



Sustainable Food Trust

A global voice for sustainable food and health

**Trustees Report and Financial Statements for the
Year Ended 31 March 2015**

Company Number: 7577102

Charity Number: 1148645

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LEGAL AND ADMINISTRATIVE INFORMATION

Organisation Name: Sustainable Food Trust

Company Registration Number: 7577102

Charity Registration Number: 1148645

Registered office and operational address: 38 Richmond Street
Totterdown
Bristol
BS3 4TQ

Trustees/Company Directors: Thomas Harttung (Denmark) – Chair
Peter Segger (UK)
George Kailis (Australia)
Christina Lee Brown (USA)

Company Secretary: Claire Peeters

Chief Executive: Patrick Holden, CBE

Accountants: Burton Sweet, Pembroke House, 15 Pembroke Road, Clifton, Bristol. BS8 3BA

Bankers: Triodos Bank, Deanery Road, Bristol. BS1 5AS

Funders: The SFT would like to extend our thanks to the following funders for supporting our work during the year:

- The Sustainable Food Alliance, Inc (USA)
- The Ashden Trust
- The Mark Leonard Trust
- The Esmée Fairbairn Charitable Foundation
- The Prince of Wales's Charitable Foundation
- The Saville Turner Holistic Trust
- Jo Wood / ITV: Winnings from 'The Chase' Celebrity Special
- The RH Southern Trust
- Roger Ross and Everyone at Lots Road Auctions
- Tara & Bryan Meehan
- Ian Tomlin
- Thomas Harttung
- Frances Astor
- Charles Burrell
- Triodos Bank
- Ecotricity
- The National Trust
- Cotswold Grass Seeds
- AHDB Beef and Lamb

The Sustainable Food Trust works in partnership with the Sustainable Food Alliance, Inc. (SFA), which shares our mission to accelerate the transition to more sustainable food and farming systems. The SFA is a US tax-exempt 501(c)(3) organisation.

The SFT is grateful to the following funders whose support of the Sustainable Food Alliance enabled work to be done to advance this shared mission.

The TomKat Charitable Trust, Owsley Brown II Charitable Foundation, The Christensen Fund, The V. Kann Rasmussen Foundation, John & Jessica Moussouris, The Owsley Brown III Philanthropic Foundation, Leigh and Charles Merinoff, Stuart Brown, The Silicon Valley Foundation, Animal Welfare Approved and Nancy Schaub.

TRUSTEES' REPORT

PURPOSES AND AIMS

SFT's **purposes** as set out in the objects contained in the company's Articles of Association are:

- a) The preservation, conservation and protection of the environment and the prudent use of natural resources, including by the promotion of sustainable food production methods;
- b) The advancement of health, including the relief of disease and human suffering by
 - a. Encouraging the cultivation of foods and the uptake of diets (tailored to local circumstances in different countries and regions) to bring health benefits to individuals and populations in terms of better nutrition and lower incidence of diet related diseases.
 - b. The identification of food production methods that improve the nutritional value of foods and the dissemination of this information; and
 - c. The relief of malnutrition
- c) To advance the education of the public in food production methods and their impact on the environment and public health.

Our **mission** is to accelerate the transition to more sustainable food and farming systems.

Our **vision** is for a world where all people have access to and can enjoy high quality, nutritious food, produced in ways that preserve nature's capital, protect biodiversity and foster healthy food communities.

Our **approach** is to work in an inclusive and transparent way to transform food systems by harnessing the collective power of organisations, people and communities.

The **strategic aims** of the SFT are to:

- 1) Build greater collaboration and cohesion within the global sustainable food movement to increase the collective impact of its work.
- 2) Improve public understanding of the social, environmental and health impacts of different farming systems.
- 3) Promote the introduction of policies that encourage the practice of sustainable food production methods.
- 4) Harness the power of informed public opinion by enabling individuals to make more informed food choices and to become directly involved in the global food movement.

Our aims are delivered through three programmes of work: **Leadership and Collaboration, Research and Policy and Communications.**

ACHIEVEMENTS AND LOOKING AHEAD

Leadership and Collaboration

The SFT aims to provide thought leadership and support for the establishment of collaborative partnerships to foster cooperation and accelerate change. Over the course of the year, we continued to build our global network of contacts and key organisations as well as acting as a 'midwife' for the emergence of new initiatives.

Policymakers and Key Influencers

We have an ongoing programme of events, meetings and conferences that bring together opinion-formers from a wide range of different backgrounds to discuss issues connected to the sustainable food agenda. This year we organised a series of meetings at the Prince of Wales' Gloucestershire farm that focussed on the impact of agriculture and food systems on public health and involved a wide range of influential individuals from many different countries including the UK Chief Medical Officer, the Chief Scientific Advisor to the Department for Environment, Food and Rural Affairs, the American Ambassador and leaders of NGOs. Chief Executive, Patrick Holden, met with many other policymakers and key influencers during the year including HRH The Prince of Wales, Pamela Anderson (Head of Agriculture at the Gates Foundation), and MPs Laura Sandys and Zac Goldsmith.

