

Company number: 1468880

Charity Number: 279228



Report and financial statements  
for the year ended 31 December 2019

# **2019 ANNUAL REPORT AND ACCOUNTS**

Year ended 31 December 2019

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Reg. Charity Nos: 279228 (England and Wales)

and SC049495 (Scotland)

Company No: 01468880

The Vegan Society  
Reference and administrative information

<b>Charity Nos.</b>	279228 (England and Wales) and SC049495 (Scotland)
<b>Company No</b>	01468880
<b>Registered office and operational address:</b>	Donald Watson House, 34-35 Ludgate Hill, Birmingham, B3 1EH

Trustees who served during 2019 and up to the date of this report:

Menna Jones	Elected 30/11/2013; Re-elected 20/05/2017; Treasurer 07/02/2016 to 10/11/2018; Chair from 10/11/2018
Jenifer Vinell	Elected 27/06/2015; Re-elected 18/05/2019 Vice-Chair from 28/05/2016;
Stephen Walsh	Elected 27/06/2015; Re-elected 18/05/2019; Vice-Chair 21/11/2015 to 28/05/2016; Chair 28/05/2016 to 10/11/2018; Treasurer from 10/11/2018
David Gore	Elected 28/05/2016; Assistant Treasurer from 10/11/2018
Salim Akbar	Elected 28/05/2016
Patricia Fairey	Elected 28/05/2016; Resigned 18/05/2019
Graham Neale	Elected 28/05/2016
Ali Ryland	Elected 19/05/2018
Robb Masters	Elected 19/05/2018
Jane Mckears	Elected 19/05/2018; Resigned 09/06/2019
Eshe Kiama Zuri	Elected 18/05/2019

**Key management personnel**

George Gill	Chief Executive (from 04/05/2016)
Chantelle Adkins	Head of Business Development (from 22/03/2018)
Samantha Calvert	Head of Communications (from 05/06/2017)
Louise Davies	Head of Campaigns, Policy & Research (from 19/12/16)
Nirdesh Sandhu	Finance Manager (2/1/2019 to 6/08/2019)

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<b>Bankers</b>	Co-operative Bank, 1 Balloon Street, Manchester, M60 4EP
<b>Solicitors</b>	Bates Wells Braithwaite London LLP, 10 Queen Street Place, London, EC4R 1BE
<b>Auditors</b>	Third Sector Accountancy Ltd, Holyoake House, Hanover Street, Manchester, M60 0AS

## **Staff**

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

Our staff complement in 2019 varied due to staff movements. The society had an average of 39.3 full-time-equivalent staff members. The staff complement at year-end 31 December 2019 was 43, some of whom worked part-time, giving 39.9 Full Time Equivalents.

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

Volunteers make a substantial contribution to the society's outreach work, and the number of office and specialist volunteers has continued to increase. We are very grateful to all our volunteers.

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

## **Advisers**

Nutrition and Health Advisers are appointed by Council. These positions may be, but are not necessarily, filled by trustees. In 2019 the society's Nutrition and Health Advisers were Sandra Hood and Stephen Walsh.

A Research Advisory Committee (RAC) maintains close links between the society and the research community and provides specific advice and support as required, e.g. with our survey of the number of vegans. It meets at least once a year. Our Research Advisory Committee is chaired by Richard Twine (Edge Hill University/CfHAS) and co-ordinated by Lorna Brocksopp. A full current list of members can be found on:

[www.vegansociety.com/about-us/research/who-we-are](http://www.vegansociety.com/about-us/research/who-we-are).

**Ambassadors:**

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

Current ambassadors are:

Macka B

Freya Dinshah

Cor Nouws

Fiona Oakes

Roxy Shahidi

Wendy Turner-Webster

Benjamin Zephaniah

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The trustees present their report and the audited financial statements for the year ended 31 December 2019. Reference and administrative information set out on pages 1 to 3 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with FRS 102.

