

Registered Company No: 02673194  
Charity No: 1018643

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**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 2008

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# SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

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# SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

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## LEGAL AND ADMINISTRATIVE INFORMATION for the year ended 31 march 2008

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### **Trustees**

David Barling  
Peta Cottee  
Helen Crawley (elected 16/01/2008)  
Anne Dolamore, Chair  
Jeremy Faull (re-elected 16/01/2008)  
Joe Harvey (resigned 16/01/2008)  
Vicki Hird  
Emma Hockridge (elected 16/01/2008)  
Harry Huyton (resigned 16/01/2008)  
Philip Lymbery (elected 16/01/2008)  
Patrick Mulvany  
Mike Rayner  
Patti Rundall  
Robin Simpson, Treasurer (re-elected 16/01/2008)  
Jim Sumberg  
Rachel Sutton (resigned 16/01/2008)  
Bill Vorley  
Tully Wakeman (elected 16/01/2008)

### **Company Registered Number**

02673194

### **Charity Registered Number**

1018643

### **Registered Office**

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

### **Company Secretary and Co-ordinator**

Jeanette Longfield

### **Auditors**

haysmacintyre, Fairfax House, 15 Fulwood Place, London WC1V 6AY

### **Bankers**

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

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# SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

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## TRUSTEES' REPORT For the year ended 31 March 2008

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The Council of Trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the financial statements of Sustain: The alliance for better food and farming (the company) for the year ended 31 March 2008. The Trustees confirm that the annual report and financial statements of the company comply with current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" revised in March 2005.

### HOW WE WORK AND WHAT WE DO

Sustain represents around 100 national public interest organisations 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.

### STRUCTURE AND GOVERNANCE

#### 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 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 meets at least 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), all of 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.

By the 2007 AGM (which had to be postponed until January 2008) three Trustees had stood down, two existing Trustees were re-elected, and one co-opted member was elected alongside three new members.

- 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, for example, we explored a number of new issues that might lead us to work with members and develop proposals for innovative projects or campaigns.

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# SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

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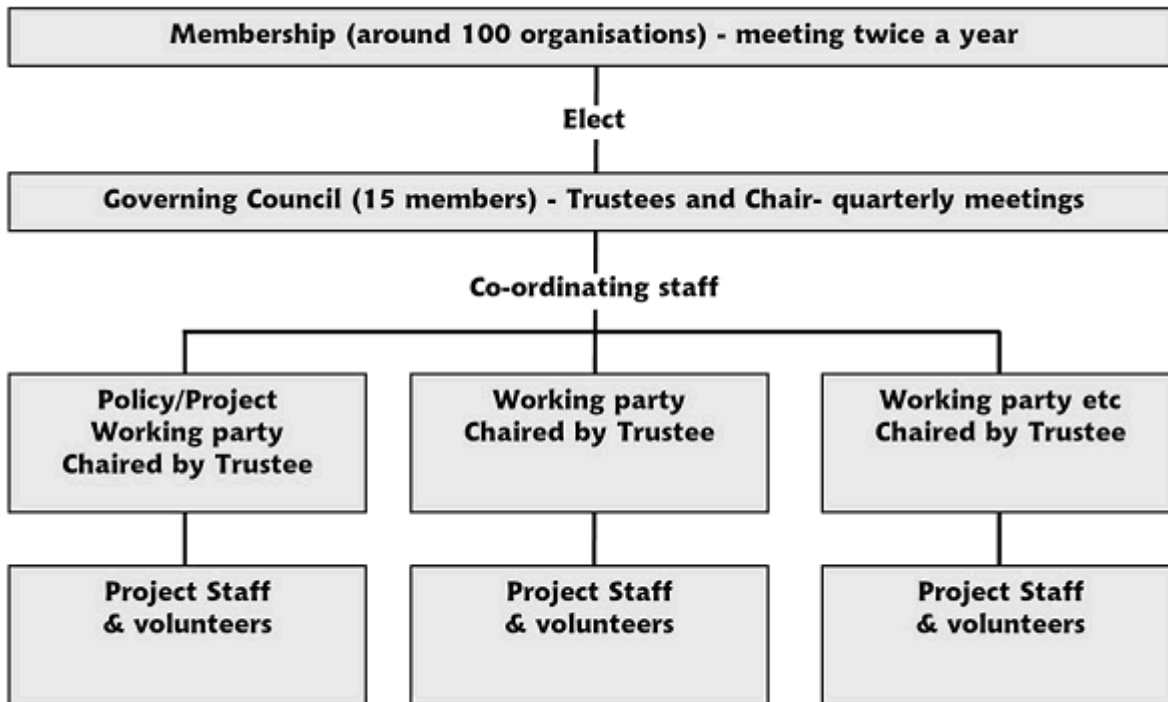
## TRUSTEES' REPORT (Continued) For the year ended 31 March 2008

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### STRUCTURE AND GOVERNANCE

#### Organisational structure

The diagram below 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 very 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. This year, for example, Gavin has developed the Local Food Finder database ([www.localfoodfinder.org](http://www.localfoodfinder.org)) and designed and produced new publications for Sustain and for the Children's Food Campaign, London Food Link, and the Orchards project (see below). This is as well as continuing to produce a number of regular newsletters, and maintaining and developing Sustain's increasingly popular website.

#### 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 onto obtain good jobs or pursue their research.

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# SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

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## TRUSTEES' REPORT (Continued) For the year ended 31 March 2008

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### STRUCTURE AND GOVERNANCE

#### Funding

Sustain would like to thank the following funders for their financial support for our work:

Action Aid

Big Lottery Fund

British Medical Association

Christian Aid

City Bridge Trust (formerly the Bridgehouse Trust)

Department for Environment Food and Rural Affairs (various, including Environment Action Fund)

Department of Health

Embassy of the United States of America

Esmée Fairbairn Foundation (including Eat Somerset and Food Network)

European Commission (Germanwatch)

European Regional Development Fund

Food Standards Agency

Government Office for London

Herefordshire Rivers Leader +

Joseph Rowntree Charitable Trust

London Development Agency (various, including Good Food Training for London, Small Grants Scheme and Workshops)

London Sustainability Exchange

Marmot Charitable Trust

Methodist Relief and Development Fund

National Consumer Council

Oxfam

Polden-Puckham Charitable Foundation

Rowan Charitable Trust

Tudor Trust

World Cancer Research Fund

### ACHIEVEMENTS AND PERFORMANCE AND FUTURE PROSPECTS

Food and farming issues have continued to rise up the public agenda, with Sustain retaining its place as an authoritative source of information, both in its own right and as signpost to the expertise of its membership and networks. Our strong record of achievement has helped to attract more funding and, hence, more staff such that at the end of the year we decided to expand our management team. Kath Dalmeny changed her role to Policy Director, and was joined by Ben Reynolds as Network Director (moving over from London Food Link), and by Richard Watts as Campaigns Director (formerly Children's Food Campaign co-ordinator). Both appointments were made following stiff competition from external candidates, and the new team is looking forward not only to providing more support for our growing and enthusiastic staff line-up, but also developing Sustain's work into exciting new areas.

#### Sustain's projects and campaigns

- **Children's Food Campaign**

The Campaign has enjoyed another successful year, which has seen a number of victories and some frustrations. The publication of the government's Foresight report on obesity, which made horrendous forecasts for the nation's future diet-related health, raised hopes of significant progress on a range of issues when it was published in October. As a result, we published a report - '*Missing the target*' - which looked at what the government needed to do to meet its obesity target. Although there was some important progress as a result of this - especially the very welcome reintroduction of compulsory cookery lessons (see below) - the eventual government obesity strategy was essentially a let-down.

