

Annual Report

Review and accounts for the year
ended 31 March 2016



This year has been an excellent one for Sustain. It ended with the Chancellor of the Exchequer committing the Government to introduce a levy on sugary drinks. The Sustain alliance started putting a sugary drinks levy onto the national agenda in 2013, with our ground-breaking report 'A Children's Future Fund: How food duties could provide the money to protect children's health and the world they grow up in'. We went on to work with Sustain members, Jamie Oliver and others to campaign for the levy and in particular to set up the Children's Health Fund, to distribute the proceeds of a voluntary levy on sugary drinks in Jamie Oliver's and other participating restaurants to pay for projects to improve children's health. This was intended to show what the Government could do with the revenue from a compulsory levy. To see our 2013 proposals now translated into national policy is testament to the determination of

our campaign team and members, and the impressive power of our alliance when we work together. This year also saw remarkable shifts in NHS policy in favour of healthier foods due to Sustain alliance members and our Campaign for Better Hospital Food. Financial incentives now encourage hospitals to serve better food to patients.

We can take courage and energy from such successes and apply these to new challenges, such as our soon-to-be-launched sustainable farming campaign, championing 'a million better jobs for better farming and land use'. This will seek to improve working and trading conditions for farmers and farm workers, at home and overseas. Farming needs to become a profession that is valued and supported by society for growing food and looking after the animals and natural environment that provide everyone's sustenance – both physically and mentally.

This Annual Report does not cover the period of the EU Referendum. But we acknowledge here that the UK's decision to leave the EU will have profound implications for the issues Sustain and our members work on. Some in our alliance, and some among progressive policy-makers and industry, are already seeing this as a once-in-a-generation opportunity to transform our food system. Others fear that food standards will be weakened. Sustain and our members will need to work ever harder to ensure that our shared values, vision, inspiration and practical solutions are centre stage.



Professor Mike Rayner
Chair of Sustain's Council
of Trustees

Trustees

Dr David Barling (re-elected 27/10/14)
Tim Burns (elected 27/10/13)
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Bridget Henderson (elected 12/01/16)
Katharine Jenner (elected 17/10/12)
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Alison Swan Parente (elected 12/01/16)
Keith Tyrell (re-elected 12/01/16)
Victoria Williams (elected 27/10/14)
Stephanie Wood (elected 27/11/13)

Company registered number: 02673194 Charity registered number: 1018643
Registered office: Development House, 56-64 Leonard Street, London EC2A 4LT
Auditors: Goldwins, 75 Maygrove Road, West Hampstead, London NW6 2EG
Bankers: The Co-operative Bank, PO Box 101, 1 Balloon Street, Manchester M60 4EP

Our year in numbers

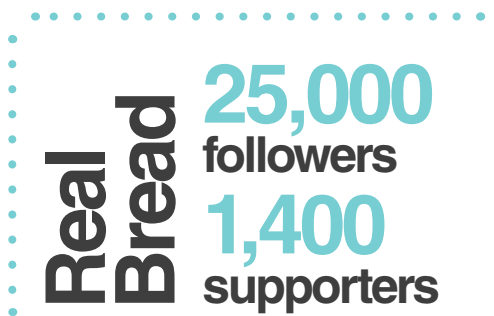
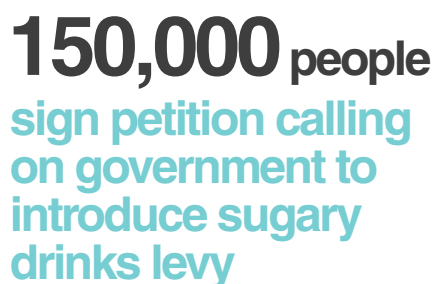
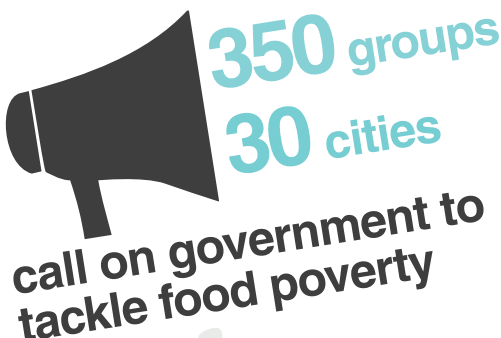
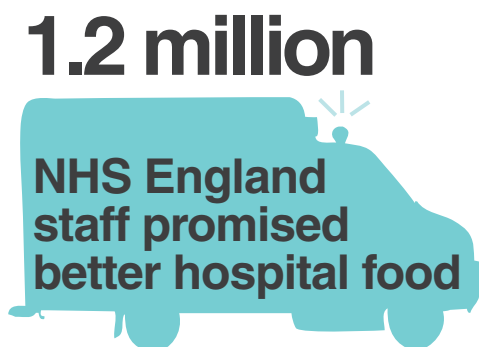
Our projects, partnerships and policy work contributed to the following over the last year:



of uni students in the UK served sustainable fish



harvested by Capital Growth community spaces



Support better farming and food production

We want to see food produced in a way that is fair and sustainable. Fair for farmers, workers, animals and which sustains the land, biodiversity and natural resources for now and generations to come.





This year, we worked with our Sustainable Farming Working Party to identify specific ways in which the alliance can help improve agriculture. We identified four themes: public money for public goods – better subsidy and tax systems; better trading conditions for farmers; better working conditions for farm employees; and better access to land, finance and training for new-entrant farmers.

To pursue these goals, Sustain became a founding partner in the Groceries Code Action Network (GCAN), coordinated by international development charity Traidcraft, Exchange also involving the National Farmers' Union; grower associations; Feedback; Friends of the Earth and the Fairtrade Foundation. This will press for farmers – at home and abroad – to receive protection via the Groceries Code Adjudicator from unfair trading practices by the UK's main high-street supermarkets.

We worked with the Food Research Collaboration to run specialist seminars, and to commission research from the New Economics Foundation on prospects for better jobs in farming. We also participated in Government pre-EU Referendum consultations on Defra's 25-Year Farming Plan. Such activities informed development of Sustain's new campaign for 'a million better jobs for better farming and land use', which was the focus of our keynote session at 2016's Oxford Real Farming Conference.

Sustain also continued to participate in the Square Meal group, involving many Sustain members and hosted by the RSPB, to champion better farming and land-use policy, mainly with Parliament. This work took on special significance this year, given the EU Referendum scheduled for June 2016.

Sustain continued to play an active role in the Alliance to Save Our Antibiotics, working in partnership with Compassion in World Farming and the Soil Association. The alliance commissioned research identifying MRSA in UK pork, and contributed to a 1.3 million signature petition with the public action network Avaaz. This successfully influenced an important EU Parliament vote to ban routine just-in-case ('prophylactic') use of antibiotics in livestock farming.

This year, Sustain continued to provide book-keeping and office space for the UK Food Group, the UK network for NGOs working on global food and agriculture issues. Similarly, we provided financial management support for the Organic: Naturally Different campaign, run by the Organic Trade Board.