## **Objectives and activities**

### *1. Status*

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

### *2. Objects*

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

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

### *3. Public Benefit*

The trustees refer to the information contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. The trustees consider how planned activities will contribute to the aims and objectives that have been set. The Vegan Society's work benefits multiple audiences and causes. Adopting a vegan lifestyle makes a major contribution to reducing animal suffering, achieving environmental sustainability, advancing health and saving lives. The Vegan Society's advice encourages and enables people to make this step in such a way as to benefit themselves, other people, animals and the

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environment. Recognising and supporting the needs of vegans can also advance the rights of humans and promote equality. Vegan diets contribute to the relief of poverty in the global south through the potential for enhanced global food security. The society's educational material and advice are available to any member of the public, mainly without charge. Working with, and valuing the contribution of, volunteers advances community development and engagement in society.

#### *4. Purposes and aims*

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

#### *5. Strategic objectives*

A new strategic plan was agreed in March 2017.

##### **Objective**

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

##### **Vision**

A world in which humans do not exploit other animals

##### **Mission**

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

##### **Approach**

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

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risks.

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

We are making veganism an easily adopted and widely recognised approach to reducing animal and human suffering and environmental damage by means of meaningful, peaceful and factual dialogue with individuals, organisations and companies.

We engage with both individuals and organisations to promote:

More people adopting and sustaining a vegan lifestyle.

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

## **Themes**

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

Makes it easy for people to follow a vegan lifestyle incorporating the principles of sound nutrition.

Facilitates the development and use of vegan alternatives to all commodities derived wholly or partly from animals.

Explains the various benefits from being vegan: for people, animals and the environment.

Challenges the dominant world view of exploiting other animals by showing that a world where nonhuman animals are recognised as fellow beings who are not made to suffer or die for human purposes is possible and desirable.

Encourages other organisations to make legal, cultural and policy changes to be more supportive of a vegan lifestyle.



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

Providing support and advice to individual elderly vegans in conditions of need and, if appropriate, engaging with others on their behalf.

Providing information to organisations to help them meet the needs of elderly vegans and to encourage recognition of veganism as a protected belief deserving of respect and consideration.

## **Strategic Outcomes for 2025**

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

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

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

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

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

## *6. Achievements and performance*

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

### **6.1 Summary**

The Vegan Society is the first point of contact for new vegans and those seeking **information** on a range of subjects including: nonhuman animals; food labelling; vegans in vulnerable situations, such as those in hospitals, prisons and care homes; climate change; nutrition and global food security. We

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support and encourage individuals, manufacturers, caterers, the media, healthcare professionals, educators, politicians and other organisations to find and adopt vegan solutions. Each month we reach more than a million people online, at events, by email and telephone and through the media.

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

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

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

Throughout the year, we organise smaller campaigns with a specific focus (such as Valentine's Day and working on topical issues such as an election campaign or an event against badger culling linked to the dairy industry). We run the following main **projects and campaigns**, which seek to address our strategic and operational objectives:

- a) **Plate Up for the Planet** – The aim of this campaign, launched in 2017, is to promote awareness of the environmental benefits of veganism to both the public and the environmental movement. We engage with environmental charities and policy makers through media and events, this year launching the event at Friends of the Earth HQ. We took the campaign on the road to offices around the country, including NGOs, media and collaborative workspaces, events including Cheltenham Science Festival and Camp Bestival to target an environmentally aware audience and encourage them to try a vegan diet for a week.
- b) **Grow Green** – The aim of this campaign, launched in 2015, is to reduce the exploitation of animals used as commodities by the farming industry. The campaign goals are:

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- a. To influence the UK Government to provide incentives for animal farmers who wish to transition towards plant-based agriculture
  - b. To raise awareness of the environmental and economic benefits of plant-based agriculture and to influence policy and decision makers
  - c. To forge strategic partnerships with like-minded organisations to raise awareness of the benefits of the production and consumption of plant protein and to encourage practical change.
  - d. This year we took the campaign to the European Parliament and spoke on the issues at various events including fringe debates at party conferences. We also met with the Farming Minister to discuss our policy recommendations and organised a high profile conference for 250 delegates at the British Library, London, to raise the profile of these issues amongst an influential audience. We also funded a report from Harvard University which explored the carbon emission impact of land use change if we shift away from animal agriculture.
- c) The **Catering for Everyone campaign** – We developed our ongoing Vegan Catering for All programme to a more focused campaign with easily accessible online content. The campaign aims to improve access to vegan meals across public sector institutions, to protect the rights of vegans reliant on the state for food. It also aims to raise awareness of the benefits of including vegan meals in public procurement for environmental and health reasons. The first phase of the campaign was to consolidate existing content and develop online tools to support both campaigners and caterers. We promoted petitions to Westminster and the devolved parliaments of Scotland and Wales requesting legislative change to provide vegan food on all public sector menus.
- d) The **Vegan on the Go** campaign aims to improve availability and accessibility of vegan products whilst out of home. In 2017 we launched the campaign with a focus on supermarket and high street retailers. In 2018 we shifted the focus to trains and saw an improvement from 2 to 7 out of 11 train companies which serve food providing vegan options, including Virgin developing a range with the Vegan Trademark and other train companies stocking Trademark products. In 2019 we tackled airlines.
- e) **World Vegan Day / Vegan and Thriving** – On 1 November we celebrate the birth of The Vegan Society, which was established in 1944. Each year

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we highlight the day and the subsequent World Vegan Month with events, actions and PR. World Vegan Day 2019 marked the 75<sup>th</sup> anniversary of The Vegan Society and the launch of our new Vegan and Thriving campaign. The campaign aims to reassure people that they can be healthy on a vegan diet and was launched with 20+ radio interviews with our dietitian, a billboard campaign in Birmingham and London and a short documentary produced by ITN and advertised on social media.

- f) **The Vegan Pledge and VeGuide app** – A 30-day online programme for people interested in becoming vegan or those who need additional support. A UK and a US version are available. Tips, information and recipes are shared with participants and VeGuide features a daily quiz and films: <https://www.vegansociety.com/go-vegan/veguide>. To date the VeGuide has achieved 57,000 downloads.
- g) **Consumer and Trade Events** – The Vegan Society attends more than 25 vegan and other events annually, including trade shows in the UK and overseas, to reach individuals and the food, drink and cosmetics industries.
- h) **Grants** – The Vegan Society offers small grants to grassroots groups and organisations worldwide who wish to engage their local community in vegan outreach initiatives. Grants were also to support the recognition of veganism as a protected belief.

### 6.3 Partnerships at a glance

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

**SAFE** – The Brussels-based Safe Food Advocacy Europe (SAFE) is a consumer safety lobbying organisation. In 2015, it established a new vegan working group with the specific remit of reviewing EU food labelling.

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

**National Voices** – The umbrella organisation for health and social care charities

**VON** – The Vegan Organic Network

**Ecotricity / Green Britain Partnership** – One of the three main

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

**Food Matters Live** – This annual show brings together the wider food and drink, nutrition and health sectors and is aimed at the food industry, health professionals and the public.

**Just V-Show** – This show celebrates the vegetarian, vegan and meat-reducing lifestyles and usually teams up with co-locating shows such as the Allergy and Free From show and the Love Natural Love Organic show.

**VegFestUK** – VegFestUK organises four shows a year.

**TeenVGN** – A voluntary-run group dedicated to young and adolescent vegans

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

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

#### **6.5 Specific activities**

Each of the four strategic outcomes (see page 7) is addressed by several activities (campaigns, policy, events, communications and business development). Some activities achieve multiple strategic outcomes at the same time. 2019 was a very successful and busy year. Some highlights of our activities are given below.

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

Our information services encourage people to become vegan and ensure they can do so with confidence. Our Vegan Pledge plays a direct role in helping people become vegan. In 2019 5,185 people took the 30-day Vegan Pledge and a further 5,000 people took a 7-day vegan pledge as part of the Plate Up for the Planet campaign.