Working with Big Food and Big Business

In March, in conjunction with the Louisville Health and Harmony Initiative, the SFT helped put on a two-day symposium to mark the occasion of their Royal Highnesses the Prince of Wales and The Duchess of Cornwall's visit to Louisville, Kentucky. The symposium brought together an extremely influential group of leaders in business, science, faith, philanthropy, and civil society organisations for a series of round table conversations. One such discussion involved a group of business leaders who spoke about the issues facing the current industrial food market, and barriers preventing transitioning towards healthier and more sustainable sourcing.

International Foundations Community

We have continued to support the Global Alliance for the Future of Food (GAFF), which was established following a series of meetings organised by the Sustainable Food Trust. The Alliance is a group of foundations committed to leveraging their resources to help shift food and agriculture systems towards greater sustainability, security and equity. In April 2014, we participated in a GAFF meeting in Palo Alto that began a process of mapping global food and agriculture systems in order that members of the alliance can identify levers of change and channel foundation resources accordingly.

Reconnecting Indigenous Communities with Traditional Knowledge

In the summer of 2014, we worked with the Christensen Fund to arrange for a UK-based dry stone waller to spend ten days in the Madzoke Valley in Southern Zimbabwe, passing on his knowledge to smallholder farmers, enabling them to erect permanent barriers to prevent wildlife destroying their crops and preying on their livestock. This sparked a major resurgence in the use of dry stone walling – a skill that has been lost in Zimbabwe for centuries – and many miles of walls have since been constructed, with communities passing skills on to their neighbours.

Fellowship Grants

With funding from the Sustainable Food Alliance and the Christensen Fund, we made a small number of modest fellowship grants to recognise outstanding achievement or potential in sustainable food, and to support time limited projects designed to meet the objectives of one or more of SFT's work priorities. This included supporting Professor Jack Heinemann to conduct research into the effects of pesticides on antibiotic resistance (see page 6), two small grants to support young people to develop their research skills and sustainable food knowledge and a grant to Harry Greenfield, coordinator of the All Party Parliamentary Group on Agroecology, to enable his coordination of this important strategic group to continue.

Sustainability Metrics

We continued to work on a set of sustainability principles and metrics that will help to guide farmers, policymakers and development organisations and will underpin SFT's work to influence policy and practice.

Leadership and Collaboration – Plans for 2015 – 2016

In 2015/16, we will continue to cultivate relationships with key individuals and organisations that together have the capacity to bring about the food systems change that is needed.

We will work with our networks and contacts to advance the proposition that a new set of metrics is needed to assess the outcomes of food and farming – one that looks beyond economic measures towards the full range of social and environmental outcomes – which we believe will support the case for a return to mixed farming in which diverse practices are designed to deliver a range of positive outcomes. These are the ideas we will be promoting when we will participate in a series of think-tank events organised by the Rothschild Foundation and Natural History Museum, the aim of which will be to find ways to balancing economic returns with thriving ecosystem services across UK agricultural land.

We will continue to communicate the importance of recognising that everything is connected – a concept that has been lost in the reductionism of industrial agriculture. We will build on the success of the Louisville Health and Harmony event by organising a collaborative event which will look at education through the lens of a set of 'Harmony Principles' – which are based on interconnectedness and balance with nature. The event will be organised in partnership with Richard Dunne, a pioneering Surrey headmaster who is using these principles to revolutionise his approach to the whole curriculum, including a particular focus on growing and producing food.

We will continue to work with fast food chains and large food corporations to capitalise on a reduced interest in their products and encourage more sustainable sourcing policies. We are becoming increasingly aware of the declining interest in fast and processed food amongst the under 30s, and believe there is now an unprecedented opportunity to influence the direction of these large corporations, as they become increasingly concerned about appealing to the next generation of customers.

Research and Policy

The SFT aims to influence the development of food and agricultural policy through carefully researched analysis of the science. We draw together research from different scientific disciplines to create practical approaches that address the multiple objectives necessary to make food production and consumption more durable, benign, resilient and healthy. We have identified, and are working on, a number of key issues where greater consensus is needed, and where we believe there may be the potential to develop policy mechanisms that could deliver the change that is needed, as follows:

Livestock for Sustainable Farming and Sustainable Diets

The SFT is keen to build consensus around the role that ruminant livestock and legumes could or should play in a sustainable food system. Following a number of meetings with scientists over several months, in February we organised a one-day seminar entitled '*What Role for Grazing Livestock in a World of Climate Change and Diet Related Disease*'. This brought together policymakers, leading scientists, agriculturalists, NGOs and the media, with the aim of developing a consensus on the impacts and values of different livestock systems, as well as identifying areas where further research is needed. Delegates unanimously endorsed the value of mixed farming for resolving multiple problems simultaneously, and agreed to meet again to take forward many of the issues discussed on the day.