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## SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

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### TRUSTEES' REPORT (Continued) For the year ended 31 March 2008

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#### **Junk food marketing**

Our work to protect children from junk food advertising and marketing has dominated the year and we have pursued two bills in Parliament. The first, sponsored by Baroness Thornton, called for a 9pm watershed for junk food television adverts. The second, introduced by former consumer minister Nigel Griffiths MP, called for stopping all forms of junk food marketing aimed at children. Although both bills ultimately failed, they have proved useful for recruiting supporters and promoting our arguments. Thus, by the end of the year we had the confirmed support of over 200 MPs from all parties and succeeded in moving forward the Government's review of the rules on junk food marketing, which is due in summer 2008. We remain confident that we will secure a 9pm watershed ban on junk food marketing at some point, although have encountered sustained resistance from the Department for Culture, Media and Sport, as well as from the junk food and marketing industries.

Our work on non-broadcast marketing – such as on the internet and mobile phones - has continued, with the publication of the major report, '*Protecting Children from Unhealthy Food Advertising*' (supported by the British Heart Foundation). We believe it is the first report in the world to recommend a workable system to regulate non-broadcast marketing, and we shall continue to promote its recommendations.

#### **Cooking in schools**

In a victory for the campaign, we are delighted that compulsory cookery skills are to be brought back into the curriculum after a 20-year absence. This followed work by the Children's Food Campaign, and others, to lobby ministers to re-introduce compulsory lessons, instead of making them a voluntary option for children.

#### **Labelling**

We have continued to work with partners to make the case for the traffic light colour-coded nutrition labelling scheme developed by the Food Standards Agency (FSA), and have joined the official supporters and adopters group for the scheme.

#### **Additives and children's behaviour**

During the year FSA-funded research, now known as the Southampton Study, was published showing beyond reasonable doubt that certain artificial food colourings trigger hyperactive behaviour in children. The campaign pressed the FSA to ban the additives in question and we were disappointed that the Agency initially postponed taking action. However, we were delighted that, following campaign work by the Children's Food Campaign, Food Commission, Soil Association and others, the Agency did decide to introduce a voluntary ban on these artificial colours and agreed to press the European Union to make this compulsory.

#### **Funding and staff changes**

Core funding for the campaign from the Joseph Rowntree Charitable Trust expired at the end of the 2007/08 financial year and we have, to date, not found an adequate replacement, though efforts continue. Project Officer, Richard Watts, accepted a position as Sustain's Campaigns Director and will dedicate some time to the campaign in the coming year. He has been ably assisted by consultant Lianna Hulbert, and a hard-working team of volunteers.

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## SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

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### TRUSTEES' REPORT (Continued) For the year ended 31 March 2008

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- **Eat Somerset**

We were sad to say goodbye to project officer, Kate Bowie, who went on maternity leave in August, and opted not to return. Alison Belshaw, appointed in September, has been a wonderful replacement, achieving a great deal on a part-time basis and with additional support from consultant Cordelia Rowlatt.

#### **Events**

Before Kate left she held a successful 'Meet the Buyers' event at Green Park Station, Bath in July, attended by 23 producers and 19 buyers. Given the very positive feedback another 'Meet the Buyers' was held in spring in Bristol, organised by Alison, with 24 producers and over 50 buyers, and at least 11 producers have received new orders as a direct result.

In January a workshop on sustainable packaging was held, attended by around 20 producers. Samples of packaging on were on display and there were speakers from the Eden Project and Saffron Kitchen. March saw a workshop with local food producers and distributors to map distribution routes to identify ways of combining deliveries. As a result we have carried out a survey of food producers and distributors to obtain details and make better links between them. This will contribute to our new Making Local Food Work programme (see below).

#### **Work with wholesalers**

In January the project organised a day of meetings between national wholesaler, Booker, and five local producers. Four of these have had products selected by Booker for them to sell at the wholesaler's Taunton store on a trial basis, and sales will be monitored over the next few months. We aim to use this experience to work with more wholesalers, including other Booker stores and L&F Jones – another wholesale distributor. This success vindicates our decision to persist with this aspect of the project, despite last year's difficulties and delays.

#### **Directory**

We have compiled a directory of producers involved in the project, now available on the Sustain website where it can be searched for specific products and locations to help retailers easily locate local produce. A directory of caterers, retailers, cafés, restaurants and wholesalers interested in local produce has also been compiled for producers.

#### **Future of the project**

A funding application to the Rural Renaissance Initiative looks likely to be approved. This will enable more focussed work to take place in the West of England region (Bristol, Bath & North East Somerset, North Somerset and South Gloucestershire areas) until March 2009. Funding from the Esmée Fairbairn Foundation is due to end in June, for which we will produce a report. Case studies highlighting particular elements of the project are already being compiled and made available on the website. Work continues with local shops and buyers to facilitate new trading arrangements with local food producers. Links also continue to be forged with local authorities, and relevant organisations in the area.



# SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

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## TRUSTEES' REPORT (Continued) For the year ended 31 March 2008

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- **Food Access Network, UK**

This was the final and successful year of three-year funding from the Department of Health. Over 400 community food projects are currently FAN members from across the UK, and membership continues to rise. A new web-based database has been designed and pages added to the website. *FANMail*, the project newsletter, has been published quarterly, and includes a popular mix of interviews with members, project news and updates on national or local policy issues. For example, following the project's submission to the Competition Commission Groceries Market Enquiry, FAN maintained links with the Breaking the Armlock coalition, and continues to be concerned about the impact of growing retailer concentration on the ability of low-income groups, particularly those without cars, to reach a decent range of food shops.

During the year, project officer Lisa Wilson worked with the FSA on their Low Income Diet and Nutrition Survey. Published in summer 2007, the survey confirmed that many, though not all, low-income groups are unable to buy and prepare food for a nutritious diet. The FSA commissioned FAN to produce an analysis of the survey and to help arrange a meeting of stakeholders (which took place in November) to discuss policy implications. The meeting was very positive, but it remains unclear how the FSA will pursue the recommendations that emerged.

Lisa also organised meetings to address food access and malnutrition among older people. These involved a range of community projects, dietitians and older people's organisations and were very well received. Unfortunately, it was not possible to pursue this area further, prior to Lisa moving on from Sustain at the end of the project in March. However, Sustain hopes to maintain an interest in this important policy area and links with Lisa, not least because her new employers are the International Longevity Centre and the Caroline Walker Trust.

### **UK Liaison**

Sarah Cannon joined the project in March 2007 to work alongside Lisa on an FSA-funded initiative to promote links between organisations working to improve food access in England, Northern Ireland, Scotland and Wales. FAN coordinated three UK Liaison conferences during the year – Newcastle in April, Glasgow in June, and November in Belfast – with a final event due to be held in April 2008 in Cardiff. All the events so far have not only been very well received by the participants, but also succeeded in strengthening links across the UK. Sadly, a change in the FSA's policy on consumer engagement has meant that they will not continue to fund the UK Liaison project next year.

### **Regional networks**

As well as continuing to coordinate the London Food Access Forum, in partnership with London Food Link, the past year saw the establishment of a North East Food Access Forum. This was set up following discussions with members in the region after the UK Liaison event in Newcastle. Sarah has organised quarterly forum meetings to encourage food access projects in the North East to explore issues of common concern, and members produced a joint consultation response to the public health strategy for the North East. This resulted in food access being included as an area for action in the new strategy.

### **Future developments**

Although the project has been unable, so far, to find funding to continue as a separate project, it is likely that its work will be pursued as part of other developments. For example, the new Making Local Food Work programme (see below) includes work to tackle food access, and Sustain's merger with Food Links UK (see below), also offers opportunities to provide an integrated package of support for local food initiatives – dealing with sustainable development, alongside food poverty - across the country. To help facilitate developments, Sarah Cannon will continue as part-time FAN Project Officer until at least July 2008.