From its launch on 1 November 2018 until 31 December 2019 a total of 57,747

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people downloaded the VeGuide app, a 30 day go vegan programme against a target of 20,000 downloads.

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

Our Vegan on the Go campaign encourages retailers and transport providers to improve their vegan offering, and asks local campaigners to ask their local food establishments to provide vegan options. In 2019 we expanded the campaign to airlines with an online rating system produced in collaboration with Humane Society International.

We commissioned a report, Pathways to Veganism, which outlined the best tactics and messages to employ to encourage the general public to go vegan. These findings informed our campaigns and communications activity and will continue to do so.

In 2016 and 2019 we conducted large surveys (10,000 people each) of the number of vegans in Great Britain. These surveys, along with our smaller survey in 2018, have quantified the recent growth in the numbers following a vegan diet – five times as many vegans in 2019 as 2014 – and have been very widely referenced in discussions of veganism. They have also provided useful insights to support our campaigning work.

A further sign of growth was the sign-ups for the Veganuary campaign which nearly doubled in 2019, with 250,000 people signing up.

Our new Vegan and Thriving campaign reassured the general public that they can get everything they need from a well-planned vegan diet and educated vegans about how to get the most out of their diets. The campaign strengthened our partnership with the British Dietetic Association. We created two films for the campaign – a documentary produced by ITN and an inspirational interview with Fearne Cotton. The films attracted almost 10k views between 1 November and 31 December, with 13.5k unique hits to the campaign website.

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

The Vegan Society has continued to support the All Party Parliamentary Group

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on Vegetarianism and Veganism in collaboration with Vegetarian for Life.

Parliamentary events have discussed language restrictions in food labelling and the carbon benefits of shifting out of animal agriculture. An All-Party Parliamentary Group (APPG) is a group made up of parliamentarians from all political parties. The APPG on Vegetarianism and Veganism is a useful platform for discussion and learning, with the aim of encouraging legislative change.

We took our campaigns to several political party conferences with fringe events at Labour, Liberal Democrat and Green conferences discussing the role of veganism in food and farming policy, and held exhibition stands at Labour and Green conferences encouraging political support for our policies. We also attended several fringe events at the Conservative party conference.

We held events in Holyrood and the Senedd in January to garner support for our Catering for Everyone petition and build relationships. We produced consultation responses for Land Management for Wales and Scotland and held a meeting with the Welsh Environment Minister to further our policy asks in this area.

Brexit and the General Election disrupted some of our political work. We mobilised our digital supporters during the General Election with a 'vegan vote' campaign and received almost 200 responses from candidates.

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

We have continued to develop our Grow Green campaign, raising awareness of the environmental problems attributed to animal farming. We have attended numerous public and political events to promote this. We have supported Jay Wilde, the farmer who rehomed 59 cows and has moved out of animal farming, and raised the profile of his story. We held a high profile conference in London attended by policy makers, NGOs and influencers. Speakers included representatives from United Nations Food and Agriculture Organisation, Harvard University, Oxford University, Chatham House and a number of farmers and growers.

We developed the major Plate Up for the Planet campaign to continue to bring veganism to a new audience – specifically those who are concerned about the

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environment but are unaware of the impact that their diet has on the planet. This campaign aims to build on the increased interest in, and acceptance of, veganism and help consolidate this by building a permanent shift in perceptions.

Our How Many Vegans survey found that 35% of respondents would like to reduce the amount of animal products they consumed. Almost half of these individuals (44%) gave the positive impact this would have on the environment as one of their main reasons for this.

Plate Up for the Planet also aims to influence messages about food from environmental organisations.