Overuse of Antibiotics in Farm Animals

All antibiotic use can contribute to the rise of resistant infections, which have increased considerably over the past decade, so overuse accelerates their spread. During the year, we provided evidence on the consequences of the overuse of antibiotics in healthy farm animals – including an article written for the Guardian, a presentation given to the All Party Pig and Poultry Group, and a submitted consultation response to the World Health Organisation, which they published on their website. We have continued to brief several UK Members of Parliament on the issues, including Zac Goldsmith MP, for whom we prepared a brief prior to a Westminster Hall debate on the subject.

The Impact of Agricultural Chemicals and GM Crops on Human and Environmental Health

The SFT is committed to advancing knowledge about the impact of agricultural chemicals. During the year, we worked with a number of researchers internationally to progress this agenda. This included supporting Dr Michael Antoniou, a leading London genetic scientist, whose research (published after the end of the financial year) has revealed some of the underlying molecular processes that are associated with negative health consequences observed in rats exposed to glyphosate.

Through the SFT Fellowship program, we provided a small grant to a New Zealand based researcher, Professor Jack Heinemann, towards a research project which revealed that a number of widely used herbicides (glyphosate, dicamba and 2,4-D) can make disease causing bacteria resistant to antibiotics. This offers a new perspective on antibiotic resistance, which may help to explain why it has been increasing so rapidly in recent years.

Building Soil Fertility and Soil Carbon:

We are keen to analyse the evidence of soil carbon sequestration under different farming systems. Of particular relevance to this agenda recently has been emerging evidence from respected British Government scientists which challenges the current widespread belief in minimum-tillage systems using broad-spectrum herbicides to build soil organic carbon and reduce nitrous oxide emissions. The evidence now suggests that the opposite is more likely to be true. This has significant implications for agricultural policy and strengthens the case for the type of sustainable mixed farming systems the SFT would like to see developed. At the Oxford Real Farming Conference, the SFT's Patrick Holden and Richard Young debated with the journalist and author George Monbiot on the issue of soil degradation, helping to raise awareness of the threat to future food security if we continue to degrade our soils, and highlighting the way in which livestock and pasture can help build soil fertility.

Research and Policy - Plans for 2015-16

In 2015/16 we will continue to make progress with each of the priority areas described above, all of which relate to our broad vision to introduce greater diversity into food systems, with the ideal of a return to mixed farming.

Following the success of our February livestock symposium a US organisation, Animal Welfare Approved, asked us to help organise a similar event in California in November to continue to move the discussion forward. The coming year will also see the publication of a report that we have been working on, which will take a fresh look at the health and environmental issues associated with vegetable and animal fats.

We will continue to work for a reduction in the use of antibiotics in farm animals, and are seeking funding to review emerging evidence showing that the routine use of antibiotics in healthy pigs, chickens and dairy cows is exposing the population to low levels of many different antibiotics on a continuous basis, which new research suggests may be affecting the human microbiome.

2015/16 will see the publication of the first in a series of papers by Dr Michael Antoniou and colleagues. that examines the underlying molecular processes that are associated with negative health consequences observed in rats exposed to glyphosate. Using a gene profiling technique called 'transcriptomics' the research (completed before April 2015, but not yet published) will show, to a statistically significant level, a very high number of gene disturbances in liver and kidney tissues of rats exposed to glyphosate.

To coincide with the UN's International Year of Soils, our work will include publication of a new report highlighting the potentially catastrophic levels of global soil degradation, which has gone largely unnoticed and unmitigated in recent years. At the Berlin Soil Conference, part of Global Soil week in April, SFT will run a session in conjunction with the University of Namibia and Healthy Soils Australia, on the theme, 'Vulnerable landscapes- vulnerable societies: the role of grass and grazing livestock in building resilience to climate change'.

Communications

The SFT believes that lasting change to our food systems will only become possible if it is driven by the power of informed public opinion. We believe that only if the public has access to high quality information about the strengths and weaknesses of different food and farming systems in plain English will we be able to mobilise the as-yet untapped force of public opinion to enable the transition towards more sustainable food systems.

Our main point of contact with the public is through our website, e-newsletter and social media channels including Facebook and Twitter through which we are continuing to build a network of committed supporters. For example, over the course of the year, newsletter subscribers increased from 2700 to 4600, website page views from 20,000 to 43,000, Twitter followers from 8468 to 13,322 and Facebook 'likes' from 6,500 to 19,000. The most popular articles published on the website were: 'The Fat of the Land: Eating Red Meat,' 'Ten Ways to Eat Well for Less,' and 'Improving Diet – Health by Stealth.' The Guardian named the SFT as one of the top ten global tweeters on sustainable food issues.