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## SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

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### TRUSTEES' REPORT (Continued) For the year ended 31 March 2008

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- **Food and Mental Health**

Despite several changes of staff in the project this year, it has continued to develop successfully. Courtney Van de Weyer moved on in June to academia, having worked for Sustain for over four years. Fiona McAllister took over the project and spent an energetic eight months developing, on a part-time basis, new aspects to the work. Fiona's achievements included securing a partnership contract with Foyer Federation, a UK-wide organisation providing accommodation for homeless young people. Sustain's role in the coming year will be to run workshops at Foyers across the UK to help young people and staff understand the effect food has on the mind, and to work up their own action plans for improving their diets.

Alongside developing this new work, the Food and Mental Health e-network continued to expand and our regular e-bulletin keeps people informed of key developments in this area, with Sustain's report 'Changing diets changing minds' continuing to be well received and influential. Some progress is now being made with persuading government to take this issue seriously. For example, Sustain wrote again to the Food Standards Agency's Scientific Advisory Committee on Nutrition (SACN) in September and the committee agreed at its October meeting to consider convening a sub group to decide how to pursue this issue. We will continue to stay in touch to monitor progress. The project also commented on a papers prepared by a number of other organisations, including The Foundation for Integrated Health.

Following the January launch of the Associate Parliamentary Food and Health Forum's report into the links between diet, mental health and behaviour (to which our project submitted evidence), Fiona arranged a successful meeting in March for a wide range of professionals involved in this area of work. The meeting heard from expert speakers and identified a number of possible areas for future work on food and mental health. Fiona also established a partnership with national mental health service provider 'Together' before leaving in at the end of the year to pursue opportunities in community food growing in Hackney. Jenny Sansom was appointed shortly afterwards and will continue to take the project forward for the coming year, thanks to funding from Tudor Trust and the Foyer Federation.

- **Food Standards Agency**

Specific FSA issues are dealt with under the appropriate project headings in this report, while Jeanette Longfield, as Co-ordinator, continued to monitor and pursue general topics – such as labelling – including at the twice yearly Consumer Stakeholder meetings with the Chief Executive. Unfortunately there has been little progress with our efforts to persuade the FSA to 'name and shame' companies that label products in a highly misleading way. Similarly, there has been very slow progress with the FSA's efforts – prompted by Sustain among others – to protect the future of the public analyst service, a vital element of food law enforcement.

Jeanette attended an FSA meeting, in November, on risks to human health from routine use of antibiotics in industrial animal farming. The link to antibiotic resistance in humans (now critically endangering medical treatment) was made in a government report as long ago as 1962, yet the problem continues to worsen in the face of over 45 years of government inaction.

At a day-long FSA event in December, Jeanette was among those invited to make a presentation on sustainable development and how the Agency might approach it. The meeting was well-attended by Agency Board members, senior staff and others but it is clear that the FSA continues to find it extremely difficult to accept the concept that the environmental, social and economic aspects of sustainability are intertwined and, therefore, indivisible.

Such issues will be discussed by Sustain, and others, at a meeting in summer with the Agency's new Chief Executive, Tim Smith, whose background is in the dairy industry.

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## SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

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### TRUSTEES' REPORT (Continued) For the year ended 31 March 2008

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- **Good Food on the Public Plate**

In common with a number of Sustain projects, despite the inevitable disruption of staff changes, a good deal of success can be reported. Rosie Blackburn joined at the beginning of the year, and Maresa Bossano was recruited in September to replace long-standing project officer Emma Hockridge. We are delighted that, in her new role at the Soil Association, Emma joined Sustain's Council at the January AGM. Towards the end of the project's funding year, Maresa moved over into Sustain's new Making Local Food Work programme

#### **Hospitals**

GFPP project officers visited over a dozen hospitals and two care home providers in London and the south east this year. We have been contacted by and advised several more by email and phone. We have met with a variety of facilities, catering and procurement management and staff, explaining the multiple benefits of using local, sustainable produce. During this period there has been an upswing in interest in sustainable produce – prompted either by their senior management, food prices, or concern for their local economy. While the Royal Brompton hospital continues to be the 'star performer' – with around a quarter of their budget spent on sustainable food, and still rising – many others have made small changes. Some, for example, now use fish certified as sustainable by the Marine Stewardship Council (MSC), and others are keen to know what their next steps should be.

#### **Care homes**

Since the publication in 2006 of the *Sustainable Food in Care Catering* briefing paper, with the National Association of Care Catering, the project has continued to foster a very positive relationship with the association. A meeting specifically focused on sustainable food procurement attracted an impressive number of representatives from care homes and agencies from across the country. The level of enthusiasm and support was very encouraging.

Rosie also helped organise an Open Day with Abbeyfield Kent Society at one of their care homes. AKS's homes are, with our support, starting to use more local produce (mostly procured from Bank Farm food hub near Ashford). On the day, the local Mayor and press (the day was featured on the local evening television news) were invited to see how the home is improving the residents' food. The *Harvest for Health* photo exhibition was displayed for a few weeks in the run-up to the day and, since several of the residents are former farmers / farm-workers, they particularly appreciated this. Local schoolchildren were also involved, and residents and children were able to taste different types of Kentish apple and apple juice.

#### **Meals on Wheels**

Last summer we presented the project at the launch of a toolkit for increasing the sustainability of meals on wheels contracts and to increase tendering opportunities for smaller and local food producers. Funded by the London Centre of Excellence, the toolkit was developed with help from Sustain and local authority procurement officers, and will be promoted across the capital.

#### **Suppliers**

Taking hospital caterers to visit farms and suppliers continued to be an important and inspiring aspect of GFPP's work. For example, catering managers Mike Duckett from the Royal Brompton and Harefield NHS Trust and Paul Winter from the South London & Maudsley Trust visited Crow Hill Farm – an organic dairy farm and dairy. This visit was facilitated by Graham Ball from Medina Food Service who supplies the milk to the hospitals. The project also invited several hospital catering managers to attend a London Food Link visit to an MSC-accredited sustainable fishery in Hastings, with the opportunity to watch fishing boats unload their catch, and to eat a fish lunch. This helped promote sustainable seafood to hospital staff.

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## SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

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### TRUSTEES' REPORT For the year ended 31 March 2008

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#### Suppliers

Representatives from eight London and south east hospitals visited Bank Farm near Ashford in Kent to learn more about sustainable food and how aggregation services, such as the sustainable food hub at Bank Farm, can deliver sustainable food to large organisations such as retailers and large catering operations. Several chefs attended and were impressed by the range and quality of the produce available. Since the visit we are delighted to report that Bank Farm has begun to supply at least three hospitals and more look set to follow.

#### Public Sector Food Procurement Initiative

The project is very pleased to have been offered a permanent seat at government's Public Sector Food Procurement Initiative (PSFPI) practitioners' meetings. The quarterly meetings discuss progress and good practice from across the regions. Sitting on this group has enabled us to find out what is and is not working in public procurement nationally, and use this information both to improve the effectiveness of GFPP and promote the PSFPI to our network.

We also collaborated with the PSFPI coordinator for the south east to produce '*Getting started; the really simple guide to buying sustainable food*', to be launched April 2008. Some 50 people from public sector establishments in London and the south east are expected to attend. We have also provided information to Camden Council's Sustainability Taskforce food policy, and discussions continue about helping them implement the policy once adopted.

#### The future

The project funding came to an end in March 2008, and the independent evaluation will be completed in late spring 2008. It is already clear that despite a good deal of progress, much more remains to be done. In the coming year Sustain is keen to develop a campaign to change government policy so that, instead of piecemeal progress via small-scale projects such as this, all public procurement in the UK will become 100% sustainable within a tight timetable. The Dutch government has already committed to such an ambitious programme so we can see no reason why the UK cannot match this.

- **London Food Link**

This was the final year of three-year funding from Defra's Environmental Action Fund. However, the project's success has continued to attract funding from a wide range of other sources so work will continue to develop in the coming year.