WWF have started to explicitly promote sustainable diets on their website (e.g., [https://wwf.panda.org/our\\_work/food/sustainable\\_diets/](https://wwf.panda.org/our_work/food/sustainable_diets/)) stating that "...as a global community, we can reduce our environmental footprint by increasing the proportion of plant-based products that we eat...". Similarly, Greenpeace are also beginning to explicitly highlight the environmental damage caused by meat and dairy

(<https://www.greenpeace.org.uk/challenges/meat-and-dairy/>). Although not going as far as promoting veganism, they certainly underline a reduction in meat and dairy and a move towards plant-based, stating "big companies need to start producing tasty, healthy plant-based meals – and reduce the amount of meat and dairy products too." Meanwhile, The Centre for Alternative Technology (<https://www.cat.org.uk/info-resources/zero-carbon-britain/research-reports/zero-carbon-britain-rising-to-the-climate-emergency/>) is more explicit in endorsing veganism:

"Eat less meat and dairy ... Going vegan is better still." Unfortunately, there is still work to be done in this area as evidenced by how 350.org, who claim alliance with 300 organisations around the world, are still not talking about veganism (which they seem to class as 'personal consumption choices') nor land management.

We also saw an increased number of policy-related papers on this issue. Examples of parliamentary discussions found in Hansard evidence of House of Lords discussions on farming and carbon emissions (e.g., 12/02/19). Other examples of increased policy discussions and reports include the Committee on Climate Change report (Oct 2019), UN Climate Action Summit report (Sept 2019) and the IPCC Special Report on Climate Change and Land (Aug '19). December UK Election manifestos and campaigns show increased political



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awareness of importance of climate change and related issue of farming.

We were mentioned in 4,480 print and online articles from 1 Jan 2018 to 31 Dec 2018 and in 7,224 print and online articles from 1 Jan 2019 to 12 Dec 2019. This reflects a 61% increase. TVS gave 89 TV and radio interviews between 1 Jan 2018 and 31 Dec 2018 and 139 TV and radio interviews between 1 Jan 2019 and 12 Dec 2019. This shows an increase in broadcast media portrayals and discussions of veganism of 56%.

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

We talked with other organisations to ensure that we worked in a coordinated and complementary manner to sustain the recent growth in veganism. We have a special role to play in the vegan movement but we welcome all organisations, old and new, that are sincerely working to promote veganism.

We collaborated with European organisations to respond to the EU ruling on the labelling of meat substitutes. We continued to work with SAFE Food Advocacy Europe on stock free farming and organised a vegan organic farm tour with funding from the EU Life Project.

We incorporated the International Vegan Rights Alliance, now The Vegan Society Rights Network, into The Vegan Society to work towards an international legal recognition of veganism. We hosted a conference in Milan which brought together 40 legal practitioners to share knowledge.

The Vegan Society Researcher Network has continued to grow during 2019 and now has 47 members. Likewise, the 25-member Research Advisory Committee (RAC) continues to increase its involvement with The Vegan Society as evidenced through the new-to-2019 online Expert Series and involvement in peer review of a range of campaigns-related research. RAC and Researcher Network members have also been involved in TVS collaborative work with The Ecologist, Newcastle University, Disability UK, Keele University and the University of Granada (Spain). We have continued our working relationship with Harvard University in the US to support Grow Green. All of the above have undoubtedly helped to increase the number of reports, publications, conference proceedings and other papers related to veganism.

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The Trademark team enjoyed another extremely successful year and 2020 has seen a very strong start in the first quarter of the year. Trademark income increased from £966k in 2018 to £1,652k in 2019. The Vegan Society supplement, VEG 1, saw an increase in income from £566k in 2018 to £685k in 2019.

## 7. *Financial review*

### 7.1 **Allocating resources**

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

### 7.2 **Fundraising targets versus achieved income**

#### **Income generation**

**Trademark licensing** was the most significant source of income, raising £1,652k against a target of £1,400k.

**Sales of Materials Promoting Veganism:** Our target (including postage) was set at £661k, and we achieved sales of £699k, of which VEG 1 generated £685k. The higher sales income also meant higher costs for purchasing the goods sold.

**Membership:** We had set a target of £250k and achieved £208k.

**Legacies** are not really targeted as such, and their value fluctuates a great deal from year to year. We had planned on an estimated £65k income (60% of a five-year average) and received £390k.