Milestones achieved this year

April 2015: 1.3 million EU people (80,000+ UK) sign petition for controls on farm antibiotics.

April 2015: 150 civil-society groups oppose corporate seed controls championed by G7 New Alliance.

Spring 2015: Sustain publishes alliance members' policy asks for the General Election.

Spring 2015: Over 50 food outlets participate in Wake Up to Organic promotion.

June 2015: National media cover alliance study revealing MRSA superbugs in UK pork.

June 2015: Supermarkets and caterers discuss farm antibiotic control; Waitrose amends policy.

Summer 2015: 17 Parliamentary Questions tabled on antibiotic resistance in meat.

Summer 2015: Several MEPs support Alliance proposals to amend farm antibiotic legislation.

September 2015: Sustain takes part in Defra consultation on 25-Year Food and Farming Plan.

October 2015: Shadow Defra minister Kerry McCarthy speaks out on farm antibiotic use.

October 2015: UK Food Group organises National Food Sovereignty Gathering.

Winter 2015: Sustain founder member of Groceries Code Action Network.

January 2016: Sustain chairs Oxford Real Farming Conference debate on better farm jobs.

January 2016: Discussions with regional farming groups on better support for new-entrant farmers.

January 2016: Square Meal alliance meets farm minister George Eustice, arguing for public money for public goods.

January 2016: New Economics Foundation commissioned to research prospects for farm jobs.

February 2016: Food Research Collaboration and Sustain plan seminar on better farm jobs.

February 2016: EU Parliament votes to ban prophylactic use of farm antibiotics.

March 2016: Square Meal hosts debate with MPs and NGOs on farm subsidies.

March 2016: Organic Trade Board finalises £5m UK bid as part of EU organic marketing campaign.

Spring 2016: Joseph Rowntree Charitable Trust agrees to fund our new Sustainable Farming Campaign, for better jobs in food production.

Footnote:

The timelines illustrate milestones that Sustain achieved, or in which we and close associates played a significant role

Increase sustainable food supply

We want to see food supply from 'growing to throwing' allowing farmers here and overseas to thrive; manufacturers, suppliers, and caterers making healthy and sustainable options the easiest choice for people and ensuring no food is wasted or used inefficiently.



"We are proud to be the first national fish supplier in the UK to commit to the Fish Cities pledge, giving Brakes customers unprecedented access to sustainable fish."

Brakes, signatory to the Sustainable Fish Cities pledge



Our efforts to improve food in public sector institutions stepped up this year. With the support of restaurateur Prue Leith, we convened a dinner with head of NHS England Simon Stevens, Sustain's Campaign for Better Hospital Food, Food for Life and NHS healthy eating champions. The vibrant discussion led to Simon Stevens inviting recommendations for a new financial incentive to kick out unhealthy food promotion from hospitals, encourage 24-hour provision of healthier food, and pilot a sugary drinks levy modelled on Sustain's proposals. We also worked with Unison, the union representing 0.5 million NHS workers, to support opposition to hospital kitchen closures in several areas around the UK.

The largest wholesale supplier of fish to the UK catering market, Brakes, signed up to our Sustainable Fish Cities pledge, marking a sea change in fish standards. We are proud to report that foodservice companies that serve well over 0.6 billion meals per year now follow our standards, co-created with leading marine conservation groups. This effort has been greatly boosted by fish campaigns flourishing in 16 places around the UK, supported by Sustain and the Sustainable Food Cities Network.

Our annual league table of London Borough action on healthy and sustainable food shows that 31 out of 33 are doing more to improve food for residents, workers and school pupils, with half reporting that our campaigning prompted them to act. More London councils than ever are serving verifiably sustainable fish; higher welfare meat, eggs and dairy; Fairtrade products; and organic and freshly prepared food in schools. This year, we also persuaded 14 top tourist attractions to serve only cage-free eggs, improving the lives of an estimated 56,000 hens. Through Urban Food Fortnight and the Urban Food Awards we celebrated the best community and small food enterprises in London. At a UK level, we have been exploring with leading practitioners how independent retailers could benefit from a better food traders network.

Sustain is a founding member of the Eating Better alliance, helping increase awareness of the shared message to eat less but better meat, whose messages were – for the first time – incorporated into official national dietary guidelines published by Public Health England.

“Hiver would not have happened if not for the fantastic work of London Food Link and the introduction to the local honey on my doorstep.”

Hannah Rhodes, founder of Hiver Beer

Milestones achieved this year

April 2015: Public petition submitted to Oxfordshire NHS Trust to save hospital kitchens.

May 2015: UK's biggest catering supplier Brakes signs up to our sustainable fish standards.

Spring 2015: Sandwich survey finds only 17 out of 620 (<3%) contained no ingredients from livestock.

June 2015: Manchester becomes UK's 15th aspiring Sustainable Fish City.

September 2015: 14 top tourist attractions commit to cage-free eggs.

September 2015: 165 pop-up events take place across London for our Urban Food Fortnight, promoting the sale of London grown and produced food, promoted by Time Out and the Evening Standard..

September 2015: Urban Food Awards announced at Borough Market: we celebrate London's best small food enterprises, with thousands of Londoners voting.

October 2015: Sustain publishes hospital food briefing for House of Lords debate.

November 2015: High-street restaurants publish fish policies after our Point the Fish Finger campaign.

November 2015: 25 micro-grants awarded to ethical community food enterprises, as part of Urban Food Routes; 18 more for Urban Food Fortnight participants.

December 2015: Good Food for London 2015 launched by Mayor's food advisor at City Hall.

December 2015: 31 of 33 London Boroughs shown to have improved food standards, in our annual audit.

January 2016: Head of NHS England invites proposals from Campaign for Better Hospital Food.

January 2016: Half of London Councils say Sustain's campaigning influenced food standards.

January 2016: NHS England commits to sugary drinks levy based on Sustain's model.

February 2016: Liverpool University Hospital Trust requires healthy food in catering contract.

March 2016: Official Eatwell guidelines incorporate health and sustainability for the first time, including less but better meat, and sustainable fish.

March 2016: First meeting of the Better Food Traders network hosted.

March 2016: National CQUIN healthier food standards for NHS shops, vending and canteens launched.

Footnote:

The timelines illustrate milestones that Sustain achieved, or in which we and close associates played a significant role

London
**Evening
Standard**

**“Boris Johnson
to sample
'smorgasbord' in
hunt for London's
best food
producers”**

Ensure good food is accessible and well promoted for all

We want to see healthy, sustainable food accessible and affordable to all, through a diverse array of outlets, and for it to become unacceptable and expensive to market unhealthy, unethical and unsustainable produce, over the alternative.



“Today I can announce that we will introduce a new sugar levy on the soft drinks industry.”