#### Greener Food

Greener Food, for example, is funded until March 2009. and this year project officer, Charlotte Jarman has visited more than 20 restaurants and other catering businesses to give them tailor-made advice on using more sustainable ingredients. Charlotte's work is part of Greener Food, a London Development Agency (LDA)-funded project, co-ordinated by London Sustainability Exchange (LSx), which is providing free environmental business support to London's catering sector. Charlotte has also given several presentations on the project and on sustainable food at various trade shows and training events. Plans for the final year of the project include running training sessions with Level 3 NVQ students and lecturers at Lewisham College's School of Hospitality and Catering.

#### Ethical Eats

London Food Link's Ethical Eats network has organised various events for chefs and restaurateurs interested in sustainability, including a 'meet the producer' event, a visit to the Marine Stewardship Council (MSC) certified fisheries in Hastings, and a trip to the Bristol restaurant Bordeaux Quay to see an 'eco restaurant' in action. The launch of this network received much press interest, including an article on page three of the *Financial Times*, and discussions are underway as to how this currently informal network might develop in future.

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## SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

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### TRUSTEES' REPORT (Continued) For the year ended 31 March 2008

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#### Awards

Sustain was again involved in judging the food category of the Considerate Hoteliers Awards. Charlotte was also invited to be a judge of the new 'green' category of the Cateys, the annual industry awards organised by Caterer & Hotelkeeper Magazine. Charlotte has also been in discussions with *Time Out* magazine and, thanks to her efforts, it has been agreed that in the coming year they will add a new 'Best Sustainable Restaurant' category to their high-profile annual Eating & Drinking Awards. Charlotte is helping to compile a shortlist of five businesses to be highlighted in a special eco issue of the magazine in July 2008.

#### Sustainable fish

Sustain is working on a joint initiative with the Marine Stewardship Council (MSC), Seafood Choices Alliance and the Marine Conservation Society, to encourage chefs to serve and promote sustainable seafood. The initiative, called 'Good Catch: cooking for change, serving the future,' is developing a guide to purchasing sustainable seafood, and plans to run visits and workshops for kitchen and front-of-house staff. A launch is planned for September 2008, to be held at Billingsgate Seafood Training School. Alongside this work, Charlotte has worked with the MSC to help a small group of London restaurants go through MSC Chain of Custody certification. As a result, the four restaurants (The Duke of Cambridge, Konstam, Moro and Moshi Moshi) are now able to use the MSC logo on their menus when serving sustainable fish.

#### Greener Curry: sustainable food in multicultural communities

This was the final year of a three-year project run by London Food Link as part of the EU's European Regional Development Fund (ERDF), Objective 2, to support Black, Asian and Minority Ethnic (BAME) communities to be aware of and care about healthy and sustainable food, and integrate this into food manufacturing businesses.

Over the course of the project it became clear that ethnically-owned businesses do not have access to credible market information, and much project time was spent identifying ways for ethnic food business to get on the 'green food bandwagon'. Project officer Zeenat Anjari engaged directly with over 75 BAME food businesses to overcome the barriers they faced in using more sustainable food. We also successfully advocated the importance of sustainable food to mainstream business support agencies. We are now partners with many food sector support organisations in offering practical and effective advice on sustainability, increasing the number of referrals London Food Link receives from mainstream business support agencies.

Success stories include: a BAME-business operating as a social enterprise to return money to the Muslim community which is now developing a product using Fairtrade ingredients; and a supplier of local and organic dairy products working with a BAME-owned food business to develop an organic lassi drink to exploit the growing market for smoothies. In addition, a producer of milk from Jersey cows is now selling to producers of Indian sweets. These sweets, traditionally made with buffalo milk, require a high yield of cream so Jersey milk commands a premium amongst Indian sweet producers serving communities in the East End.

Based on the work and relationships we built during the life of *Greener Curry*, we have submitted a new application to the next round of the ERDF. We are also developing project ideas around exotic horticulture and sustainable market management.

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## SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

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### TRUSTEES' REPORT (Continued) For the year ended 31 March 2008

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#### London Food Strategy

Three *Serving up Sustainability* workshops for professional caterers and restaurateurs were one of two projects, funded by the LDA, to meet the priority action "Securing consumer engagement" in the London Food Strategy. Judging by the surprisingly high demand to attend these workshops, London's caterers and restaurateurs are hungry to learn more about what sustainable food means and how to include it in their businesses. Representatives from 42 London hospitality and catering businesses participated in the workshops to learn what they can do to achieve sustainable food. Feedback from the workshops was very positive.

The LDA also supported a small grants scheme managed by Sustain, with a grant fund of £70,000, offering grants of between £500 and £5,000 to London organisations wishing to stage a wide range of events across the capital to raise awareness of sustainable food. In the first round, we funded 17 events from 95 applications, including a sustainable community picnic, an edible roof garden, and training for would-be beekeepers. Round two will be in June 2008.

#### 2012 Olympics

With the Soil Association and the New Economics Foundation, LFL produced a report entitled, *Feeding the Olympics*, and its 12 recommendations have been adopted by the Mayor of London's Food Board. We have worked with Olympic Delivery Authority and helped them to develop criteria for providing sustainable food in the catering for construction workers. We have also advised the London Organising Committee of the Olympic and Paralympic Games (LOCOG) which is dealing with the Games-time period, and helped to get sustainable food onto their agenda. LFL is specifically mentioned in their sustainability plan for the Games.

On the Games' legacy, we are working with a variety of organisations looking at food access and food growing on the sites where the games will have been held. East Thames Housing Association, for example, will manage half of the housing in the Stratford village development (Olympic athletes' village) and we are recommending the incorporation of premises that will sell healthy, affordable food, and land where local residents can grow food.

#### Urban agriculture

Ben Reynolds organised a visit to urban food growing projects in the United States by a group of four people (including himself) from different organisations based in London. It was funded by the US Embassy, who had previously brought Will Allen to London to talk about his project, Growing Power, in the USA. The group visited an inspiring range of projects in Milwaukee, Chicago and New York, learning from: imaginative and productive ways of growing without access to subsoil, either in raised beds on hard surfaces or, in one case, in hydroponics on a barge; and inspiring use of an holistic and sustainable approach to fish farming in an urban area, which produces marketable quantities of tilapia fish.

*Edible Cities: A report on the visit to urban agriculture projects in the USA* will be released in April 2008, and issues raised will be explored at a conference organised by LFL and other organisations including the London Parks and Green Spaces Forum. The conference *Growing Food for London*, part of the London Festival of Architecture, is set for June 2008 at City Hall.

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## SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

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### TRUSTEES' REPORT (Continued) For the year ended 31 March 2008

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#### Services for the LFL network

*The Jellied Eel* newsletter has been produced quarterly, and almost 300 messages have been circulated through the e-forum. The paid membership of London Food Link rose from just over 120 to 180, due largely to the appointment of consultant Vanessa Domenzain to work specifically on the network and membership. In addition, the new-look website was launched in October, with the major new development being the Local Food Finder - an online, searchable directory to help businesses in London locate food produced in and around the capital, which already has over 2,000 entries. This was set up in response to increasing numbers of enquiries from businesses looking for suppliers of sustainable local produce.

The year also saw a number of very successful events. For example, we worked with the Federation of City Farms and Community Gardens on the City Harvest Festival, an event celebrating the work of London's city farms and gardens, held at Capel Manor College, Enfield in September. The BBC's urban chef, Oliver Rowe, ran cooking demonstrations, and there was also a horticultural marquee, bread-making demonstrations, and animal displays.

From all over London, members of LFL and many curious bystanders descended upon Geetie Singh's Duke of Cambridge Organic Pub for both our network get-togethers in July 2007 and February 2008. Over 80 people from social enterprises, community groups, food businesses and local government gathered to hear of work being done in the capital to increase the availability of local, organic and Fairtrade food. Eleven people spoke at the events about, amongst other things, London's bid to become the largest Fairtrade city. One of the speakers, Quenton Kelley, of Green Miles Fuels, spoke so eloquently of the need to recycle used cooking oil into biodiesel that Geetie took him up on his offer of free collection the next day!