**Donations:** We set a donation target of £80.5k based on having a full-time fundraiser. We achieved £35k.

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### **7.3 Income and Expenditure**

The Society has continued to grow strongly, and the scale of our activity increased across the board. This is detailed below.

#### **Income**

The main sources of income in 2019 were the Trademark, Sales, Membership, Legacies and Donations. Income from all sources totalled £3,081k in the 12 months to December 2019 compared with £2,042k in 2018.

Trademark income grew to £1,652k in the 12 months of 2019 compared with £966k over the previous 12 months, whilst the £559k direct costs of this activity in 2019 compared with £305k in the previous 12 months.

Sales are split in the accounts between Sales of material promoting veganism (the vast majority of sales, mainly VEG 1) and Ancillary sales (promotional items such as mugs and key rings). Ancillary sales were stable at £5.0k in 2019 and £5.3k in 2018. Sales of material promoting veganism grew to £699k in 2019 from £582k in the previous year, due to the success of the VEG 1 dietary supplement, which grew to £685k in 2019 from £566k in the previous year. This continued strong growth was facilitated by ensuring that stocks were sufficient to support growth and finding new distribution routes.

Donations, including membership fees and gift aid, totalled £286k in 2019 compared with £288k for the previous year. The number of members (including supporters) was stable, 8,273 at 31 December 2018 and 8,126 as at 31 December 2019. Membership subscriptions were also stable, £208k in 2019 and £211k in 2019. Donations in 2019 were £35k compared with £54k for the previous year and Gift Aid was £42k in 2019 compared with £23k for the previous year.

The Society had a very good year for legacies, with £390k in 2019 compared with £170k in 2018. Income from legacies fluctuates a great deal from year to year but is a very important part of our overall income, averaging about £100k a year. We are very grateful to those who support us in this way.

**The combined growth in Trademark, Sales, Membership, Legacy and Donation income reflected another extraordinarily successful year for the Society. The increased income represents increased impact: engaging with more businesses, individual customers and members. The increased income also enabled us to do much more campaigning**

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**and outreach while increasing our reserves, as detailed below.**

## **Expenditure**

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

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

Support and governance costs are identified separately in the accounts and then allocated in proportion to their staff costs to the two key activities: Raising Funds and Charitable Activities. Support costs include office accommodation and equipment and all the costs for those staff who deal with finance and administration. Each person is assigned to one of these four activities (support, governance, raising funds or charitable activities) except for the CEO, whose time is split between support and governance.

Support and governance costs account for £452k compared with £477k in 2018.

The costs of raising funds increased from £43k in 2018 to £58k in 2019. The full-time fund-raiser appointed in April 2018 was in post for the whole of 2019 and costs of non-primary purpose sales increased.

We were able to increase spending on charitable activities by £768k, from £1,749k in 2018 to £2,517k in 2019. Additional outreach and communication activity accounted for £398k of the additional spending, largely driven by the

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campaigning activity. Increased sales, mainly of VEG 1, meant a £112k increase in the cost of supplying those goods while Trademark costs increased by £251k.

Staff costs represented almost half (£1,135k) of total expenditure in 2019 (compared with £764k in the previous year), and during the year the average number of staff increased from 32.5 to 42. Our staff are vital to support our increased impact and the staff complement is regularly reviewed by trustees and senior management to ensure it is effective and sustainable. Some people work less than full-time hours and there was an average of 39.3 full-time-equivalent staff working during the year (compared with 30.7 the previous year). The second-largest cost item was goods for resale, which amounted to £475K compared with £363k in 2018.

During the year, external grants totalling £30,625 were made (compared with £15,297 the previous year). £30,000 went to support preparation of a legal case to confirm veganism as a protected belief. Other grants were much smaller and went to support small grassroots outreach projects.

#### *8. Reserves policy*

The Vegan Society intends to keep a minimum reserve of £725k plus the Hylton Street offices (£300k to cover working capital and £300k to cover fluctuations in net income relative to budget, and £125k plus the Hylton Street offices – valued at £335k – towards the purchase of a larger office). We try to avoid reserves persistently being more than £250k above this minimum. Net debtors and stock are included in the calculated reserves, but our working offices (even if owned by us) and any restricted funds are excluded. This means that we are currently trying to keep our unrestricted undesignated reserves between £1,060k and £1,310k.