Chancellor of the Exchequer George Osborne, Spring Budget, March 16th, 2016



In March 2016, the Chancellor of the Exchequer announced the government's commitment to a sugary drinks levy, with money ring-fenced for school sports, breakfast provision and after-school clubs. Sustain first published our proposals for a ring-fenced 20p per litre sugary drinks levy in 2013, and have worked with the Jamie Oliver Foundation since 2015 to pilot a voluntary levy and Children's Health Fund grants scheme, working with over 100 restaurants. The Chancellor's announcement was a welcome milestone in public policy to tackle the growing epidemics of obesity and diabetes, though we anticipate many potential pitfalls before planned implementation in April 2018.

Our extensive work on healthy food standards continued apace, with detailed work on junk food advertising and marketing restrictions, provision of evidence to government enquiries and parliamentary debates, and exposés of ongoing junk food promotion by supermarkets and manufacturers. We coordinated a rapid-response campaign to rescue universal infant free school meals, re-committed to by PM David Cameron in October 2015. We are now working with the Jamie Oliver Foundation and local pioneers to develop a Sugar Smart initiative to encourage healthier food and drink promotion in local areas.

Sustain played an important role this year in re-shaping local and national responses to food poverty. In London, we encouraged Councils to respond to hunger 'beyond the food bank', such as through breastfeeding promotion, Healthy Start Vouchers, free school meals, meals on wheels and the London Living Wage. We also worked with several UK cities in the Sustainable Food Cities Network to develop food poverty action plans on similar principles, involved 20 London Boroughs in a workshop, and coordinated a declaration from 30 cities and 350 groups calling on government to tackle the root causes of food poverty. Such activities are fuelling the emergence of a new national food poverty alliance, including policy-makers, campaigners and practitioners.

We also continued to develop the pioneering Growing Health project, working with Garden Organic and inspiring practitioners, to promote routine prescribing of food growing by health and social care services as a route to health and wellbeing.

Milestones achieved this year

- April 2015:** We publish each political party's General Election positions on school food standards.
- April 2015:** 30 UK cities and 350 groups challenge government to tackle root causes of food poverty.
- May 2015:** Prescribing Gardening conference for GPs, NHS commissioners and community gardens.
- July 2015:** Marks & Spencer supermarket commits to removing junk food from checkouts.
- September 2015:** Sugary drinks levy gains 150,000 petition signatories and 3 Daily Mail front page stories.
- September 2015:** Children's Health Fund launches, to collect and disburse funds from a pilot sugary drinks levy, working with over 100 restaurants.
- October 2015:** Sustain coordinates rapid response to threats to universal infant free school meals.
- October 2015:** Sustain launches first London food poverty profile, revealing gaping holes in the social safety net for vulnerable people.
- October 2015:** PM David Cameron re-commits to universal free school meals for infants.
- October 2015:** Our Children's Food Campaign helps Jamie Oliver challenge a packed meeting of MPs to take action to reduce sugar.
- Autumn 2015:** Sustain helps organise nascent Food Poverty Alliance; Church Action on Poverty and Sustainable Food Cities run 5 regional consultations.
- November 2015:** Committee on Advertising Practice commits to public consultation on non-broadcast marketing of food to children.
- December 2015:** We dress up as tooth fairies to greet the Coca-Cola Christmas truck at the O2 venue.
- January 2016:** NHS England commits to kicking junk food off hospital shop checkouts.
- January 2016:** Sustain amongst those championing a standard measure for household food insecurity.
- January 2016:** Children's Health Fund launches sugary drinks levy grants to install water fountains.
- February 2016:** We don our tooth-fairy costumes to give out toothbrushes by the Coca-Cola sponsored London Eye tourist attraction.
- February 2016:** Children's Health Fund attracts 500 applicants for grants for water fountains.
- March 2016:** Growing Health launches toolkit for evaluating outcomes of therapeutic food growing.
- March 2016:** Chancellor George Osborne announces sugar levy on the soft drinks industry.
- March 2016:** We dress up as cartoon characters to highlight weak junk food marketing regulation.
- March 2016:** Boots becomes latest high-street retailer to kick junk food off their checkouts.
- March 2016:** Official Eatwell guidelines demote junk food to just a side helping for the first time.

Footnote:

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Improve our food culture, education and skills

We want to see a strong UK food culture that ensures food is valued and enjoyed, and is promoted in coherent integrated government policy, bringing the community together, and where skills in production and food quality are appreciated by all and not just the few.

The Daily Telegraph
'Is it toast for the white loaf?'

THE INDEPENDENT
ON SUNDAY

'Supermarkets cash in on sourdough bread craze as popularity surges'





Sustain, Food Matters and the Soil Association run the Sustainable Food Cities Network, which continues to grow – with 44 towns, cities, boroughs and counties signed up by the end of this year. We have refreshed our support package, consulted with members, and started to develop new campaigns. Cities are especially interested in building on the Beyond the Food Bank food poverty campaign, and to explore new initiatives on Sugar Smart and Zero Food Waste, as well as important work to embed good food and community food growing in local planning policy, for which Sustain's specialist guidance remains one of our most popular downloads.

One of our highest profile programmes in London, Capital Growth, has continued to encourage involvement in community gardening with 2,443 food growing spaces. Working with Garden Organic on Food Growing Schools London, we've supported more young people to get growing and try their hand at selling produce via markets at City Hall. Across the UK, we've continued to support community food growers with thousands of volunteers getting involved in local gardens through the Big Dig and Edible Gardens Open Day in London, Birmingham and Manchester.

We have worked in partnership with the Eden Project to recruit and train well over 500 Ambassadors UK-wide, as part of the Wellcome Trust's Crunch project, helping them engage their own communities in the health and environmental challenges for our food and farming system in the years to come.

Sustain's Real Bread Campaign went from strength to strength this year, now with 1,400 active supporters and 25,000 followers, sharing their passion for Real Bread, made with healthy ingredients and traditional techniques. Around 200 practitioners gathered for Real Bread: The Uprising, co-hosted by our Real Bread Campaign and the SOAS Food Studies Centre, sharing ideas on enterprise, therapeutic benefits of bread making, sourdough baking, and heritage grains. Our Sourdough September welcomed bakers participating from the UK as well as long-distance friends from places as diverse as the USA and South Australia. We also initiated research on the benefits of bread-making for people living with mental health issues, aiming to gather examples of good practice and create guidance and training materials.