- **Good Food Training for London**

In October 2007, Pamela Brunton became project officer on the Good Food Training for London project. It is funded by the London Development Agency and managed by Greenwich Cooperative Development Agency (GCDA). It provides free-of-charge food skills training to public sector catering and service staff, to increase the availability and uptake of healthy and sustainable food in London's schools, hospitals, prisons and care settings. Building on the relationships forged by the Good Food on the Public Plate team, Pamela co-ordinates the training for hospitals and care settings, and prisons, with GCDA focusing on schools.

A range of courses are offered in different subjects and of different lengths; some are accredited and some have been tailor-made to the needs of hospitals, care settings or prisons. The courses cover all stages of the catering process: procurement; cooking from fresh ingredients; basic healthy eating messages; food presentation; better 'Customer Care' during service; responsible food waste management; packaging, and energy management in the kitchen and wards. The project offers short, three-hour introductory sessions and full-length NVQ or Open College Network accredited courses lasting three months or more.

The first round of course recruitment focused mainly on hospitals, and Pamela met 'training outputs' set by the LDA for her first review date at the end of March. Indeed, including the schools involved, the project exceeded its mid-term targets by around 20 per cent. The next phase will focus on both prisons and the care sector. Pamela will use the influential contacts she has made in the prison sector to recruit prison staff and inmates involved in catering. She will focus recruitment on care homes in the south east of London, hoping to create a 'borough-level effect', and will work with Skills for Care, the Sector Skills Council for the care sector.

As well as recruiting people to the courses, Pamela has been developing course content and running the training. She is also promoting training for healthier and more sustainable food to catering organisations, industry, public authorities and skills-development bodies in a good position to implement changes now and beyond the end of the training project in September 2009. Already these include: Ashlyn's Training Kitchen; Hackney Community College; Haringey Sixth Form Centre; the NHS core learning unit e-learning programme: food, nutrition and hydration; and People 1<sup>st</sup>, the Sector Skills Council for the hospitality sector.

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## SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

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### TRUSTEES' REPORT (Continued) For the year ended 31 March 2008

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- **Making Local Food Work**

In the autumn we were delighted to confirm that, following the merger with Food Links UK (see below), Sustain became a recipient, with a consortium of organisations, of a major grant from the Big Lottery. Making Local Food Work is coordinated by the Plunkett Foundation and also involves the Campaign to Protect Rural England; Co-operatives<sup>UK</sup>; Country Markets Ltd; National Farmers' Retail & Markets Association; the Soil Association and the Village Retail Services Association. Making Local Food Work will see £10 million invested in local food initiatives throughout England over five years, aiming to reconnect consumers to the land by increasing access to fresh, healthy, local and sustainable food. It also aims to implement and evaluate community enterprise models in creating and running food co-ops and food distribution activities. The programme will involve Sustain in helping to co-ordinate and share what is learnt from the work of several member organisations and others, managing a budget of £2.6 million over five years – around one quarter of the portfolio.

Suzanne Natelson started work in January 2008 to develop the Making Local Food Work Project in London. She has been mapping and visiting food co-ops in London to research issues such as education on health and sustainability in food co-ops, publicity, volunteer support and needs assessments. She is also working with Community Food Enterprise (CFE) in Newham and East Anglia Food Links to explore the potential of locally produced fruit and vegetables being sold in CFE's food co-ops. Over the next year she will develop closer links with community food projects in London and continue to work on local food supplies.

Clare Horrell, who began in February, will support community enterprise approaches to the supply and distribution of local sustainable food in four English regions. This strand of the project will build on the work of three local food distribution hubs (Newham, Bridport and Gateshead), set up a Community Food Centre (Waltham Forest) and provide supply chain brokerage for local and sustainable food (in East Anglia).

Maresa Bosano also joined the team in February and will identify and share good practice on sustainable approaches for food co-ops and buying groups to enable them to be successfully spread across England. Initial work will focus on learning from existing initiatives, particularly in London, Somerset and the North East, followed in further years by embedding sustainable practice throughout the English regions, and helping to link producers with consumer groups.

Over the next year we plan to produce a toolkit with a wide range of information and downloadable materials for both new and existing food co-ops, alongside organising events such as conferences, exchange visits and seminars to bring food co-ops together to learn from each other. We will also be working with the Campaign to Protect Rural England to develop a local food web and community mapping dimension to the project as a whole.

- **Orchards**

During the final year of this Leader+ funded project, Ida Fabrizio visited a large number of project partners running orchard projects, and participated in many orchard-based events and celebrations. These included, of course, Apple Day (now come of age in its 18<sup>th</sup> year), but also less well-known events such as Damson Day (Cumbria), a Blossom Festival in Bosbury (Herefordshire), a visit to the Kentish Cobnut Association, and the Cider with Roadies travelling play and apple press. This provided invaluable material, including photographs, for the project's final report.



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## SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

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### TRUSTEES' REPORT (Continued) For the year ended 31 March 2008

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- **Orchards**

The national network meeting took place in July 2007 in the beautiful setting of the Natural England offices in Ledbury, Herefordshire. It was a very lively and well-attended meeting and included local as well as national representation, stimulating speakers, invaluable information exchange, and a visit to nearby Tidnor Wood Orchard Trust.

In November, Ida produced a second newsletter for the project, published on Sustain's website, providing updates from the participating Leader+ orchard projects, and information on the orchard tree sponsoring and community supported agriculture adopted by two orchards in Herefordshire. The newsletter also includes interesting projects from other countries in Europe such as Belgium, Germany and Luxembourg, with which Ida has been in contact.

Following extensive consultation with the project's network, in January, the project published *Protecting our orchard heritage: A good practice guide for managing orchard projects*, with a successful dissemination event at Summerhill Farm in Devon, an organic farm with newly planted orchards. The guide has been very well received, with excellent feedback from the funders, Leader+, and from orchard groups and enthusiasts in the UK and Europe.

- **Organic Action Plan**

Sustain has continued to be represented on the Organic Action Plan Steering Group but the problem highlighted last year, of waning government commitment to this plan, continued. The Group was, in effect, abolished towards the end of the year. This may be positive, if organic food and farming is integrated into the mainstream work of Defra, but this is far from clear. More positively, on the basis of successful work in previous years, the market for organic food consumption continued to grow in the UK, with a rising proportion being produced in the UK. Sustain also continued to argue for the important role of public sector procurement of food as a vital mechanism for supporting the organic sector.

Sustain supports Catherine Fookes, on a consultancy basis, on the Advisory Committee on Organic Standards (ACOS) which discussed a number of controversial issues throughout the year, including a review of the status of ACOS itself. We hope to get an organic cod production standard reviewed in the coming year, since this currently permits cod to be illuminated for 24 hours a day.

On behalf of Sustain, Catherine has also been involved in encouraging more engagement from the new Agriculture and Horticulture Development Board (AHDB) with the organic farming sector in England and Wales so that their plans include work that will benefit organic farmers. A meeting was hosted by Sir Don Curry to bring AHDB together with the organic sector, which also aimed to secure agreement for an EU bid to promote organic farming. Work on this continues, and the organic sector hopes to have a bid in place by November 2008.

- **Sustainable farming and food policy**

#### **Climate change**

Working closely with the Food Climate Research Network, and others, Kath Dalmeny has made good progress during the year in ensuring food and agriculture are integrated into a range of public and private sector policies to tackle climate change. She has, for example, advised the London Mayor's climate change team, helped organise a seminar for the Food and Drink Federation, and participated in a number of high level meetings on, for example, how air-freighted food can be phased out of sustainable food supply systems without damaging the livelihoods and prospects of producers in poor countries.

