues for supporting the most promising sustainable trading models.

Making Local Food Work in London

Project officer Suzanne Natelson works mainly on the "national learning and information dissemination" aspect of the programme. So, for example, Suzanne participates in the London Food Board sub-group to support borough level work on sustainable food in London. She has explored some existing sustainable food activity across London and is organising a meeting for council officers in April 2010. Suzanne has also been developing work on planning and food, and has responded to a number of consultation exercises on regional and national plans. She will also get involved in discussions about the London Plan in summer 2010. A volunteer with specialist planning expertise is currently working with Suzanne on a report setting out how the planning system can be used to support more sustainable food systems, and is organising a seminar in July to discuss this with local authority planners.

Suzanne continued to work with Hannah Williams (see Well London above) to promote food co-ops and community food projects across London, via the e-newsletter, *The Gherkin*, and is also working with colleagues to disseminate information nationally via Local Action on Food (see below).

Local Action on Food network

This national network has been running for just over a year and its growing membership currently stands at around 180. Members include community food projects, local authorities, small businesses, food growers and individuals that are passionate about sustainable food. A successful membership deal with The National Trust saw 30 properties joining the network in one go, and it is hoped that similar arrangements can be reached with other national organisations.

After conducting a members survey, project officer Polly Higginson (working with Suzanne Natelson) has been developing the activities and communication channels for the network, which will be introduced in the coming year. Four editions of the quarterly network magazine, *Rhubarb*, have been published, alongside a monthly e-newsletter. A new website is also under construction.

o Events

"Finding the Plot" was jointly organised with The Women's Environmental Network and took place in September 2009 in Reading. It was heavily over-subscribed, attracting around 100 community food groups from across the country to share information on securing food growing land in urban areas. A second successful event was held in Manchester in November on community food hubs, in partnership with the distribution strand of Making Local Food Work (see above). Local Action on Food has also participated in the Soil Association's national conference and other local food festivals across the country, and plans to take part in the Real Food Festival in May 2010.

The next conference is planned for June 2010, entitled, "Getting Down to Business - How to make your community food growing project economically viable" to showcase the more financially viable models of community food trading projects that Sustain has been working with, and will be held at the School

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of Oriental and African studies in central London. Another network conference is scheduled for September in Bristol on improving the financial viability of food projects and securing grants or loans.

Organic sector development

Sustain has continued to employ, on a consultancy basis, former Organic Targets Bill Campaign project officer Catherine Fookes to develop a bid to obtain EU funding to promote the UK's organic sector. Funding has been available to all EU Member States since 2004 but, for a variety of reasons, the UK has not obtained any of this money. During the year, Catherine worked intensively, with colleagues from the Organic Trade Board, to navigate the complex process of developing the funding application for the EU, including organising a tendering process for recruiting a marketing agency to run the campaign.

Over 50 companies pledged over £300,000 in financial support via a specially designed website (<http://www.organicuk.org>). The bid was submitted on time to the government's Rural Payments Agency at the end of November 2009. A meeting was held in January 2010 with the companies that pledged funding, where the campaign plan and creative concepts were unveiled and were very well received. The UK government's Department for Environment Food and Rural Affairs reviewed the bid before it was sent to the European Commission in February. In July Sustain will hear if the bid has been successful. If it is, the EC will provide matching funding, which would bring the total fund for promoting organics up to £630,000 over three years.

Catherine Fookes also sits on the UK's Advisory Committee on Organic Standards (ACOS), which advises government, which discussed a number of issues throughout the year.