The SFT web platform provides a space for conversation on issues related to our research and leadership agendas. Some of the issues have been quite controversial, even among environmental NGOs, and it is often these articles that prove most popular. For example, some of the most commented-on articles to date appeared in the summer of 2014 as part of a debate on the complex issue of livestock farming and eating red meat and SFT is increasingly being asked to consult on these issues by other NGOs and the media.

Another way in which we are getting our ideas across is through a wide range of speaking engagements, requests for which come in from all over the world. Many of these are filmed and made available for us to share with wider audiences. Examples from this year are as follows: a keynote address at the North American Biodynamic Conference; The New York Times 'Food for Tomorrow' Conference; Slow Money Conference, Kentucky; Kyrgyzstan National Organic Forum; Ecology Seminar, Norway; Shell Energy Futures Conference, Holland; IFOAM Good Food and Good Farming Conference, Brussels; Stockholm Food Forum; TEDxExeter, UK; Oxford Real Farming Conference, UK; Savory Institute Conference, London.

We are increasingly being seen as an authoritative source of information on key sustainability issues and requests for media appearances and comments are increasing. During the year, coverage has included The Huffington Post (True Cost Accounting), The Guardian (Patrick Holden Profile Piece and 'What's the Beef with Chicken'), and BBC Radio 4 (HRH, The Prince of Wales and Sustainability). We have contributed to webinars on true cost accounting, antibiotic resistance, and the Transatlantic Trade and Investment Partnership.

An unexpected boost to our profile amongst new audiences came in November when Jo Wood, model and founder of Jo Wood Organics, appeared on ITV's celebrity game show, 'The Chase.' Patrick Holden followed this up with a 15 minute interview that was published on the SFT website. The team of celebrities, which also included Jonathan Ross, won a record breaking £120,000 for their chosen charities, with one quarter of this being allocated to the SFT. A significant increase in website traffic was observed after the show.

At the end of the year, we began a research phase for a new Beacon Farms project, the aim of which is to develop an online networking resource to profile farms demonstrating best practice in sustainable production. Using global mapping technology, the network will offer users instant 'virtual' access to each of the farms, facilitating farmer-to-farmer knowledge exchange, promoting public understanding about the reality of farming, and supporting the on-farm journey towards sustainability. The project will harness the power of inspiration through practice, promoting increased understanding of the diverse ways in which farming practice can address some of the most critical environmental, health-related, social and cultural impacts facing us today.

Communications - Plans for 2015-16

During the year, we will work to continue to build our reach and influence, but aim to focus increasingly on core SFT issues including livestock-based agriculture / meat consumption, the use of pesticides, GM crops and antibiotics, and the health of the soil. For example, we aim to advance a better understanding of human health through the lens of soil biology, and of soil health through the lens of the human microbiome. By presenting complex science in accessible ways, we aim to bring about a more nuanced understanding of the role of ruminants in sustainable farming systems amongst the NGO community and general public.

In April, a team from Al Jazeera TV will visit Policy Director Richard Young's farm where he will speak about how antibiotics used for disease prevention and growth promotion in farm animals is linked to antibiotic resistance for humans. The programme, a special episode of 'the Cure' will be broadcast later in the year, and will showcase several examples of work being carried out on antibiotic resistance globally.

We will continue to develop the Beacon Farms project, progressing in stages so that we build a robust and functioning network with quality content and seamless user experience. By piloting the project first, we hope to ensure that we can successfully launch the website at full scale. During the year, we will carry out on-farm research, conduct user surveys and make trial films with a view to the first mock-up of the website being ready by the end of the financial year.

True Cost Accounting Project

The Sustainable Food Trust (SFT) believes that the failure to account for the full and true costs of food production is the most significant barrier to the widespread uptake of sustainable food and farming systems. It is currently more profitable to produce food in unsustainable ways, because the polluter does not pay, and those whose practices benefit the environment and human health are not adequately rewarded.

The SFT is spearheading a major global initiative on true cost accounting in food and farming that includes activity in each of our three programme areas and which aims to see the introduction of policy and market mechanisms that would correct these economic distortions.

We have been a significant influence on the development of The Economics of Ecosystems And Biodiversity for Agriculture and Food (TEEBAgFood) project – a study which aims to undertake a comprehensive review of agricultural and food systems externalities. The research has the potential to make a critical difference in shaping future food and agricultural policies and we worked hard during the year to help ensure the study is on the right track. As part of our work, we submitted a paper to the coordinating team which set out comprehensive recommendations on their approach to assessing livestock-based systems.

In the UK, with the support of the Esmée Fairbairn Foundation and the Sainsbury's Family Charitable Trusts, we began the UK True Cost of Food Project, the aim of which is to influence policies, using the discipline of True Cost Accounting, that impact on UK food systems. To support this, we have established a working group of NGO's, academics, farmers, policymakers and the media to support and guide research, communications and policy initiatives related to TCA. The group met for the first time in February 2015, and a significant outcome of the meeting was that a letter was sent to political parties calling for the work of the UK's Natural Capital Committee to be continued after the general election.