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## SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

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### TRUSTEES' REPORT (Continued) For the year ended 31 March 2008

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- **Sustainable farming and food policy**

#### **Sustainable food guidelines**

To help advise restaurants in the Greener Food project (see above) some guidelines were developed by Charlotte Jarman in the autumn, but it quickly became apparent that these would be of much broader interest. Kath was instrumental in shaping a new version of the guidelines – which remain a work in progress – that not only feature on new pages of Sustain's website, but have also been widely publicised via the BBC website, among others. The guidelines feature seven principles including, for example, seasonality, Fairtrade and high animal welfare standards, and Sustain puts these into practice for our events and meetings.

#### **Sustainability scoring and labelling**

For people to be able to buy more sustainable food it is necessary (though not sufficient) to be able to distinguish between more – and less – sustainable products when we are shopping. A great deal is being invested by government and industry to develop ways of measuring various elements of sustainability so that these can be improved and, possibly, shown on a label. Kath has engaged throughout the year with the initiative on greenhouse gases, run by the Carbon Trust and the British Standards Institute (BSI). This complex process of research, analysis and consultation, known as Publicly Available Specification (PAS) 2050, seems likely to conclude in summer 2008. Kath has also commented on the BSI's draft Sustainable Event Management standard (BS 8901:2007), and Sustain submitted evidence to the House of Common Environmental Audit Committee Sub-Committee Inquiry into environmental labelling.

Greenhouse gases are, however, only one element of sustainability and Sustain discussed this, alongside many other elements, at our members meeting in summer 2007. The 'traffic light' labelling scheme for nutrition, developed by Sustain trustee Dr Mike Rayner for the Food Standards Agency, is a helpful model for how 'good', 'average' and 'poor' sustainability standards might be communicated to people and some interest has been expressed by government and industry in Sustain's proposals for how this might be used more broadly.

As well as developing a positive labelling model, Sustain also continues to expose negative practices. Kath therefore produced a report *Ethical Hijack*, demonstrating why the terms 'local', 'seasonal' and 'farmers' market' should be defended from abuse by the food industry. This formed the basis of a response to a Food Standards Agency consultation, and several complaints to the Advertising Standards Authority, some of which were upheld.

#### **Sustainable supermarkets**

Before joining Sustain, Kath managed and helped to design four surveys on behalf of the National Consumer Council (NCC) – three 'Healthy Supermarkets' reports 2002-2006 and one 'Greening Supermarkets' report in 2006. The NCC again commissioned Kath, at Sustain, to review and repeat the *Greening Supermarkets* survey and the report was published in October 2007, with several Sustain staff and volunteers employed as consultants. In the coming year Kath will again be commissioned to manage the next edition of a healthy supermarkets report.

Kath also sat on the Sustainable Development Commission's Expert Advisory Group on supermarkets, which reported in February 2008.

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## SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

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### TRUSTEES' REPORT (Continued) For the year ended 31 March 2008

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#### Other developments

- **AlimenTerra**

Sustain has long been a member of AlimenTerra, a European network of organisations promoting sustainable food and farming. Sustain has become company secretary (assuming these responsibilities following the merger with Food Links UK – see below) and is also now funded by AlimenTerra to work on the Mensa Civica project to promote sustainable public food across Europe, employing Ida Fabrizio for this purpose. Next year we will be helping to organise a series of events across the continent to spread good practice among those working on public sector food projects, as well as developing communications such as websites.

- **Bottled water versus tap water**

Following last year's publication media interest in this issue continued to be high throughout the year. Jeanette Longfield established an informal group of organisations who share the goal of promoting tap water, stimulating a number of activities. Not least, Sustain produced a new edition of the report, *The taps are turning: Are we ending our love affair with bottled water?* published in February 2008. Like its predecessor, it generated considerable positive media coverage. Among other things the report published the results of survey of a wide range of English government departments and agencies on their policy on providing tap water for staff and for meetings and events, exposing the fact that many were wasting thousands of pounds of taxpayers' money on bottled water. We were therefore delighted that, on 6 March, the Cabinet Secretary wrote to the head of every Government Department suggesting they should replace bought-in bottled water with tap water for all meetings in future.

- **Cabinet Office Strategy Unit Project on Food**

Along with many of its members, Sustain participated in the Cabinet Office Strategy Unit project, providing responses to consultation documents and attending a number of public and private meetings. In early January 2008 the Unit published its analysis of the current food and farming system which was interesting and thorough, but policy recommendations for government – expected in spring – have now been delayed until summer.

- **Food Industry Sustainability Strategy**

Jeanette participated in the 'champions' group on water, which met for the sixth and final time at the end of last year. She contributed to the group's report, which was among those sent to the meeting of the Strategic Steering Group, chaired by Lord Rooker, in April 2007, on which Jeanette also sat. Recommendations, following a summer consultation, were integrated into Defra's mainstream work so it was agreed that the FISS had concluded its work and could be disbanded. Sustain's submission to the FISS consultation emphasised the importance of legislation to create a level playing field for industry, and the need for robust monitoring and enforcement of any existing or new rules.

- **Food Links UK**

At the beginning of the year it was agreed in principle by both organisations that Food Links UK (FLUK) would merge with Sustain and, by the end of the year, this process had been successfully completed, with the approval of the funder, the Esmée Fairbairn Foundation. Sustain's London Food Link had already been a founding member of FLUK so there were already many positive links between the two organisations. The merger will mean even more productive cross-fertilisation between this network of local food links organisations, Sustain's Food Access Network, and the new Making Local Food Work programme, which FLUK helped to devise. At the end of the year Sarah Davies, FLUK's coordinator, took up a new position with the Centre for Sustainable Energy in Bristol.

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## SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

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### TRUSTEES' REPORT (Continued) For the year ended 31 March 2008

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- **Newquay food strategy**

At the end of 2006, Sustain was commissioned by the Duchy of Cornwall to work with Energy for Sustainable Development (ESD) to draw up a draft food strategy for inclusion in a wider portfolio of sustainability strategies for a new housing development in Newquay, Cornwall. In summer 2007, the Duchy of Cornwall's Newquay Food Strategy was published, with full credit given for Sustain's involvement. This is the first time that we are aware of that a commercial property developer has incorporated sustainable food into its planning application.

- **Real Bread Campaign**

Sustain is working with Andrew Whitley, of Bread Matters, on developing a Real Bread campaign that will promote the health, environmental and local employment benefits of good quality bread. We hosted a meeting of interested parties in November and have since employed interns to create a Real Bread Finder website, which we hope will be ready in summer 2008. We are continuing to look for funding for this interesting new piece of work.

- **Sustainable fish – the Taking Stock group**

During the year Sustain continued to provide the secretariat for a network of organisations tackling issues around sustainable fish production and consumption, which met in December 2007. Much of the activity was undertaken under the auspices of the sub-group – Good Catch (see *Ethical Eats* network run by London Food Link, above). Another meeting is scheduled for May 2008, where the group is likely to discuss the Food Standards Agency's consultation on fish consumption for health and sustainability. This continues to be delayed and is now not expected until autumn 2008, more than 18 months after originally scheduled.

- **UK Food Group**

As agreed last year, Sustain continued to provide book-keeping services for the UK Food Group (UKFG), a longstanding Sustain observer organisation, which acts as a sister network, focusing on global food and farming issues. As the UKFG is based in the same office as Sustain, we have continued to co-operate closely on areas of common concern, particularly Common Agricultural Policy reform. Jeanette Longfield sits on the Group's Management Committee and the Group's Chair, Patrick Mulvany, is a Sustain trustee. A new co-ordinator, Geraldine Galvaing, was appointed in the autumn to work on two European Commission funded programmes, in collaboration with EU partner organisations, specifically: strengthening the position of smallholders in European trade policy; and promoting solidarity between Europe and Africa on agri-food policies.

### FINANCIAL REVIEW

The fund balance carried forward at 31st March 2008 was £341,219 (2007: £262,963) on unrestricted general reserves. The restricted reserves on continuing projects was £296,868 at 31st March 2008 (2007: £43,460). The full Statement of Financial Activities is set out on page 24 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. This is equivalent to £445,613, based on current costs. At present, free funds amount to £341,081. 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.