Real Bread Campaign

In June 2009, the Real Bread Campaign was successful in securing a four-year grant from the Big Lottery Fund's Local Food funding programme as a Beacon project for the Lottery. With some additional match-funding from The Sheepdrove Trust we were able to appoint a full-time project officer to co-ordinate the campaign. Against competition from some high quality applicants, Chris Young was chosen to continue the work on the campaign that he had begun as a volunteer. As agreed with Local Food, the main aims of the campaign are to:

- Create a membership scheme for everyone who cares about the state of bread in Britain
- Develop a Real Bread bakers' support pack and distribute to 100 existing or would-be professional Real Bread bakers
- Arrange for Real Bread making skills to be passed on to children in 100 schools

- Help make Real Bread available through five different food access projects each year, such as food co-ops, community cafés and lunch clubs
- Help make Real Bread available in 20 public sector institutions such as hospitals, care homes, prisons and schools

In November 2009, the project officer helped to organise The Rise of Real Bread, a conference attended by over 150 bakers, millers, academics and consumers from around the country. By the end of the year the campaign had attracted 260 members; members of the campaign's working party were drafting the bakers' support pack; bakers and schools had volunteered for the pilot scheme for the bread-making in

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schools programme; one food co-operative had begun selling Real Bread; and several more bakers had expressed interest in supplying local co-op schemes.

More generally, the campaign continues to champion Real Bread and raise awareness on issues including the labelling (or not) of artificial additives and processing aids; misleading advertising by the 'big industrial bakers' and supermarkets; and the lack of research into the possible benefits of longer fermentation. Through its work, the Campaign has generated significant media coverage, notably for its National Real Bread Maker Week, a complaint to the Advertising Standards Authority about a Hovis advert and for *Are Supermarket Bloomers Pants?* its report into the practices of supermarket in-store bakeries. Highlights of media coverage include being featured by *The Metro*, *The Daily Mail*, *The Daily Telegraph*, *The Independent*, *The Times*, *The Guardian*, *The Observer*, The Food Programme on Radio 4, *Country Living* magazine, *The Grocer* and the industry's *British Baker*. Word of the campaign has even spread beyond the UK, with mentions in publications as far afield as Holland, Hungary, Canada and Thailand.

Sustainable farming and food policy

Water scarcity is now a fast-emerging sustainability problem across the globe, and the Food Ethics Council (FEC) was commissioned by Sustain to investigate how the 'water footprint' of food might be communicated. The FEC produced an excellent report in July recommending that a water stewardship approach – currently being developed by the global Alliance for Water Stewardship - offers the best basis for addressing water issues.

During the year Jeanette Longfield, Sustain's Co-ordinator, participated on the committee of the FEC's Food and Fairness Inquiry. Public hearings took place in September, October and November 2009 and the final report was drafted in the Spring 2010. The report is due to be launched in July 2010 and it is already clear that it will make a valuable contribution to the policy debate about including social justice in any measures to make the food and farming system more sustainable.

In early 2010, Sustain's Policy Director Kath Dalmeny joined the advisory group of the Food Climate Research Network (FCRN), to support the network's coordinator Tara Garnett in development of policy work and stakeholder engagement in the evidence linking food production and consumption with greenhouse gas emissions, and developing recommendations for how these can be mitigated. Kath helped Tara with facilitation of a stakeholder consultation on a joint piece of work between FCRN and WWF-UK to investigate 'How low can we go?' in terms of emissions from the food sector. Kath also helped Tara facilitate a workshop of experts on soil carbon sequestration; and joined in FCRN discussions with the UK government's Climate Change Committee, tasked in 2010 with incorporating agriculture and food into the inventory and policy recommendations for meeting the UK's Kyoto Protocol commitments for emissions reductions.

Links with government

Sustain staff continued to liaise with a number of government departments and agencies on a range of issues, and received a surprise invitation from Mr and Mrs Darling of Number 10 Downing Street, to join in with their celebration of The Big Lunch, on Sunday 19 July, 2009. The Big Lunch initiative encourages people throughout the UK to get together with their neighbours to organise street parties, with entertainment and decorations grown, cooked or created by the community. The initiative was started by Tim Smit of the Eden Project and Paul Twivy of Comic Relief.

SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

Trustees' Report: How we work, and what we do, For the year ended 31 March 2010

Around 40 people gathered at Number 10, including Sustain's Chair, Anne Dolamore, along with Kath Dalmeny, Ben Reynolds and Jon Walker. Visitors were given a guided tour by Maggie Darling, including Number 10's garden, complete with a fine vegetable plot installed and maintained by Mrs Darling.