SFT-organised events included a TCA evening during the Bristol Food Connections festival in May 2014, a True Cost Accounting Conference run jointly with Nourish Scotland in Edinburgh in June 2014, and a TCA- themed meeting of the All Party Parliamentary Group on Agroecology, also in June. Each of these events brought together researchers, farmers, NGOs and the general public and included case studies of best practice and a discussion about key opportunities and challenges relating to true cost accounting.

Patrick Holden's speaking engagements on True Cost Accounting included a keynote address at the Food Tank Summit (US), a lecture at Queen Margaret University, Edinburgh, presentations at the Oxford Real Farming Conference and the Savory Institute Conference and participation in a webinar hosted by WWF UK entitled 'challenging the myth of cheap food.' This activity has been supported by an ongoing series of articles relating to food system externalities on the SFT web site. For example: 'Urgent Recall - the true cost of food,' and 'The True Cost of Antibiotic Resistance.'

We are seeing an increase in media coverage of true cost accounting in food and farming. Coverage during the year has included; Mark Bittman's 'The True Cost of a Burger' (New York Times, July 2014); 'The True Cost of Food Waste' (Huffington Post, February 2015), 'Food Tax Would Fund Public Health' (BBC, January 2015), 'Obesity Costing Same as Smoking' (BBC, November 2014); Tim Lang's 'Cheap Food: It's Been Normalised, but it's not Normal' (The Grocer, January 2015). Policy Director, Richard Young, provided evidence on TCA issues for an agricultural chapter in Steve Hilton's Book, Being Human, which was published shortly after the end of the financial year.

Plans for 2015-16

Over the coming year we will publish an introductory report on True Cost Accounting. The report will describe the background to, and the need for, true cost accounting in agriculture and food. It will provide examples of the hidden costs consumers are already paying for intensively produced food and aim to stimulate wider interest in the topic, as well as providing source material for the increasing numbers of media / writers, partner organisations, academics and policymakers that are coming to us for information on the subject.

Much of our time and resources during 2015/16 will be invested in arranging a conference, to take place in San Francisco in the spring of 2016, on the True Cost of American Food. The conference, which will follow the successful event we held in London in December 2013, will have the objective of bringing about a profound shift of understanding amongst people in key positions of influence in relation to the scale and extent of the un-costed negative impacts of our present food and farming systems on the environment and public health.

In parallel with organising the conference, we aim to commission a series of farm-level case studies that will compare a group of organic and intensive US farms by assessing, quantifying and monetising the impacts / externalities of those farms – taking a systemic approach to assessment and enabling comparisons between systems in terms of the net costs / benefits delivered to society. Results will be presented at the San Francisco conference and will help to build and promote the evidence case for more sustainable farming.

In the UK, we will continue our work with the advisory group that we have established, with our horizon objective being to create the conditions where both Pillar 1 and Pillar 2 payments of the Common Agricultural Policy within the EU are only available to farmers who adopt truly sustainable practices. A particular focus over the coming year will be to work towards improving and standardising the methodology for conducting case study comparisons, and to ensure a series of UK and European case studies are carried out that will provide the evidence needed to achieve this shift in policy approach.

DELIVERING PUBLIC BENEFIT

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning its future activities.

All of our work is directed towards meeting one or more of the Charity's objects, as described on page 3. Both our leadership and collaboration work strand, and our communications work strand are designed to enable us to work towards protection of the environment and advancement of human health by encouraging the uptake of policies and practices that promote sustainable food production and sustainable, healthy diets. They are also designed to advance education of the public in relation to different food production methods.

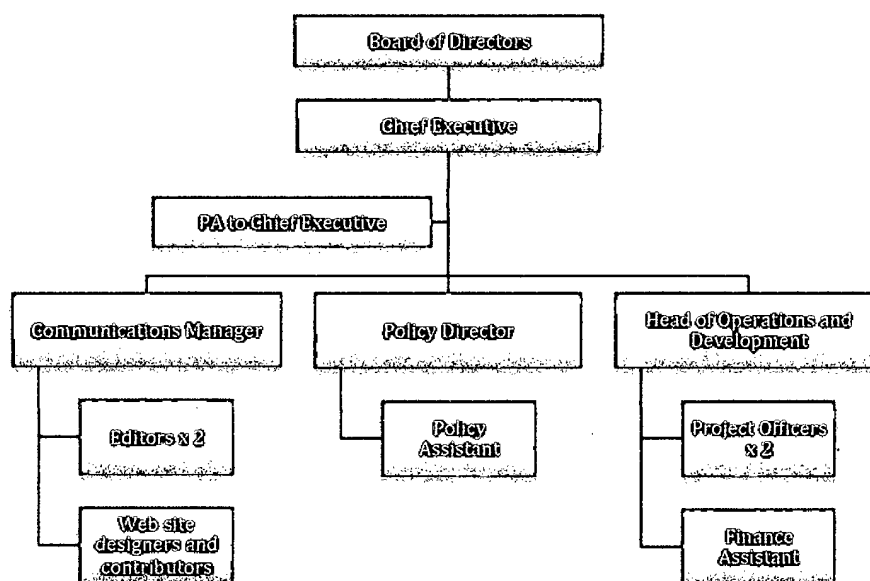
Both of these work strands are supported by our research programme, which aims to improve understanding of all food systems, and their associated health and environmental impacts.