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## SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

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### TRUSTEES' REPORT (Continued) For the year ended 31 March 2008

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#### Investment policy

Under the memorandum and articles of association, the charity has the power to invest the moneys 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 Trustee's policy is to maintain such monies on deposits earning a market rate of interest.

#### 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.

#### STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company and charity law require the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to;

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

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the Trustees are aware at the time the report is approved:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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## SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

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### TRUSTEES' REPORT (Continued) For the year ended 31 March 2008

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#### AUDITORS

The auditors, haysmacintyre are willing to be re-appointed in accordance with section 385 of the Companies Act 1985.

#### APPROVAL

This report was approved by the Trustees on \_\_\_\_\_ and signed on its behalf, by:

**Anne Dolamore**  
Chair of the Council of Trustees

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## SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

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We have audited the financial statements of Sustain: The Alliance for better food and farming for the year ended 31 March 2008 which comprise the Statement of Financial Activities (incorporating, the Income and Expenditure account), the Balance Sheet and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditors' 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 responsibilities of the Trustees (who are also the directors of Sustain: The Alliance for better food and farming for the purposes of Company Law) for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) 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 and are properly prepared in accordance with the Companies Act 1985. We also report to you whether the information given in the Trustees' Annual Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charitable company is not disclosed.

We read the Trustees' 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 charitable company's circumstances, consistently applied and adequately disclosed.

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.

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**SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF**

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**Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller charities, of the state of the charitable company's affairs as at 31 March 2008 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the trustees' report is consistent with the financial statements.

.....

**haysmacintyre**  
**Registered Auditors**

Date:.....

**Fairfax House**  
**15 Fulwood Place**  
**London**  
**WC1V 6AY**



## SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

### STATEMENT OF FINANCIAL ACTIVITIES (Incorporating Income and Expenditure account) For the year ended 31 March 2008

	Notes	Restricted Funds £	Unrestricted Funds £	Total funds 2008 £	Total funds 2007 £
<b>INCOMING RESOURCES</b>					
<i>Incoming resources from generated funds</i>					
Voluntary income	2	12,275	12,663	24,938	18,371
Activities to generate funds		-	-	-	600
Investment income		-	5,008	5,008	2,576
<i>Incoming resources from charitable activity</i>					
Health and Welfare	3	1,038,129	154,816	1,192,945	606,804
<b>TOTAL INCOMING RESOURCES</b>		<b>1,050,404</b>	<b>172,487</b>	<b>1,222,891</b>	<b>628,351</b>
<b>RESOURCES EXPENDED</b>					
<i>Cost of generating funds</i>					
Fund raising costs	6	-	8,866	8,866	9,024
<i>Charitable expenditure</i>					
Health and Welfare		810,552	54,625	865,177	540,843
<b>Governance</b>	6	-	17,184	17,184	14,548
<b>TOTAL RESOURCES EXPENDED</b>		<b>810,552</b>	<b>80,675</b>	<b>891,227</b>	<b>564,415</b>
<b>NET INCOME/(EXPENDITURE) BEFORE TRANSFERS</b>		<b>239,852</b>	<b>91,812</b>	<b>331,664</b>	<b>63,936</b>
Transfers between funds	13	13,556	(13,556)	-	-
<b>NET INCOME/(EXPENDITURE) AFTER TRANSFERS</b>		<b>253,408</b>	<b>78,256</b>	<b>331,664</b>	<b>63,936</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>		<b>253,408</b>	<b>78,256</b>	<b>331,664</b>	<b>63,936</b>
TOTAL FUNDS AT 1 APRIL 2007		43,460	262,963	306,423	242,487
<b>TOTAL FUNDS AT 31 MARCH 2008</b>		<b>£296,868</b>	<b>£341,219</b>	<b>£638,087</b>	<b>£306,423</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 25 to 32 form part of these financial statements.

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**SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING**

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**BALANCE SHEET**  
As at 31 March 2008

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	Notes	£	2008	£	£	2007	£
<b>FIXED ASSETS</b>							
Tangible fixed assets	10			138			277
<b>CURRENT ASSETS</b>							
Debtors	11	244,616				117,523	
Cash at bank		482,874				206,018	
				<u>727,490</u>		<u>323,541</u>	
<b>CREDITORS:</b> Amounts falling due within one year	12	(89,541)				(17,395)	
				<u>637,949</u>			<u>306,146</u>
<b>NET ASSETS</b>				<u><b>£638,087</b></u>			<u><b>£306,423</b></u>
<b>CHARITY FUNDS</b>							
Restricted Funds	13			296,868			43,460
Unrestricted funds							
General funds	13			341,219			262,963
				<u><b>£638,087</b></u>			<u><b>£306,423</b></u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

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

**Anne Dolamore** - Chair

**Robin Simpson** - Treasurer

The notes on pages 25 to 32 form part of these financial statements.

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# SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

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## NOTES FORMING PART OF THE FINANCIAL STATEMENTS For the year ended 31 March 2008

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### 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 January 2007). 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 1985.

#### 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.

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.

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# SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

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## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued) For the year ended 31 March 2008

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### 1. ACCOUNTING POLICIES (continued)

#### 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 January 2007).

#### 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 of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

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.

#### 2.0 Tax status

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

### 2. VOLUNTARY INCOME

	Restricted Funds £	Unrestricted Funds £	Total funds 2008 £	Total funds 2007 £
Donations	<u>12,275</u>	<u>12,663</u>	<u>24,938</u>	<u>£18,371</u>

## SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued) For the year ended 31 March 2008

3. INCOMING RESOURCES FROM CHARITABLE ACTIVITY - Health and Welfare	Restricted Funds £	Unrestricted Funds £	Total funds 2008 £	Total funds 2007 £	
City Bridge Trust (formerly Bridge House Trust)	30,000	-	30,000	30,000	
British Heart Foundation	-	-	-	16,000	
Department of Health	56,750	-	56,750	55,100	
Department of Environment Food and Rural Affairs (DEFRA)	80,970	-	80,970	74,589	
Environment Action Fund (DEFRA)	48,145	-	48,145	45,700	
Esmée Fairbairn Foundation	94,673	-	94,673	49,987	
European Regional Development Fund	32,467	-	32,467	46,470	
Food Standards Agency	-	-	-	17,000	
Government Office for London	-	38,415	38,415	12,000	
Herefordshire Rivers Leader+	-	-	-	29,176	
Joseph Rowntree Charitable Trust	35,000	-	35,000	32,500	
London Development Agency	80,029	-	80,029	-	
London Sustainability Exchange	64,241	-	64,241	13,739	
Marmot Charitable Trust	-	1,080	1,080	14,000	
National Consumer Council	-	43,732	43,732	-	
Plunkett Foundation	341,300	-	341,300	-	
Greenwich Co-operative Development Agency	33,969	-	33,969	-	
Tudor Trust	-	-	-	30,000	
Government Office for the South West	-	-	-	7,000	
Other grants and income	140,585	48,241	188,826	109,389	
Sales and publications	-	1,455	1,455	1,536	
Subscriptions and other income	-	5,698	5,698	4,853	
Membership fees	-	16,195	16,195	17,765	
	<u>£1,038,129</u>	<u>£154,816</u>	<u>£1,192,945</u>	<u>£606,804</u>	
<b>4. RESOURCES EXPENDED</b>	<b>Direct staff Costs £</b>	<b>Other direct Costs £</b>	<b>Support costs £</b>	<b>2008 £</b>	<b>2007 £</b>
<b>Charitable expenditure</b>					
Health and Welfare	392,279	351,168	121,730	865,177	540,843
<b>Other expenditure</b>					
Fundraising	7,419	200	1,247	8,866	9,024
Governance	4,946	9,820	2,418	17,184	14,548
	<u>£404,644</u>	<u>£361,188</u>	<u>£125,395</u>	<u>£891,227</u>	<u>£564,415</u>

## SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued) For the year ended 31 March 2008

5. ANALYSIS OF SUPPORT COSTS	Health and Welfare £	Fundraising £	Governance £	2008 £	2007 £
Staff costs	48,548	498	964	50,010	44,566
Office costs	47,598	488	945	49,031	41,701
Other costs	25,584	261	509	26,354	27,635
	<u>£121,730</u>	<u>£1,247</u>	<u>£2,418</u>	<u>£125,395</u>	<u>£113,902</u>

Support costs are costs of central management. Support costs have been allocated to activities as above based on staff costs.