- Food Standards Agency

Despite ground-breaking work in other areas (such as traffic light labelling) the Food Standards Agency (FSA) continues to fail to integrate sustainable development into its policies and practices, as recommended by the Cabinet Office's *Food Matters* report in 2008. In particular, despite numerous letters to and meetings with the FSA, by a range of concerned organisations (co-ordinated by Jeanette Longfield), the FSA persists in recommending that people eat at least two portions of fish a week, in flagrant disregard of the crisis in global fish stocks. The only concession has been to suggest that people take sustainability into account by looking at the websites of organisations specialising in the marine environment.

The FSA has also been dragging its heels in implementing the recommendation (also from the Cabinet Office's *Food Matters* report) that the Agency should become a "one stop shop" for all citizens' interests in relation to food. This should include sustainable development issues such as climate change, animal welfare and fair trade, alongside safety and nutrition. Again, despite meetings and correspondence prompted by Sustain, the end of the year arrived without substantive progress by the FSA. This is all the more disappointing, given an excellent report in December 2009 – *Setting the table: Advice to Government on priority elements of sustainable diets* – that was produced by government's Sustainable Development Commission and to which Sustain staff, members and trustees contributed.

- Department of Environment, Food and Rural Affairs (Defra)

Sustain met Defra Minister, Hilary Benn on 19 May 2009, with colleagues from Compassion in World Farming, Friends of the Earth and the Vegetarian Society. This was in response to a letter we co-wrote to the Minister in April the previous year! His office was suitably apologetic for the delay, and it provided a helpful opportunity to raise issues around sustainable food in public procurement.

Kath Dalmeny, Sustain's Policy Director, met Defra officials in November 2009 to discuss how government could support urban food growing initiatives. Separately, she discussed with officials how it could support sustainable fish consumption by, for example, adopting sustainable fish purchasing policies as mandatory for public sector procurement.

International links

AlimenTerra

Sustain is a member of AlimenTerra, a European network of groups working to promote a sustainable food system, and both Richard Watts and Jeanette Longfield serve on its board. Jeanette attended a Board in September, where it was agreed that the AlimenTerra company should be wound up, with the network continuing on an informal basis. As part of this process Sustain will take on from AlimenTerra the UK part of the Softagri programme, funded by the EU's Grundtvig programme. This supports visits and information exchange between European countries to promote sustainable food and agriculture. This year Sustain staff have attended meetings in France, the Netherlands and Italy, and the final meeting is scheduled for June 2010 in Hungary. Sustain will help draft the project's final report, given that it must be in English and we are the native speakers in this European network.

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UK Food Group

Sustain continued to provide book-keeping services for the UK Food Group (UKFG), a long-standing Sustain observer organisation, which acts as an independent sister network, focusing on global food and farming issues. Jeanette Longfield sits on the Group's Management Committee; the Group's Chair, Patrick Mulvany, is a Sustain trustee; and the co-ordinator is Geraldine Galvaing, who is based in the Sustain office.

The UK Food Group has played an important role in the past year in encouraging exchanges and in facilitating the discussion on key food and farming issues in the UK among members, other UK NGO networks, as well as at European level and internationally. This is in the context of change in the global governance of food, agriculture and nutrition, including the reform of the Food and Agriculture Organization (FAO) Committee on World Food Security (CFS).

Geraldine and Patrick pursued their work on two European Commission funded public awareness projects in collaboration with European and African partner organizations:

- "Spotlight on the marginalised: strengthening the position of smallholders in European trade policy". This project ended in December 2009. A main aim of the project was to highlight the effects of European policies, particularly Economic Partnership Agreements (EPAs), on the livelihoods of smallholder farmers.
- "Agro-food policies and regional integration: for a practice of solidarity between Europe and Africa". The focus for the UK Food Group's contribution to this project is to examine and disseminate information about different models of agricultural production as promoted by farmers' organisations, governments and aid agencies. The UK Food Group is responsible for organising 2010's international conference, which will be held in London on 24 September.