GOVERNANCE AND MANAGEMENT

The SFT is company limited by guarantee, and was incorporated on 24th March 2011. We became a registered charity with the Charity Commission for England and Wales in August 2012. The company was established under a set of Articles of Association, which set out the objects and powers of the company. In the event that the company is wound up, members are required to contribute an amount not exceeding £1.

The directors of the company are also the trustees of the charity. Trustees have control of the organisation, its funds and assets, and are responsible for overall strategic and operational management. They are not subject to retirement by rotation and there shall not be fixed periods of service. All trustees give their time voluntarily and receive no benefits. They are inducted and trained by other trustees and in consultation with the Chief Executive.

Day to day management of the organisation is delegated to the Chief Executive, who manages a team of staff, consultants and interns. The structure of the SFT, as at 31 March 2015, is shown below:



We support volunteers / interns to assist with specific tasks, particularly associated with our communications and research work. Over the last 12 months, we have worked with 9 volunteers.

Board meetings are scheduled at least quarterly. Prior to meetings, the Chief Executive's report is circulated along with management accounts and any other relevant documents. In between meetings, the Board is kept up to date with regular emails from the Chief Executive and senior staff.

The trustees have assessed the major risks to which the organisation is exposed and are satisfied that systems are in place to mitigate exposure. Policies and procedures have been drawn up to ensure compliance with relevant legislation and which enable appropriate authorisation of transactions and activities.

FINANCIAL REVIEW

Reserves Policy

The Board of Trustees has examined the organisation's requirements for reserves in light of the main risks to which it may be exposed. It has established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the organisation should ideally be between four and six month's worth of expenditure. The total unrestricted reserves at 31 March 2015 was £98,600. The intention is to build reserves each year, with the aim of reaching our reserves target by 31st March 2017. In line with this, the unrestricted surplus projected in the budget for the next financial year (2015/16) is £60k, which will take reserves to £159k (approximately three month's worth of expenditure, as indicated by the 2015/16 budget).

Reserves are needed to safeguard the work of the SFT and the board of trustees are confident that at this level they would be able to continue our main core services in the event of a significant drop in funding. The reserves policy will be reviewed regularly, and in particular as a result of any significant changes to the organisation's activities. In the short term the Trustees have considered the extent to which existing activities and expenditure could be curtailed, should circumstances arise that would require this.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are directors for the purpose of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

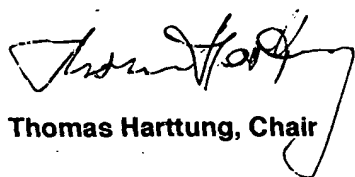
The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. The trustees confirm that, so far as each Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and each trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Small Company Provisions

This report has been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (revised 2005) and in accordance with the special provisions of the Companies Act 2006 (s419(2)) relating to small entities.

Burton Sweet, the charitable company's auditors, have indicated that they are prepared to continue in office and a resolution to reappoint them as auditors will be put at the Annual General Meeting.

Approved by the Board of Trustees on 18/12/2015 and signed on its behalf by:



Thomas Harttung, Chair

INDEPENDENT AUDITOR'S REPORT

to the Members of Sustainable Food Trust

We have audited the financial statements of Sustainable Food Trust for the year ended 31 March 2015 which comprise the Statement of Financial Activities, the Balance Sheet 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 misstatement, 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 2014 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;
- the financial statements are not in agreement with the accounting records and returns;
- 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.
- The directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies' exemption from the requirement to prepare a strategic report.