Milestones achieved this year

- April 2015:** London Food Link 'network do' tickets sell out in record time, with over 80 attendees.
- Spring 2015:** Manchester and Birmingham adopt our Harvest-ometer to measure food growing success.
- May 2015:** Real Bread Week raises the profile of small, independent bakeries, with extensive online, print and broadcast media coverage.
- May 2015:** The Advertising Standards Authority joins us in defending 'Real Bread' descriptions from unwarranted copycat use.
- July 2015:** 35 pupils from 10 London schools sell fresh fruit and veg from school gardens at City Hall, with a surprise visit from the Mayor of London Boris Johnson.
- September 2015:** We run the UK's largest gathering for Real Bread practitioners, hosted by SOAS.
- September 2015:** Over 60 gardens take part in UK-wide Edible Gardens Open Day, with 1,500 visitors.
- September 2015:** Regent's Park Allotment Garden serves cob-oven pizzas to over 500 visitors.
- September 2015:** Our Sourdough September promotes the wealth of artisan bread making events, courses and enterprises around the UK.
- Spring - Autumn 2015:** Capital Growth runs 23 training sessions on topics such as 'Grow to sell' & 'Food growing for beginners', with over 200 people trained.
- October 2015:** Seasonal school marketplace at City Hall showcases award-winning school food growing.
- October 2015:** Real Bread supporters meet farm minister George Eustice to argue for legal definitions for loaf labelling and marketing.
- November 2015:** Capital Growth runs Roots to Work for 65 people to learn about food growing careers and enterprise.
- November 2015:** 30 schools join Harvest-ometer challenge to measure the food they grow.
- Autumn 2015:** Preparations begin for a food focus leading up to the 2016 London Mayoral Election.
- December 2015:** 27 out of 33 London Boroughs support community food growing, with 15 of these getting top marks for leadership.
- February 2016:** Special 50th edition of our quarterly Jellied Eel magazine publishes inspiring ethical food enterprise stories, reaching over 40,000 readers.
- March 2016:** Preparations underway for 2016 Big Dig day; we coordinate promotion of UK-wide volunteering with community gardens.
- March 2016:** Sell-out Sustainable Food Cities conference hosted in Liverpool with UK-wide participation, chaired by Sustain.
- Spring 2016:** We help to organise 15 regional 'The Crunch' training events for 580 Ambassadors.

Footnote:

The timelines illustrate milestones that Sustain achieved, or in which we and close associates played a significant role

Who we work with

Sustain as an alliance

As an alliance, Sustain is as strong as its membership. Membership is open to national organisations that do not distribute profits to private shareholders and which operate in the public or their members' interest. The organisations must be wholly or partly interested in food or farming issues and support the general aims and work of the alliance.

Our members

Action on Sugar
Agricultural Christian Fellowship
Alexandra Rose Charities
Association of Public Analysts
Association of School Health Education Co-ordinators
Baby Milk Action
Behaviour Change
Bio-Dynamic Agriculture Association
British Association for the Study of Community Dentistry
British Dental Health Foundation
British Dietetics Association
British Heart Foundation Centre on Population Approaches for Non-Communicable Disease Prevention
Campaign for Real Ale (CAMRA)
Campaign for Real Farming
Campaign to Protect Rural England (CPRE)
Caroline Walker Trust
Centre for Food Policy, City University London
Commonwork Land Trust
Community Food and Health (Scotland)
Community Supported Agriculture Network (CSA)
Compassion in World Farming
Consensus Action on Salt & Health (CASH)
Diabetes UK
f3: the local food consultants
Faculty of Public Health
Fairtrade Foundation
Family Farmers' Association
FareShare
Farma: National Farmers Retail & Markets Association
Farms Not Factories
Federation of City Farms & Community Gardens
Feedback: The global food waste campaign
First Steps Nutrition Trust
Food Matters
Forum for the Future

Friends of the Earth
Gaia Foundation
Garden Organic (HDRA)
GM Freeze
H.U.S.H. (UK E.Coli support group)
Harper Adams University, Department of Food Science and Agri-Food Supply Chain Management
Health Education Trust
Institute for Food, Brain & Behaviour
Institute of Food Safety, Integrity & Protection (TIFSIP)
International Institute for Environment and Development (IIED)
Keep Britain Tidy
Kindling Trust
Landworkers' Alliance
Marine Conservation Society
McCarrison Society
Medact
National Federation of Women's Institutes
National Trust
New Economics Foundation (nef)
Northern Ireland, Chest Heart & Stroke Association
Organic Centre Wales
Organic Research Centre – Elm Farm
Organic Trade Board
Pasture-fed Livestock Association
Permaculture Association
Pesticide Action Network, UK
Royal Academy of Culinary Arts, Chefs Adopt a School Trust
Royal Society for the Prevention of Cruelty to Animals (RSPCA)

Royal Society for the Protection of Birds (RSPB)
RSPCA Assured (Freedom Food)
School Food Matters
School of Artisan Food
Scottish Crofting Federation
Slow Food UK
Soil Association
Unison
Unite - Agricultural Workers Group
Urban Orchard Project
Vegetarian Society
War on Want
Which? (Consumers Association)
Women's Environment Network
World Cancer Research Fund
World Wildlife – UK
World-Wide Opportunities on Organic Farms

Our observers

Allergy Alliance
Chartered Institute of Environmental Health
Child Poverty Action Group
Food Ethics Council
GMB
Linking Environment and Farming (LEAF)
Marine Stewardship Council
Natural England
Royal Society for Public Health
UK Food Group
UK Health Forum
Wildlife & Countryside Link
WWF – Scotland

Joining the Sustain alliance

If your organisation is interested in becoming a Sustain member, download an application form at: www.sustainweb.org/membership or call the Sustain office for a conversation about how your organisation can get involved. If your work is local or international rather than national, or you are an individual supporter or represent a profit-making organisation, you may prefer to get involved with a particular campaign or initiative, become an Observer or join a project or campaign Working Party. Get in touch and we'll help you decide how best to join in and share your unique perspectives.

Sustain's governance

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.

Sustain is governed by its membership, which is open to national organisations that do not distribute profits to private shareholders and thus operate in the public interest. Members must be wholly or partly interested in food and/or farming issues and support the general aims and work of the alliance. Sustain's membership usually meets once a year in general session at the Annual General Meeting, and many members also attend a range of specialist policy and project working party meetings, which are usually chaired by a

Sustain Council member, as well as specialist events tackling issues of common concern.

The Council members are elected by the membership (and a minimum of one third of the Council must stand down each year) to form a governing body of up to 15 Trustees. All Trustees declare any relevant financial interests when they are elected, and at the beginning of each quarterly meeting, and these interests are publicly available. Sustain's 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.

At the January 2016 Sustain AGM, of the 14 serving members, six existing Trustees stepped down, with three successfully standing

for re-election. Of the other three, one left to get more involved with Sustain's sustainable farming working party; one retired; and one was no longer linked to a Sustain member organisation. We also kept one place open for a Trustee then on maternity leave. By the time of the AGM, we had received four applications for the Sustain Council of Trustees, taking the number of Council members up to the full fifteen. All candidates were elected at the AGM uncontested.

Quarterly Trustee meetings are also attended by Sustain's core management team, who act as Sustain's executive body, responsible for running projects, managing project and campaign staff, fundraising, maintaining good financial oversight, and for developing the work of the alliance, in close consultation with Sustain's members and other relevant bodies.

Living Wage Employer

Sustain has always paid a living wage, but this year we registered as a Living Wage Employer (www.livingwage.org.uk/employers) to demonstrate our public commitment to putting decent income firmly at the heart of solutions to food poverty. We promote the London Living Wage as part of our Beyond the Food Bank campaign, rolled out through the Sustainable Food Cities

network, encouraging local authorities and local employers to sign up too.