For these projects Geraldine and Patrick held and participated in many seminars and workshops, and organised meetings with the Department for International Development. For example, in September 2009, the UK Food Group organised a conference entitled *Rewriting the Rules...to secure our future food*. The event identified and made proposals for some national and international rules and regulations to be changed. Our European and African partners made presentations. The UKFG also published two briefings: *Hidden Threats: an analysis of intellectual property rights (IPRs) in EU-ACP EPA (Economic Partnership Agreements)* and *Securing Future Food: towards ecological food provision*.

Being the network that represents British Overseas NGOs for Development (BOND) on global food and farming issues, the UKFG continued to attend meetings of BOND's EU Committee and CONCORD's European Food Security Group (EFSG) meetings, for which the UKFG is a member of the Steering Group. The EFSG is key to developing and advocating common European positions for example on *Advancing African Agriculture (AAA)* – a European Commission document urging coherence across European policies. In March 2010 the UK Food Group joined with hundreds of other organisations in launching a European Food Declaration, highlighted in a letter to *The Guardian*, which outlines principles and proposals for a radically new Common Agriculture and Food Policy that would be fair, inclusive, transparent and sustainable.

SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

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In the course of the year, the UK Food Group submitted evidence to the All Party Parliamentary Group (APPG) on Agriculture and Food for Development for their enquiry on Global Food Security which highlights actions that would mitigate the current food crisis. The APPG hosted an event in February in the House of Lords organised by the UK Food Group on 'Agroecology and Environmental Approaches to Agriculture'. The UK Food Group also submitted a paper to the White Paper process "Securing our Common Future", emphasising the need for food sovereignty policies and support for reform in the UN food agencies that is inclusive and democratic.

"Sister" organisations in Canada and Australia

Sustain continues to maintain links with Sustain Ontario, a new "sister" alliance now formally established in Toronto. Sustain staff have had extensive contacts over a number of years with members of this alliance.

In addition, Sustain's coordinator Jeanette Longfield visited Australia in October 2009, not only to give a presentation at the Sydney Food Fairness conference in Sydney, but also make contact with a number of like-minded organisations in that city, and in Melbourne and Brisbane. Jeanette was then invited to give the Ruby Hutchison lecture at the Choice annual conference in Sydney in March 2010 (Choice is the Australian equivalent of the UK's *Which?* consumer group, and Ruby Hutchison established the organisation 50 years ago). Jeanette took the opportunity to revisit food activists she met on her first visit in Sydney, Melbourne and Brisbane, and was also invited to meet similar groups in Adelaide.

Kena Duignan, formerly of the Good Food on the Public Plate project, is currently working with the Victorian Food Policy Coalition in Melbourne, currently the closest to an Australian Sustain. A number of helpful contacts were also made with people working on urban agriculture, planning and supermarkets, and several people are likely to visit Sustain's offices when they come to London in summer 2010.

Financial review

The fund balance carried forward at 31 March 2010 was £434,060 (2009: £395,938) on unrestricted general reserves. The restricted reserves on continuing projects were £103,709 at 31 March 2010 (2009: £199,812). The full Statement of Financial Activities is set out on page 31 of these accounts.

Reserves policy

In accordance with guidelines issued by the Charity Commissioners, the Trustees have adopted a reserves policy which should ensure that: Excluding those funds represented by fixed assets, general reserves do not exceed more than six months' anticipated expenditure. At present, free funds amount to £432,786. There are adequate funds to ensure that the charity is able to meet all current and known future liabilities. The level of reserves is considered and reviewed at regular intervals by the Council.

Investment policy

Under the memorandum and articles of association, the charity has the power to invest the monies of the company not immediately required for the furtherance of its objects in or upon such investments, securities or property as may be thought fit, subject nevertheless to such condition (as any) and such consents (if any) as may for the time being be imposed or required by law. At the present time, the Trustees' policy is to maintain such monies on deposits earning a market rate of interest.

SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

Trustees' Report: How we work, and what we do, For the year ended 31 March 2010

Risk management

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems are in place to mitigate our exposure to the major risks.