Neil Kingston FCA

Senior Statutory Auditor

For and on behalf of Burton Sweet, Statutory Auditor

Pembroke House

15 Pembroke Road

Clifton

Bristol BS8 3BA

Date 18/12/15

SUSTAINABLE FOOD TRUST

STATEMENTS OF FINANCIAL ACTIVITIES (Including income and expenditure account)

YEAR ENDED 31 MARCH 2015

	Notes	Unrestricted Funds £	Restricted Funds £	Total funds Year ended 31-Mar-15 £	Total funds Year ended 31-Mar-14 £
Incoming resources					
<i>Incoming resources from generated funds</i>					
Voluntary income	2	116,796	-	116,796	66,179
Activities for generating funds		3,077	-	3,077	3,137
Other investment income		98	-	98	-
<i>Incoming resources from Charitable activities</i>					
Leadership, collaboration and research	3	312,182	187,878	500,060	549,682
Speaking events		15,209	-	15,209	17,252
Total incoming resources		447,362	187,878	635,240	636,250
Resources expended					
<i>Charitable activities</i>	4	407,371	141,137	548,508	548,214
<i>Governance costs</i>	5	4,223	-	4,223	4,770
Total Resources expended		411,594	141,137	552,731	552,984
Net income/(expenditure) on ordinary activities	6	35,768	46,741	82,509	83,266
Net Movement in funds		35,768	46,741	82,509	83,266
Total funds brought forward		62,832	66,585	129,417	46,151
Total funds carried forward		98,600	113,326	211,926	129,417

The company has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the company are classed as continuing.

The notes on pages 17 to 22 form part of these financial statements

SUSTAINABLE FOOD TRUST


BALANCE SHEET

AT 31 MARCH 2015

	Notes	31-Mar-15 £	31-Mar-14 £
Non-current assets			
Fixed assets	8	4,199	3,651
Current assets			
Debtors	9	7,317	4,878
Cash at bank		227,786	205,526
		<u>239,302</u>	<u>214,055</u>
Creditors: Amounts falling due within one year	10	(27,376)	(84,638)
Net Current assets		<u>207,727</u>	<u>125,766</u>
Net Assets		<u>211,926</u>	<u>129,417</u>
Funds			
Restricted	11	113,326	66,585
Unrestricted	11	98,600	62,832
		<u>211,926</u>	<u>129,417</u>

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

These financial statements were approved and signed by the directors and authorised for issue on 18/12/2015


Thomas Harttung (Trustee)

Company registration number 07577102

The notes on pages 17 to 22 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

1 Accounting Policies

a) Basis of preparation

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

b) Incoming resources

All incoming resources are recognised when receivable and included in the income and expenditure account exclusive of value added tax.

Grants, including grants for the purchase of fixed assets, are recognised in the income and expenditure account as they become receivable. Grants received in the accounting period in respect of future accounting periods are deferred until those periods.

Gifts in kind are valued at estimated open market value at the date of the gift, in the case of assets for retention or consumption, or at the value to the organisation in the case of donated services or facilities.

c) Resources expended

Resources expended are accounted for on an accruals basis and have been classified under headings that aggregate all costs related to that activity exclusive of VAT. Support costs and where costs cannot be directly attributed they have been allocated to activities on a basis consistent with the use of the resource.

Governance costs include the costs of governance arrangements which relate to the general running of the company. These costs are associated with constitutional and statutory requirements and include costs associated with the strategic management of the company's activities.

d) Transactions in foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the SOFA.

e) Fund accounting

Unrestricted funds contain accumulated surplus and deficits on general funds and can be used in accordance with the company objects at the discretion of the Board of Directors.

Restricted funds represent monies received for specific purposes. All income and expenditure relating to the restricted funds' movements is included in the income and expenditure account. Further details of restricted funds are shown in note 11.

f) Fixed assets

Depreciation is calculated so as to write-off the cost of an asset, less its estimated residual value, over the useful economic life of the asset as follows:

Fixtures, fittings and Equipment	25% straight line
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SUSTAINABLE FOOD TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

2 Voluntary income

	Unrestricted Funds	Restricted Funds	Year ended 31-Mar-15	Year ended 31-Mar-14
	£	£	£	£
Donations	104,644	-	104,644	58,679
Donated services	6,340	-	6,340	7,500
Gift aids	5,812	-	5,812	-
	116,796	-	116,796	66,179

The donated services relates to three days visiting farm and garden managers of Highgrove. The trustees have valued these services at a perceived market rate.

3 Leadership, collaboration and research

	Unrestricted Funds	Restricted Funds	Year ended 31-Mar-15	Year ended 31-Mar-14
	£	£	£	£
True cost accounting	20,487	85,000	105,487	234,104
Leadership & collaboration	123,011	-	123,011	78,180
Research	83,925	-	83,925	102,205
Communications	84,759	102,878	187,637	135,193
	312,182	187,878	500,060	549,682

4 Charitable activities

	Staff Costs	Direct Costs	Support Costs	Year ended 31-Mar-15	Year ended 31-Mar-14
	£	£	£	£	£
True cost accounting	39,785	60,549	5,685	106,019	211,905
Leadership & collaboration	86,486	50,616	8,161	145,263	107,372
Research	33,113	89,370	6,457	128,940	104,630
Communications	49,409	111,913	6,964	168,286	124,307
	208,793	312,448	27,267	548,508	548,214