Action to prevent draconian controls on third-sector advocacy

In Spring 2016, Sustain took a leading role in action to oppose a Cabinet Office proposal that all government grant agreements (for charities, other organisations and universities) would contain an 'anti-advocacy clause' stating: "The following costs are not Eligible Expenditure: Payments that support activity intended to influence or attempt to influence Parliament, Government or political parties, or attempting to influence the awarding or renewal of contracts and grants, or attempting to influence legislative

or regulatory action." We worked with the National Council of Voluntary Organisations (NCVO), ACEVO and Social Enterprise UK to submit evidence to the Cabinet Office of the unintended and deleterious consequences of such a clause for the ability of civil-society organisations to speak on behalf of vulnerable beneficiaries, and the chilling effect this might have on legitimate advocacy work more generally. The outcome of objections expressed by Sustain and other organisations is not yet clear.

Building our communications and influence

Sustain has continued to implement our strategy for compelling and far-reaching communications, with an overall refresh of our approach to supporter data management, good governance of grant-giving as part of the Children's Health Fund managing over 500 registrations, and how we present ourselves through our several websites, news bulletins and social media activities. As a result, traffic to Sustain's homepage of the updated 2015 Sustain website

increased by 50% compared to the same period last year, with a 38% increase in traffic from mobile devices; publication downloads were boosted; and our social media following across a range of platforms increased significantly. We have been frequently complimented on the quality and accessibility of our communication materials. Our new IT and data infrastructure also greatly improves reliability, speed, disaster recovery processes and Sustain's digital risk management and reputation.

Strategic review

Throughout this year, Sustain continued to implement our new strategy, entitled 'Better food. Better farming. Better lives: Sustain Strategy 2015-2020'. This followed extensive consultation in the previous year, and sets out the alliance's vision for a food and farming system in which:

- All food is produced in a way that is fair and sustainable
- There is a thriving food supply chain from 'farm to fork'
- Healthy, sustainable diets are accessible and affordable to all
- We have a strong UK food culture that ensures food is valued and enjoyed

This Annual Report uses the above strategic headings to demonstrate our progress on each of the key themes. The themes also helped guide our planning work throughout the year.

Each year Sustain's staff and Trustees meet for a full-day review of our aims and activities, to assess the extent to which we are meeting our strategic aims, and to agree appropriate action.

This year, the team held our strategy day at the Commonwork Trust, set in 500 acres of working organic farmland near Sevenoaks in Kent. This proved a stimulating and informative setting to discuss Sustain's renewed commitment to, and ideas for, championing better jobs in sustainable farming; and to explore how we can better communicate and evaluate our work to bring about transformational change.

The day also served to renew our team connections and values as a light-footed, responsive, friendly and creative organisation.

Financial review

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 2016. 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 - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

The fund balance carried forward at 31 March 2016 was £347,932 (2015: £403,733) on unrestricted general reserves. The restricted reserves on continuing projects were £310,465 at 31 March 2016 (2015: £147,120). The full Statement of Financial Activities is set out in the accounts below.

Reserves policy

In accordance with guidelines from the Charity Commissioners, the Trustees have adopted a reserves policy that should ensure that: Excluding those funds represented by fixed assets, general reserves do not exceed more than six months' anticipated expenditure. The target level for reserves deemed by Trustees to be appropriate for the 2015/16 financial year covered six months of reduced essential core staff costs for co-ordination, finance, IT and potential winding-up costs, as well as a cushion reserve. In addition, Sustain holds in reserve funds to cover potential shortfalls in project funding, investment in activities, redundancy and other employment liabilities – this level is adjusted quarterly. The Trustees review amounts regularly, monitor progress in relation to target levels quarterly, and deemed in the financial year covered by this report that there were adequate funds to ensure the charity was able to meet all current, known and some estimated possible future liabilities.

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, in a bank with ethical credentials. No further 'social investment' is currently planned.

Risk management

The Trustees have assessed the major risks to which the company is exposed, in particular those related to operations and finances of the company, and are satisfied that systems are in place to mitigate exposure to major risks. The Sustain risk register and risk management process, reviewed regularly by Trustees and Sustain's senior management team, considers possible risks and prudent ways to avoid such risks arising, as well as mitigation should problems occur, grouped under the following broad themes:

- Good governance – financial and organisational;
- Meeting Sustain's objectives;
- Securing sufficient income;
- Controlling expenditure;
- Addressing staffing issues;
- Tackling challenges specific to alliances;
- Protecting Sustain's reputation;
- Avoiding or addressing any legal disputes that may arise.

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;
- 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 that 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 2006. 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.

Setting staff pay

Sustain operates a fair and transparent fixed salary scale for setting staff pay, including key management personnel – the persons with authority and responsibility for planning, directing and controlling the activities of the charity. This salary scale cannot be changed without Trustee approval. Sustain's salary scale is grouped under four ascending grades – Administrative Grade; Grade 1 (project officer); Grade 2 (senior manager); Grade 3 (coordinator). New recruits start at the salary grade suited to their post, as advertised, and usually at entry level for that grade. Subject to satisfactory annual appraisal, staff move up a salary level within their grade until the top level is reached. On the rare occasions when a new recruit has the experience and credentials to warrant appointment at a higher salary than the entry level for their grade, this offer and decision remains in line with the standard salary scale, except at a higher level, and with the knowledge and agreement of at least one Sustain Trustee, who has usually participated in the recruitment process.

As a not-for-profit organisation and registered charity, Sustain covers normal expenses, requires evidence of such claims and expenditure and keeps good records. Sustain does not make ex gratia payments to staff, nor does it pay bonuses to staff.

Public benefit

The Trustees are aware of Charity Commission guidance on public benefit reporting as set out in Section 17 of the Charities Act 2011. They believe Sustain fulfils a fundamental public benefit by promoting both the health and welfare of people and animals, and improving the environment. How Sustain achieves these objectives are commented upon in detail throughout this annual report.