Trustees' responsibilities

Company and charity law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of its financial activities for that year. In preparing those accounts, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees have overall responsibility for ensuring that the company has appropriate systems of control financial or otherwise. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and which enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Public benefit

The trustees are aware of the Charity Commission guidance on public benefit reporting as set out in Section 4 Charities Act 2006. They believe Sustain fulfils a fundamental public benefit by promoting both the health and welfare of people and animals, and improving the environment. Details of how Sustain has achieved these objectives are commented upon in detail throughout this annual report.

Auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all the relevant audit information and to establish that the company's auditors are aware of that information.

A proposal to re-appoint Goldwins as auditors for the forthcoming year will be put forward at the Annual General Meeting.

This report was approved by the Council of Trustees on2010 and signed on its behalf, by:

Anne Dolamore

Chair of the Council of Trustees

SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

Independent Auditors' Report to the Members of Sustain: The Alliance For Better Food And Farming

We have audited the financial statements of Sustain: The Alliance for Better Food and Farming for the year ended 31 March 2010 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared in accordance with the Financial Reporting Standards for Smaller Entities (effective April 2008) and under the accounting policies set out therein.

This report is made solely to the charity's members, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state 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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees' (who are also the directors of the company for the purposes of company law) responsibilities 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) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the Trustees' Annual Report is consistent with those financial statements.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

Independent Auditors' Report to the Members of Sustain: The Alliance For Better Food And Farming

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion

- the financial statements give a true and fair view of the state of the charity's affairs as at 31 March 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller entities;
- the financial statements have been prepared in accordance with the Companies Act 2006 and;
- the information given in the Trustees' Annual Report is consistent with the financial statements.

**Anthony Epton (Senior Statutory Auditor)
for and on behalf of Goldwins Limited
Statutory Auditor
Chartered Accountants
75 Maygrove Road
West Hampstead
London NW6 2EG**

SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account)
For the year ended 31 March 2010

		Restricted Funds £	Unrestricted Funds £	Total Funds 2010 £	Total Funds 2009 £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	16,096	31,105	47,201	53,066
Investment income		-	1,648	1,648	10,592
Incoming resources from charitable activities					
Health and Welfare	3	1,729,341	53,932	1,783,273	1,491,965
TOTAL INCOMING RESOURCES		<u>1,745,437</u>	<u>86,685</u>	<u>1,832,122</u>	<u>1,555,623</u>
RESOURCES EXPENDED					
Cost of generating funds					
Fundraising costs	6	-	8,866	8,866	8,480
Charitable activities					
Health and Welfare		1,790,531	78,402	1,868,933	1,573,237
Governance costs	7	-	12,304	12,304	16,243
TOTAL RESOURCES EXPENDED		<u>1,790,531</u>	<u>99,572</u>	<u>1,890,103</u>	<u>1,597,960</u>
NET OUTGOING RESOURCES BEFORE TRANSFERS		(45,094)	(12,887)	(57,981)	(42,337)
Transfers between funds	13	(51,009)	51,009	-	-
RECONCILIATION OF FUNDS NET MOVEMENT IN FUNDS FOR THE YEAR		(96,103)	38,122	(57,981)	(42,337)
Total funds at 1 April 2009		199,812	395,938	595,750	638,087
TOTAL FUNDS AT 31 MARCH 2010		<u>103,709</u>	<u>434,060</u>	<u>537,769</u>	<u>595,750</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.
The attached notes form part of these financial statements.

SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

BALANCE SHEET
As at 31 March 2010

		2010		2009	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible fixed assets	10		1,274		1,911
CURRENT ASSETS					
Debtors	11	591,396		312,834	
Cash at bank		508		292,931	
		<u>591,904</u>		<u>605,765</u>	
CREDITORS: Amounts falling due within one year		(55,409)		(11,926)	
		<u>536,495</u>		<u>593,839</u>	
NET ASSETS		<u>537,769</u>		<u>595,750</u>	
		=====		=====	
CHARITY FUNDS					
Restricted funds	13		103,709		199,812
Unrestricted funds					
General funds	13		434,060		395,938
		<u>537,769</u>		<u>595,750</u>	
		=====		=====	

The financial statements have been prepared in accordance with the special provision of Part 15 of the Companies Act 2006 relating to small companies and Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the Trustees on..... 2010 and signed on their behalf, by:

Anne Dolamore - Chair

Philip Lymbery – Treasurer

The attached notes form part of these financial statements.

SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 March 2010

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" revised in March 2005, applicable accounting standards and the Companies Act 2006.

1.2 Company status

The company is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the company for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.4 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the company is legally entitled to the income and the amount can be quantified with reasonable accuracy.

1.5 Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Direct costs, including directly attributable salaries, are allocated on an actual basis to the key strategic areas of activity. Overheads and other salaries are allocated between the expenses headings on the basis of time spent.

SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 March 2010

1. ACCOUNTING POLICIES-CONTINUED

1.5 Resources expended (continued)

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and are allocated on the basis of staff cost.

Governance costs are those incurred in connection with enabling the Charity to comply with external regulation, constitutional and statutory requirements and in providing support to the Trustees in the discharge of their statutory duties.

1.6 Cash flow

The financial statements do not include a cash flow statement because the charitable company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.7 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Office equipment - 25% straight line

1.8 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

1.9 VAT

The charity is not registered for VAT. In common with many other similar registered charities, Sustain's expenses are inflated by VAT, which cannot be recovered.

1.10 Tax status

The company is a registered charity and is not subject to corporate tax on its current activities.

SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2010

2. VOLUNTARY INCOME

	Restricted Funds £	Unrestricted Funds £	Funds 2010 £	Funds 2009 £
Donations	31,105	16,096	47,201	53,066
	=====	=====	=====	=====

3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Restricted Funds £	Unrestricted Funds £	Total funds 2010 £	Total funds 2009 £
Health and Welfare				
Big Lottery Local Food Fund (various)	119,407	-	119,407	-
British Heart Foundation	70,619	-	70,619	34,730
Esmée Fairbairn Foundation	68,089	-	68,089	-
Germanwatch (EC)	27,604	-	27,604	37,949
Government Office for London	-	-	-	16,650
Greater London Authority (various)	268,118	-	268,118	-
Greenwich Co-operative Development Agency (LDA)	57,636	-	57,636	71,793
Grundtvig UK National Agency	12,595	-	12,595	-
Islington Council	115,888	-	115,888	-
London Development Agency (various)	285,464	-	285,464	281,815
London Sustainability Exchange (Big Lottery)	140,024	-	140,024	171,404
Membership fees	5,741	34,060	39,801	2,445
NHS Camden	78,000	-	78,000	120,000
Organic UK Campaign Pledges	56,000	-	56,000	-
Other grants and income	7,339	3,200	10,539	47,278
Plunkett Foundation (Big Lottery)	381,817	-	381,817	651,321
Polden-Puckham Charitable Foundation	-	8,000	8,000	-
Practical Action (EC)	-	-	-	16,182
Rowan Trust	-	-	-	13,500
Rural Renaissance	-	-	-	17,063
Sales and publications	-	512	512	1,661
Subscriptions	-	8,160	8,160	8,174
Tower Hamlets PCT	35,000	-	35,000	-
	-----	-----	-----	-----
	1,729,341	53,932	1,783,273	1,491,965
	=====	=====	=====	=====

SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2010

4.	RESOURCES EXPENDED	Direct Costs £	Other Costs £	Support Costs £	2010 £	2009 £
	Charitable activities					
	Health and Welfare	625,684	1,032,652	210,597	1,868,933	1,573,237
	Other expenditure					
	Fundraising	7,867	-	999	8,866	8,480
	Governance	5,245	5,673	1,386	12,304	16,243
		638,796	1,038,325	212,982	1,890,103	1,597,960
		638,796	1,038,325	212,982	1,890,103	1,597,960
5.	ANALYSIS OF SUPPORT COSTS	Health & Welfare £	Fundraising £	Governance £	2010 £	2009 £
	Staff costs	57,381	272	378	58,031	53,516
	Office costs	68,872	327	453	69,652	52,618
	Other costs	84,344	400	555	85,299	52,195
		210,597	999	1,386	212,982	158,329
		210,597	999	1,386	212,982	158,329
	Support costs are costs of central management. Support costs have been allocated to activities as above based on staff costs.					
6.	FUNDRAISING COSTS				Total Funds 2010 £	Total Funds 2009 £
	Direct staff costs				7,867	7,640
	Support costs				999	840
					8,866	8,480
					8,866	8,480
7.	GOVERNANCE COSTS				2010 £	2009 £
	Direct staff costs				5,245	5,093
	Auditors' remuneration				5,658	9,085
	Other expenses				15	456
	Support costs				1,386	1,609
					12,304	16,243
					12,304	16,243

SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)**For the year ended 31 March 2010**

8.	NET (EXPENDITURE)/ INCOME	2010	2009
		£	£
	This is stated after charging:		
	Depreciation of tangible fixed assets:		
	- owned by the charity	637	776
	Auditors' remuneration - audit services	5,658	6,325
	- other services	-	2,760
		=====	=====

During the year, no Trustees received any remuneration, any benefits in kind and/or any reimbursement of expenses (2009 – NIL).

9.	STAFF COSTS AND NUMBERS	2010	2009
	Staff costs were as follows:	£	£
	Wages and salaries	695,331	486,707
	Social security costs	72,608	50,374
	Pension costs	5,401	2,909
		-----	-----
		773,340	539,990
		=====	=====

The average number of full-time equivalent employees during the year was:	No.	No.
Health and Welfare	22	16
Governance	2	1
	-----	-----
	24	17
	=====	=====

No employees received remuneration amounting to more than £60,000 in either year.

SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)**For the year ended 31 March 2010**

10. TANGIBLE FIXED ASSETS			Furniture, Fittings and Equipment
Cost			£
At 1 April 2009			32,596
Additions			-
At 31 March 2010			<u>32,596</u>
			=====
Depreciation			
At 1 April 2009			30,685
Charge for the year			637
At 31 March 2010			<u>31,322</u>
			=====
Net Book Value			
At 31 March 2010			1,274
			=====
At 31 March 2009			1,911
			=====
11. DEBTORS	2010	2009	
	£	£	
Debtors	172,649	209,039	
Prepayments	2,748	2,814	
Grants receivable	415,999	100,981	
	<u>591,396</u>	<u>312,834</u>	
	=====	=====	
12. CREDITORS: Amounts falling due within one year	2010	2009	
	£	£	
Other creditors	47,751	3,942	
Accruals	7,658	7,984	
	<u>55,409</u>	<u>11,926</u>	
	=====	=====	

SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2010

13. STATEMENT OF FUNDS	Brought Forward £	Incoming resources £	Resources Expended £	Transfers In/(out) £	Carried Forward £
Unrestricted funds	395,938	86,685	99,572	51,009	434,060
Restricted funds					
Capital Growth	-	428,007	400,301	-	27,706
Children's Food Campaign	10,112	71,669	79,415	-	2,366
Ethical Eats	-	72,057	74,147	-	(2,090)
Good Food for our Money	(13,660)	68,529	70,114	-	(15,245)
Good Food on the Public Plate	66,847	94,515	108,652	(51,782)	928
Good Food Training for London	(185)	57,636	57,451	-	-
London Food Link (incl. Buywell, Camden, and wholesale markets)	667	424,460	414,125	773	11,775
Making Local Food Work	71,614	381,817	440,021	-	13,410
Organic UK Campaign	-	56,000	-	-	56,000
Real Bread Campaign	-	47,839	50,216	-	(2,377)
Softagri	-	12,595	3,672	-	8,923
UK Food Group	64,417	30,313	92,417	-	2,313
	199,812	1,745,437	1,790,531	(51,009)	103,709
Total funds	595,750	1,832,122	1,890,103	-	537,769

Income, which is received for specific projects, is accounted for as restricted funds. If these funds are overspent a transfer is made from unrestricted funds. The balances on restricted funds as at 31 March 2010 arise from income received for specific projects on which some expenditure is still to be incurred in the coming financial year. Each of the projects is described in more detail below:

Capital Growth

This project, funded by the Big Lottery and by the Greater London Authority, is aiming to establish new community food growing spaces in London by the end of 2012, inspired by London's hosting of the 2012 Olympic and Paralympic Games.