6. FUND RAISING COSTS	Total Funds 2008 £	Total Funds 2007 £
Direct staff costs	7,419	7,203
Support costs	1,247	1,821
Other	200	-
	<u>£8,866</u>	<u>£9,024</u>

7. GOVERNANCE	2008 £	2007 £
Direct staff costs	4,946	4,802
Auditors remuneration	7,931	6,181
Other expenses	1,889	629
Support costs	2,418	2,936
	<u>£17,184</u>	<u>£14,548</u>

8. NET INCOME/(EXPENDITURE)	2008 £	2007 £
<b>This is stated after charging:</b>		
Depreciation of tangible fixed assets:		
- owned by the charity	139	442
Auditors' remuneration - audit services	5,582	4,327
- other services	4,112	2,442
	<u>10,233</u>	<u>7,211</u>

During the year, no Trustees received any remuneration (2007 - £NIL).

During the year, no Trustees received any benefits in kind (2007 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2007 - £NIL).

## SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued) For the year ended 31 March 2008

#### 9. STAFF COSTS AND NUMBERS

	2008 £	2007 £
Staff costs were as follows:		
Wages and salaries	407,799	355,653
Social security costs	42,377	36,776
Pension costs	4,478	-
	<b>454,654</b>	<b>£392,429</b>
	<b>454,654</b>	<b>£392,429</b>
	<b>No.</b>	<b>No.</b>
The average number of full-time equivalent employees during the year was:		
Health and Welfare	13	12
Governance	1	1
	<b>14</b>	<b>13</b>
	<b>14</b>	<b>13</b>

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

#### 10. TANGIBLE FIXED ASSETS

	Furniture fittings and equipment £
<b>Cost</b>	
At 1 April 2007	30,047
Additions	-
At 31 March 2008	<b>30,047</b>
<b>Depreciation</b>	
At 1 April 2007	29,770
Charge for the year	139
At 31 March 2008	<b>29,909</b>
<b>Net Book Value</b>	
At 31 March 2008	<b>£138</b>
At 31 March 2007	<b>£277</b>

#### 11. DEBTORS

	2008 £	2007 £
<b>Due within one year</b>		
Debtors	128,572	64,267
Prepayments	31,582	2,747
Grants receivable	84,462	50,509
	<b>£244,616</b>	<b>£117,523</b>
	<b>£244,616</b>	<b>£117,523</b>

## SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued) For the year ended 31 March 2008

<b>12. CREDITORS: amounts falling due within one year</b>				<b>2008</b>	2007
				£	£
Other creditors				8,088	5,104
Accruals				81,453	12,291
				<u>£89,541</u>	<u>£17,395</u>
<b>13. STATEMENT OF FUNDS</b>	<b>Brought Forward</b>	<b>Incoming Resources</b>	<b>Resources Expended</b>	<b>Transfers In/(out)</b>	<b>Carried forward</b>
	£	£	£	£	£
<b>Unrestricted funds</b>					
General funds	262,963	172,487	(80,675)	(13,556)	341,219
	<u>262,963</u>	<u>172,487</u>	<u>(80,675)</u>	<u>(13,556)</u>	<u>341,219</u>
<b>Restricted funds</b>					
Children's Food Campaign	8,841	40,532	(44,370)	-	5,003
Eat Somerset	19,653	50,488	(46,544)	-	23,597
Food Access Network - UK	(789)	56,848	(61,355)	5,094	(202)
Food and Mental Health	12,348	-	(13,890)	1,542	-
Good Food on the Public Plate	1,673	110,970	(111,676)	-	967
London Food Link	(3,984)	224,978	(175,570)	6,920	52,344
Orchards	5,718	32,824	(38,542)	-	-
UK Food Group		81,817	(50,073)	-	31,744
Good Food Training for London	-	33,969	(32,560)	-	1,409
Food Network	-	76,679	(13,921)	-	62,758
Making Local Food Work	-	341,299	(222,051)	-	119,248
	<u>43,460</u>	<u>1,050,404</u>	<u>(810,552)</u>	<u>13,556</u>	<u>296,868</u>
	<u>£306,423</u>	<u>£1,222,891</u>	<u>£(891,227)</u>	<u>£ -</u>	<u>£638,087</u>

Income, which is received for specific projects, is accounted for as restricted funds. Where funds are overspent a transfer is made from unrestricted funds. The balances on restricted funds as at 31 March 2008 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:

#### **Children's Food Campaign**

The Campaign uses a number of methods, including Parliamentary processes, 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.

#### **Eat Somerset**

This project is increasing trade between sustainable producers in Somerset and local independent retailers in Somerset and adjacent areas including Bath and Bristol.

#### **Food Access Network, UK**

The Network offers support to community food projects across the UK, and explores ways to tackle the causes of poor access to healthy, sustainable food for people on low incomes.



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## SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

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### NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued) For the year ended 31 March 2008

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#### 13. STATEMENT OF FUNDS (continued)

##### **Food and Mental Health**

This project raises the profile of the evidence linking diet and mental health and behaviour, by facilitating information exchange, communicating through a range of media, engaging in policy consultations and working with specialist mental health organisations.

##### **Food Network**

The merger with Food Links UK will encourage productive cross-fertilisation between this network of local food links organisations, Sustain's Food Access Network, and the new Making Local Food Work programme.

##### **Good Food on the Public Plate**

Working with hospitals and care homes across London and the South East, this project is increasing 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 provides free-of-charge food skills training to public sector catering and service staff, aiming to increase the availability and uptake of healthy and sustainable food in London's schools, hospitals, care prisons and care settings.

##### **London Food Link**

Focused on the capital, this project works with the public, private and voluntary sectors to help them make positive choices for sustainable food in London, focusing particularly on London's rich cultural mix, and on the capital's world-renowned restaurant sector. The carry forward balance is in deficit at the year end but funds have been secured to recover the deficit.

##### **Making Local Food Work**

This new 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.

##### **Orchards project**

This project worked with six areas - Mid Kent, Somerset Levels and Moors, Cumbrian Fells and Dales, North West Devon, Teignbridge and Herefordshire Rivers - to conserve and bring into sustainable management traditional orchards in these locations.

SUMMARY OF FUNDS	Brought Forward £	Incoming Resources £	Resources Expended £	Transfers In/(out) £	Carried forward £
General funds	262,963	172,487	(80,675)	(13,556)	341,219
Restricted funds	43,460	1,050,404	(810,552)	13,556	296,868
	<u>£306,423</u>	<u>£1,222,891</u>	<u>£(891,227)</u>	<u>£ -</u>	<u>£638,087</u>

## SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued) For the year ended 31 March 2008

<b>14. ANALYSIS OF NET ASSETS BETWEEN FUNDS</b>	<b>Restricted Funds £</b>	<b>Unrestricted Funds £</b>	<b>2008 £</b>	<b>2007 £</b>
Tangible fixed assets	-	138	138	277
Current assets	296,868	430,622	727,490	323,541
Creditors due within one year	-	(89,541)	(89,541)	(17,395)
	<u>£ 296,868</u>	<u>£341,219</u>	<u>£638,087</u>	<u>£306,423</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.

#### 16. RELATED PARTY TRANSACTIONS

During the year, the main related party transaction relates to one of the trustees who is also a director of East Anglia Food Link.