Auditors

So far as the directors (Trustees) are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all of the necessary steps that they ought to, as directors, 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 on 12th December 2016 and signed on its behalf, by:



Professor Mike Rayner
Chair of the Council of Trustees

Auditors' report

We have audited the financial statements of SUSTAIN: THE ALLIANCE FOR BETTER FOOD AND FARMING for the year ended 31 March 2016 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state 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 auditor

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the trustees;
- and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

- In our opinion the financial statements:
- give a true and fair view of the state of the charitable company's affairs as at 31 March 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



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

19 December 2016

Statement of financial activities

(Incorporating Income and Expenditure Account)

For the year ended 31 March 2016

	Note	Unrestricted £	Restricted £	2016 Total £	2015 Total £
Income from:					
Donations and legacies	3	25,841	150,126	175,967	57,586
Charitable activities					
Health and Welfare	4	43,701	974,920	1,018,621	1,379,925
Other trading activities		–	–	–	–
Investments	5	963	9	972	1,592
Other		–	–	–	–
Total income		70,505	1,125,055	1,195,560	1,439,103
Expenditure on:					
Raising funds	6	7,555	–	7,555	27,398
Charitable activities					
Health and Welfare	6	95,990	984,472	1,080,462	1,586,676
Other		–	–	–	–
Total expenditure		103,545	984,472	1,088,017	1,614,074
Net income / (expenditure) before net gains / (losses) on investments		(33,040)	140,583	107,543	(174,971)
Net gains / (losses) on investments		–	–	–	–
Net income / (expenditure) for the year	8	(33,040)	140,583	107,543	(174,971)
Transfers between funds		(22,762)	22,762	–	–
Net income / (expenditure) before other recognised gains and losses		(55,802)	163,345	107,543	(174,971)
Net movement in funds		(55,802)	163,345	107,543	(174,971)
Reconciliation of funds:					
Total funds brought forward		403,733	147,120	550,853	725,824
Total funds carried forward		347,931	310,465	658,396	550,853

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 18 to the financial statements.

Balance sheet

As at 31 March 2016

	Note	£	2016 £	£	2015 £
Fixed assets:					
Tangible assets	12		<u>530</u>		<u>796</u>
			530		796
Current assets:					
Debtors	13	282,018		501,552	
Cash at bank and in hand		<u>666,165</u>		<u>283,491</u>	
		948,183		785,043	
Liabilities:					
Creditors: amounts falling due within one year	14	<u>290,317</u>		<u>234,986</u>	
Net current assets / (liabilities)			<u>657,866</u>		<u>550,057</u>
Total assets less current liabilities			658,396		550,853
Creditors: amounts falling due after one year			<u>-</u>		<u>-</u>
Net assets excluding pension asset / (liability)			658,396		550,853
Defined benefit pension scheme asset / (liability)			<u>-</u>		<u>-</u>
Total net assets / (liabilities)			<u>658,396</u>		<u>550,853</u>
The funds of the charity:	18				
Restricted income funds			310,465		147,120
Unrestricted income funds:					
General funds		<u>347,931</u>		<u>403,733</u>	
Total unrestricted funds			<u>347,931</u>		<u>403,733</u>
Total charity funds			<u>658,396</u>		<u>550,853</u>

The financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approved by the trustees on 12th December 2016 and signed on their behalf by



Professor Michael Rayner
Chair



Philip Lymbery
Treasurer

Statement of cash flows

For the year ended 31 March 2016

	Note	2016		2015	
		£	£	£	£
Cash flows from operating activities	19				
Net cash provided by / (used in) operating activities		382,674		(418,195)	
Cash flows from investing activities:					
Dividends, interest and rents from investments		-		-	
Proceeds from the sale of fixed assets		-		-	
Purchase of fixed assets		-	(1,062)	-	
Proceeds from sale of investments		-		-	
Purchase of investments		-		-	
		<hr/>		<hr/>	
Net cash provided by / (used in) investing activities			-		(1,062)
Cash flows from financing activities:					
Repayments of borrowing		-		-	
Cash inflows from new borrowing		-		-	
Receipt of endowment		-		-	
		<hr/>		<hr/>	
Net cash provided by / (used in) financing activities			-		-
		<hr/>		<hr/>	
Change in cash and cash equivalents in the year		382,674		(419,257)	
Cash and cash equivalents at the beginning of the year		283,491		702,748	
Change in cash and cash equivalents due to exchange rate movements		-		-	
		<hr/>		<hr/>	
Cash and cash equivalents at the end of the year	20	666,165		283,491	
		<hr/>		<hr/>	

Notes to the financial statements

For the year ended 31 March 2016

1 Accounting policies

a) Basis of preparation

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

The charitable company meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

b) Reconciliation with previously Generally Accepted Accounting Practice (GAAP)

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was required. The transition date was 1 April 2014.

No restatement was required.

c) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. Key judgements that the charitable company has made which have a significant effect on the accounts. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

d) Income

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

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

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

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

e) Donations of gifts, services and facilities

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

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

1 ACCOUNTING POLICIES (CONTINUED)

f) Interest receivable

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

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

h) Expenditure and irrecoverable VAT

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

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of delivering services, undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading

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

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Office equipment	25% straight line
------------------	-------------------

l) Debtors

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

m) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

n) Creditors and provisions

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

o) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

p) Pensions

The charity operates stakeholders pension scheme.

2 DETAILED COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted £	Restricted £	Total £
Income from:			
Donations and legacies	40,367	17,219	57,586
Charitable activities	56,874	1,323,051	1,379,925
Other trading activities	–	–	–
Investments	1,590	2	1,592
Other	–	–	–
Total income	98,831	1,340,272	1,439,103
Expenditure on:			
Raising funds	27,398	–	27,398
Charitable activities	137,379	1,449,297	1,586,676
Other	–	–	–
Total expenditure	164,777	1,449,297	1,614,074
Net income / expenditure before gains / (losses) on investments	(65,946)	(109,025)	(174,971)
Net gains / (losses) on investments	–	–	–
Net income / expenditure	(65,946)	(109,025)	(174,971)
Transfers between funds	(16,429)	16,429	–
Net income / (expenditure) before other recognised gains and losses	(82,375)	(92,596)	(174,971)
Gains / (losses) on revaluation of fixed assets	–	–	–
Actuarial gains / (losses) on defined benefit pension schemes	–	–	–
Other gains / (losses)	–	–	–
Net movement in funds	(82,375)	(92,596)	(174,971)
Total funds brought forward	486,108	239,716	725,824
Total funds carried forward	403,733	147,120	550,853

3 INCOME FROM DONATIONS AND LEGACIES

	Unrestricted £	Restricted £	2016 total Total £	2015 Total £
Donations	25,841	150,126	175,967	57,586
	25,841	150,126	175,967	57,586

4 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted £	Restricted £	2016 Total £	2015 Total £
Grant income				
Awards for All	-	-	-	4,996
Big Lottery Fund	-	58,909	58,909	61,656
British Heart Foundation	-	59,600	59,600	56,150
City Bridge Trust	-	24,990	24,990	13,870
Compassion In World Farming	-	-	-	5,000
Ernest Cook Trust	-	-	-	7,750
Esmee Fairbairn Foundation (various)	-	157,106	157,106	113,827
European Commission via Rural Payments Agency*	-	91,106	91,106	342,799
European Fisheries Fund & Marine Management Organisation	-	21,347	21,347	16,187
European Regional Development Fund (via GLA)	-	10,126	10,126	118,661
Garfield Weston Foundation	-	60,000	60,000	-
Greater London Authority (various)	4,900	79,599	84,499	96,129
John Ellerman Foundation	-	30,000	30,000	-
Kenneth Miller Trust	-	30,000	30,000	40,000
Network for Social Change	-	-	-	6,707
Organic UK Campaign Pledges	-	162,524	162,524	331,194
Polden Puckham Foundation	8,000	7,500	15,500	7,500
Royal Parks Foundation	-	19,500	19,500	11,598
Stichting DLO	-	-	-	7,733
Tides Foundation (Patagonia Environmental Grants Fund)	-	-	-	4,818
Tinsley Charitable Trust	-	5,000	5,000	-
Trust for London	-	40,000	40,000	20,000
Tudor Trust (various)	-	35,071	35,071	26,880
Wellcome Trust via the Eden Project	-	23,483	23,483	-
Other grants and income	750	13,589	14,339	10,150
Other income				
Conference and workshops	6,594	2,394	8,988	7,095
Membership fees	17,615	42,934	60,549	62,738
Sales and publications	-	142	142	710
Subscriptions	5,842	-	5,842	5,777
Total income from charitable activities	43,701	974,920	1,018,621	1,379,925

*These amounts are managed by Sustain on behalf of the Organic Trade Board to fund a generic marketing campaign for organic food and its benefits.