Children's Food Campaign

The Campaign, funded by the British Heart Foundation, works with a large coalition to protect children from junk food marketing, improve the quality of food and food labelling, and ensure all children receive a good food education and learn vital food skills in school.

Ethical Eats

Funded by the Big Lottery, this network advises London's caterers on ways to make their businesses more sustainable, helping them to use more local and sustainable ingredients, conserve energy and water, and reduce waste.

SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2010

Good Food for Camden

With funding from NHS Camden, Sustain helped to develop and implement a healthy and sustainable food strategy for the London borough of Camden.

Good Food for Our Money

This campaign is supported by the Esmée Fairbairn Foundation and is working with a growing alliance of organisations to achieve mandatory health and sustainability rules for public sector food in, for example, schools, hospitals and care homes.

Good Food on the Public Plate

Working with hospitals and care homes across London and the South East, this project is funded by the London Mayor's food strategy to increase the proportion of sustainable food in the meals they serve, thereby improving the well-being of patients and staff, and supporting local producers.

Good Food Training for London

This project provided free-of-charge food skills training, funded by the London Mayor's food strategy, to public sector catering and service staff. It aimed to increase the availability and uptake of healthy and sustainable food in London's schools, hospitals, care prisons and care settings.

London's wholesale markets

With funding from the London Development Agency (LDA)'s Local Infrastructure project, a Sustain staff member was seconded to become a Business Development Manager at New Covent Garden Market (NCGM) to help suppliers become more sustainable.

Making Local Food Work

This Big Lottery-funded initiative aims to reconnect consumers to the land by increasing access to fresh, healthy, local and sustainable food. It also aims to implement and evaluate social enterprise models in creating and running food co-ops and food distribution activities.

Organic UK Campaign

Sustain has continued to employ a consultant to develop a bid to obtain EU funding to promote the UK's organic sector. This year over 50 companies pledged over £300,000 in financial support via a specially designed website (<http://www.organicuk.org>).

Real Bread Campaign

Funded by the Big Lottery and the Sheepdrove Trust, the campaign champions locally baked, additive-free bread and finds ways to make all loaves better for us, better for our communities and better for the planet.

Softagri

This series of visits and information exchanges between five European countries promotes sustainable food and agriculture policies and practices and is funded by the EU's Grundtvig programme.

SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)**For the year ended 31 March 2010**

UK Food Group

This long-standing Sustain observer member is an independent “sister” network of organisations focusing on global food and farming issues and the needs of poorer countries.

Well London - Buywell

Sustain’s part of the Big Lottery-funded Well London portfolio project, led by the London Health Commission, is funded via London Sustainability Exchange. Buywell is supporting community groups and businesses to make it easier for people to buy healthy, affordable and sustainably produced food in 10 deprived neighbourhoods across London.

**14. ANALYSIS OF NET ASSETS
BETWEEN FUNDS**

	Restricted Funds £	Unrestricted Funds £	2010 £	2009 £
Tangible fixed assets	-	1,274	1,274	1,911
Current assets	103,709	488,195	591,904	605,765
Creditors due within one year	-	(55,409)	(55,409)	(11,926)
	<u>103,709</u>	<u>434,060</u>	<u>537,769</u>	<u>595,750</u>
	=====	=====	=====	=====

15. SHARE CAPITAL

Sustain: The Alliance for Better Food & Farming is a company Limited by Guarantee and has no share capital. Each member is liable to contribute a sum not exceeding £1 in the event of the charity being wound up.