SUSTAINABLE FOOD TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

4 Charitable activities (continued)

Support costs	Premises costs	Office costs	Year ended 31-Mar-15	Year ended 31-Mar-14
	£	£	£	£
True cost accounting	3,217	2,468	5,685	5,533
Leadership & collaboration	4,310	3,851	8,161	6,472
Research	3,998	2,459	6,457	5,003
Communications	4,466	2,498	6,964	6,163
	15,991	11,276	27,267	23,171

5 Governance costs

	Unrestricted Funds	Restricted Funds	Total funds Year ended 31-Mar-15	Total funds Year ended 31-Mar-14
	£	£	£	£
Accountancy fees	287	-	287	1,380
Independent examiners fees	-	-	-	750
Audit fees	3,936	-	3,936	2,640
	4,223	-	4,223	4,770

6 Net income/(expenditure) for the year

Stated after charging:	Year ended 31-Mar-15	Year ended 31-Mar-14
	£	£
Depreciation	2,115	1,217
Accountancy fees	287	1,380
Independent examiners fee	-	750
Audit fees	3,936	2,640

SUSTAINABLE FOOD TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

7 Staff costs and numbers

The aggregate payroll costs were:

	Year ended 31-Mar-15	Year ended 31-Mar-14
	£	£
Wages and salaries	190,306	146,949
Social security costs	18,487	17,032
	208,793	163,981

One employee received emoluments between £90,000 and £100,000.

The average number of employees in the year was as follows:

	Year ended 31-Mar-15	Year ended 31-Mar-14
	£	£
Employees	4.6	3.0

8 Tangible fixed assets

	Fixtures fittings & equipment	Total
	£	£
Cost		
At 1 April 2014	4,868	4,868
Additions	2,663	2,663
At 31 March 2015	7,531	7,531
Depreciation		
At 1 April 2013	1,217	1,217
Charge for the year	2,115	2,115
At 31 March 2015	3,332	3,332
Net book value		
At 31 March 2015	4,199	4,199
At 31 March 2014	3,651	3,651

9 Debtors

	31-Mar-15	31-Mar-14
	£	£
Trade debtors	7317	-
Prepayments	-	4,878
	7,317	4,878

SUSTAINABLE FOOD TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

10 Creditors: amounts falling due within one year

	31-Mar-15	31-Mar-14
	£	£
Other creditors	15,537	14,813
Grant repayable	-	61,500
Accruals	5,555	8,325
Taxation and social security costs	6,284	-
	27,376	84,638

The grant repayable describes funds given to the charity in error. These funds were in the charity's bank account at the year end and were repaid in April 2014, this describes a creditor at the year end.

11 Movement in funds

	At 01-Apr-14	Incoming Resources	Outgoing Resources	At 31-Mar-15
	£	£	£	£
Restricted funds				
Sustainable Food Alliance	8,585	77,878	(55,137)	31,326
Ashden Trust	20,000	20,000	(20,000)	20,000
Mark Leonard Trust	20,000	20,000	(20,000)	20,000
Saville Turner Holistic Trust	18,000	-	(6,000)	12,000
Prince of Wales	-	50,000	(20,000)	30,000
Esmee Fairbairn Foundation	-	20,000	(20,000)	-
	66,585	187,878	(141,137)	113,326
Unrestricted funds	62,832	447,362	(411,594)	98,600
Total funds	129,417	635,240	(552,731)	211,926

Sustainable Food Alliance - incoming resources represent six grants given towards the strategic work programmes of the Sustainable Food Trust.

Ashden Trust and **Mark Leonard Trust** - represent grants towards true cost accounting work in the UK.

Saville Turner Holistic Trust - represents a grant for a research project on sustainable farming and health.

Prince of Wales -

Esmee Fairbairn Foundation -

SUSTAINABLE FOOD TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

12 Analysis of net assets between funds

	Tangible Fixed assets	Other Net assets	Total
	£	£	£
Restricted funds			
Sustainable Food Alliance	-	31,326	31,326
Ashden Trust	-	20,000	20,000
Mark Leonard Trust	-	20,000	20,000
Saville Turner Holistic Trust	-	12,000	12,000
Prince of Wales	-	30,000	30,000
	-	113,326	113,326
Unrestricted funds	4,199	94,401	98,600
	4,199	94,401	98,600
	4,199	207,727	211,926

13 Company limited by guarantee

The Company is limited by guarantee and as such has no issued share capital. In the event of the company being wound up the liability of the members is limited £1 each.

14 Related party transactions

Patrick Holden, an executive director of the charity, is a director of The Sustainable Food Alliance Inc. USA and is on the grant making board having disclosed his interest in Sustainable Food Trust. The charity received £390,060 in the year (2014: £465,682) from The Sustainable Food Alliance Inc. USA.

Patrick Holden owns the rental property in which the charity operates. A rent of £7,200 was paid by the charity in the year (2014: £7,800).