5 INCOME FROM INVESTMENTS

	Unrestricted £	Restricted £	2016 Total £	2015 Total £
Investment income	963	9	972	1,592
	963	9	972	1,592

6 ANALYSIS OF EXPENDITURE

	Cost of raising funds £	Charitable activities £	Support costs £	2016 Total £	2015 Total £
Staff costs (Note 8)	6,270	491,273	115,664	613,207	625,990
Direct cost					
Payable to partner organisations	–	10,175	–	10,175	28,454
Consultancy costs	–	332,369	–	332,369	814,955
Volunteers	–	2,723	–	2,723	4,937
Printing and photocopying	–	17,647	–	17,647	20,947
Postage and distribution	–	8,788	–	8,788	10,286
Travel, meeting and expenses	–	26,379	–	26,379	25,108
Other charitable expenditure	–	7,427	–	7,427	4,770
Support cost					
Telephone and fax	–	–	3,453	3,453	7,380
Office costs	–	–	58,011	58,011	63,478
Depreciation	–	–	266	266	266
Audit fees	–	–	7,500	7,500	7,400
Bank charges	–	–	72	72	103
	<u>6,270</u>	<u>896,781</u>	<u>184,966</u>	<u>1,088,017</u>	<u>1,614,074</u>
Support costs	<u>1,285</u>	<u>183,681</u>	<u>(184,966)</u>	<u>–</u>	<u>–</u>
Total expenditure 2016	<u>7,555</u>	<u>1,080,462</u>	<u>–</u>	<u>1,088,017</u>	<u>1,614,074</u>
Total expenditure 2015	<u>27,398</u>	<u>1,586,676</u>			

Of the total expenditure, £103,545 was unrestricted (2015: £164,777) and £984,472 was restricted (2015: £1,449,297).

7 NET INCOMING RESOURCES FOR THE YEAR

This is stated after charging / crediting:

	2016 £	2015 £
Depreciation	266	266
Operating lease rentals:		
Property	33,478	32,017
Auditors' remuneration (excluding VAT):		
Audit	6,200	6,200

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

Staff costs were as follows:

	2016 £	2015 £
Salaries and wages	547,490	560,826
Redundancy and termination costs	3,375	1,856
Social security costs	54,679	54,341
Employer's contribution to defined contribution pension schemes	7,663	8,967
	613,207	625,990

No employee earned more than £60,000 during the year (2015: nil).

The total employee benefits including pension contributions of the key management personnel were £124,382 (2015: £128,041).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2015: £nil). No charity trustee received payment for professional or other services supplied to the charity (2015: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £191 (2015: £Nil) incurred by 4 members relating to attendance at meetings of the trustees.

9 STAFF NUMBERS

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2016 No.	2015 No.
Raising funds	0.2	0.8
Health and Welfare	13.9	14.4
Support	3.3	5.1
	17.4	20.3

10 RELATED PARTY TRANSACTIONS

A number of trustees and management team members hold prominent positions in other organisations.

Transactions with these organisation are as follows;

Sustain received a grant of £52,439 through the Soil Association as part of the Sustainable Food Cities programme. Sustain's Trustees, Rachel Harries and Lisa Jones are officers at the Soil Association.

Sustain received a grant of £5,000 from Compassion In World Farming for work on the Antibiotics Alliance. Sustain's Treasurer, Philip Lymbery is the Chief Executive at Compassion In World Farming.

Sustain received £5,000 from Unison as contribution to the Campaign for Better Hospital Food. Sustain's Trustee, Christine Lewis is an officer at Unison.

£150 was received from the School of Artisan Foods as a donation to the Real Bread Campaign. Sustain's Trustee, Alison Swan Parente is a director at the School of Artisan Foods.

11 TAXATION

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

12 TANGIBLE FIXED ASSETS

	Fixtures, fittings and Equipment £	Total £
Cost		
At the start of the year	33,658	33,658
Additions in year	–	–
Disposals in year	–	–
	<hr/>	<hr/>
At the end of the year	33,658	33,658
	<hr/>	<hr/>
Depreciation		
At the start of the year	32,862	32,862
Charge for the year	266	266
Eliminated on disposal	–	–
	<hr/>	<hr/>
At the end of the year	33,128	33,128
	<hr/>	<hr/>
Net book value		
At the end of the year	530	530
	<hr/>	<hr/>
At the start of the year	796	796
	<hr/>	<hr/>

All of the above assets are used for charitable purposes.

13 DEBTORS

	2016 £	2015 £
Other debtors	133,331	122,777
Prepayments	3,604	2,644
Accrued income	145,083	376,131
	<hr/>	<hr/>
	282,018	501,552
	<hr/>	<hr/>

14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Other creditors	9,767	14,737
Accruals	7,550	7,446
Deferred income	273,000	212,803
	<hr/>	<hr/>
	290,317	234,986
	<hr/>	<hr/>

15 DEFERRED INCOME

Deferred income comprises Esmée Fairbairn Foundation grant £83,333, Organic UK Pledges income £189,162 and National Trust membership £505.

	2016 £	2015 £
Balance at the beginning of the year	212,803	187,096
Amount released to income in the year	(212,803)	(187,096)
Amount deferred in the year	273,000	212,803
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Balance at the end of the year	273,000	212,803
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16 PENSION SCHEME

The charity operates stakeholders pension scheme and has no pension liability as at the year end.

17 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	530	–	–	530
Net current assets	347,401	–	310,465	657,867
Net assets at the end of the year	347,931	–	310,465	658,397

18 MOVEMENTS IN FUNDS

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At the end of the year £
Restricted funds:					
Campaign for Better Hospital Food	1,890	109,681	(97,660)	3	13,914
Capital Growth	5,002	167,851	(151,816)	363	21,400
Childrens Food Campaign	6,006	94,835	(79,311)	2,850	24,380
Childrens Health Fund	–	126,090	(28,650)	–	97,440
Food Metres	4,805	4,589	(9,910)	516	–
Food Poverty	(10,439)	40,000	(39,115)	–	(9,554)
FoodSave	2,253	10,126	(13,042)	663	–
London Food Link	10,000	3,006	(16,793)	5,282	1,495
Organic UK Campaign	122,829	253,630	(284,273)	–	92,186
Real Bread Campaign	7,852	39,658	(43,900)	13,085	16,695
Sustainable Fish City	(3,842)	111,352	(71,704)	–	35,806
Sustainable Food Cities	(1,329)	52,440	(46,965)	–	4,146
The Crunch	–	23,483	(23,385)	–	98
UK Food Group	1,992	45,715	(34,353)	–	13,354
Urban Food Routes	101	42,599	(43,595)	–	(895)
Total restricted funds	147,120	1,125,055	(984,472)	22,762	310,465
Unrestricted funds:					
General funds	403,733	70,505	(103,545)	(22,762)	347,931
Total unrestricted funds	403,733	70,505	(103,545)	(22,762)	347,931
Total funds	550,853	1,195,560	(1,088,017)	–	658,396

Purposes of restricted funds

Income, which is received for specific projects, as – for example – grants, donations and earned income – is accounted for as restricted funds. If project funds are projected to be overspent, we take action early to reduce expenditure and/or raise more funds to cover the potential shortfall. If we continue to project and incur an unavoidable overspend, a transfer is made from unrestricted funds. The balances on restricted funds as at 31 March 2016 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:

Campaign for Better Hospital Food: The campaign represents a coalition of organisations calling on the Westminster government to introduce mandatory nutritional, environmental and ethical standards for food served to patients in NHS hospitals in England.

Capital Growth: Run by Sustain's London Food Link, this offers practical and financial support to communities around London to help more people grow more food, and to have greater access to land and growing spaces for community benefit.

Children's Food Campaign: Campaigns for Better food and food teaching for children in schools, and protection of children from junk food marketing are the aims of Sustain's high-profile Children's Food Campaign. We also want clear food labelling that can be understood by everyone.

Children's Health Fund: Works with restaurants and caterers to put a voluntary 10p 'sugary drinks levy' on soft drinks on their menu that contain added sugar, with money raised going to causes that improve children's health.

Food Metres: This EU funded research project, coordinated by Wageningen University in the Netherlands, is looking at shortening supply chains into six metropolitan areas: Berlin, Ljubljana, London, Milan, Nairobi and Rotterdam. Sustain is one of over 15 partners involved in the project, working on London-based activities.

Food Poverty: This work looks at the steps that local authorities can take to reduce food poverty beyond the foodbank, and will encourage them to do so through support and an annual league table report.

FoodSave: FoodSave is helping over 240 small- and medium-sized food enterprises in London to prevent food waste and divert surplus food to good purposes, funded by the European Regional Development Fund, London Waste & Recycling Board (LWARB) and the Mayor of London, managed overall by the Greater London Authority.

London Food Link: This is the umbrella for all of Sustain's initiatives in London. London Food Link (LFL) is a network of organisations and individuals in London who care about good food.

Organic UK Campaign: Sustain has continued to manage funding from the EU, and funds pledged by the UK's organic sector, to help run the UK's first generic marketing campaign to promote organic food and its benefits for animal welfare and the environment. The campaign is managed independently by the Organic Trade Board.

Real Bread Campaign: The Real Bread Campaign champions locally baked, additive-free bread, finding and sharing ways to make all loaves better for us, better for our communities and better for the planet.

Sustainable Fish City: A campaign to protect precious marine environments and fishing livelihoods, and call for fish to be bought from sustainable sources. We want to show what can be done if people and organisations make a concerted effort to change their buying habits. It is working with UK towns, cities, businesses and institutions to help them serve only sustainable fish.

Sustainable Food Cities: The Sustainable Food Cities Network helps people and places share challenges, explore practical solutions and develop best practice on key food issues. It encourages public, private and third-sector groups and local communities to work together to improve their food system.

The Crunch: As part of this Wellcome Trust project, Sustain partnered with the Eden Project to recruit ambassadors across the UK to encourage people to think about our relationships with food, and underpinned with cutting edge research, how we can eat in ways that can keep our planet and ourselves healthy.

UK Food Group: This long-standing Sustain observer member, the UK Food Group, is an independent "sister" network of organisations focusing on global food and farming issues and the needs of poorer countries.

Urban Food Routes: Urban Food Routes helps a variety of London's smaller food enterprises, (which offer community benefits) with business advice and funding. The support is co-ordinated by the Plunkett Foundation with help from Growing Communities and Sustain's London Food Link, funded by the Mayor of London.

19 RECONCILIATION OF NET INCOME / (EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016 £	2015 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	107,543	(174,971)
Depreciation charges	266	266
Gains/(losses) on investments	-	-
Dividends, interest and rent from investments	-	-
(Loss)/profit on the sale of fixed assets	-	-
(Increase)/decrease in stocks	-	-
(Increase)/decrease in debtors	219,534	(273,056)
Increase/(decrease) in creditors	55,331	29,566
Net cash provided by / (used in) operating activities	382,674	(418,195)

20 ANALYSIS OF CASH AND CASH EQUIVALENTS

	At 1 April 2015 £	Cash flows £	Other changes £	March 2016 £
Cash in hand	283,491	382,674	-	666,165
Total cash and cash equivalents	283,491	382,674	-	666,165

21 OPERATING LEASE COMMITMENTS

The charity has no future minimum lease payments under non-cancellable operating leases.

22 LEGAL STATUS OF THE CHARITY

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

Funders

Sustain would like to thank the following funders for their financial support for our work, and for the work of the UK Food Group and several of Sustain's members, over the course of this financial year:

Big Lottery Fund (via Garden Organic)
British Heart Foundation
City Bridge Trust
Compassion In World Farming (funds from the Collier Foundation)
Esmée Fairbairn Foundation
European Commission (via Defra's Rural Payments Agency)
European Fisheries Fund and Marine Management Organisation
European Regional Development Fund (via Greater London Authority)
Garfield Weston Foundation
Greater London Authority
John Ellerman Foundation
Kenneth Miller Trust
Polden-Puckham Charitable Foundation
Royal Parks Foundation
Stichting DLO
Tinsley Charitable Trust
Trust for London
Tudor Trust
Wellcome Trust (via The Eden Project)

Annual Report

For the year ended 31 March 2016

A Sustain publication
December 2016

Sustain: The alliance for better food and farming advocates food and agriculture policies and practices that enhance the health and welfare of people and animals, improve the living and working environment, enrich society and culture, and promote equity. It represents around 100 national public interest organisations working at international, national, regional and local level.



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Sustain works as an alliance
to achieve our shared vision
of a food, fishing and farming
system in which:

All food is produced in a
way that is fair and sustainable

There is a thriving food supply
chain from 'farm to fork'

Healthy, sustainable diets are
accessible and affordable to all

We have a strong UK food
culture that ensures food
is valued and enjoyed