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

The unrestricted, undesignated reserves available at the end of 2019 were £1,774k compared with £1,241k at the end of 2018. The increase in reserves is mainly due to exceptional growth in Trademark income (£252k above an

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ambitious budget) combined with exceptionally high legacy income (£325k above budget). It should be noted that £250k of the legacy income has not yet been received but has been included in 2019 income in line with standard accounting rules.

At a time when every year sees a new record for the Society, and for veganism in general, it is difficult to predict how much growth we shall see, and it is better not to be over-optimistic. This is the root cause of our increased reserves. Rest assured that we will make good use of these reserves to further knowledge of and interest in veganism, which is our central object.

9. *Investment policy*

In general, our strategy is to use low-risk, highly liquid financial investments to achieve a good return while remaining consistent with our charitable objects. We aim to invest excess funds in our own work to promote veganism and to this end set higher budgets, where sustainable, for new projects each year as part of our strategic planning processes.

10. *Plans for the future*

Our plans centre on the Strategic Objectives set out in detail previously in this report (page 7). We believe the widespread adoption of a vegan lifestyle has an immense potential to benefit people, other animals and the environment. Our core role is to educate the public about these benefits and to implement and promote practical steps to make the adoption of such a lifestyle easier and more appealing. We aim to engage more and more people in meaningful educational dialogue and create an environment where an ever-increasing number of people embrace a vegan lifestyle for any of the multitude of benefits it brings. The current cultural climate that we have helped to create (see Achievements, page 7) is notably more favourable to veganism and, as we move beyond our 75<sup>th</sup> anniversary in 2020, we will continue to build on this to promote the rapid growth of veganism that is necessary if our ideas are to fulfil their potential to make our world a better place for all who share it. As noted in the discussion of reserves, we intend to draw down our reserves to fund increased outreach. In recent years, our success in increasing our income, particularly from Trademark, has outstripped our substantially increased

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spending to promote veganism. This gives us a great opportunity to do even more. Our plans for 2020 therefore again include ambitious plans for enhancing our impact to make best use of the increased reserve funds that we have available.

The cost of the expansion of our activities in 2019 was more than covered by very strong growth in income and therefore we did not actually draw down reserves. Trademark has grown at about 25% year-on-year for more than two decades, becoming our largest source of income. VEG 1 has also grown substantially since it was introduced in 2005 and now provides a significant source of income even after allowing for manufacturing costs. In the past five years, membership has also grown significantly, reaching 8,126 at the end of 2019. Our media impact and online presence have also grown substantially recently. This growth is to the credit of all the staff and volunteers.

We have created a trading subsidiary to better manage risks associated with trading (see section 15 Risk Management) and expect this to be up and running in 2020 despite the exceptional impacts of coronavirus/covid-19. We are exploring possibilities to expand our international impact both in terms of trading and in terms of our charitable output.

The growth in public awareness and engagement with veganism in recent years has created fruitful opportunities for us to expand our activities and effectiveness, reaching audiences and areas that previously would not have been open or responsive to our message. We aim to use these opportunities to the maximum benefit, steered as always by our guiding principles and core objectives. This involves taking informed risks and being ambitious and creative in our goals, while always ensuring responsibility and accountability to maintain sustainable growth. In this way, we can look to the next 75 years as a time of further achievements to improve the lives of animals, people and the planet.

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

The society is a membership-based organisation governed by a board (Council) consisting of up to ten elected members with a further two posts reserved for co-option. The members of the Council are simultaneously the directors of the company and the trustees of the charity. Overall responsibility for The Vegan Society is vested in the Council, whose members are listed on page 1. Council

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is responsible for setting the overall strategic direction, ensuring funds are spent on charitable objects, overseeing employment of staff, purchase and disposal of property and investment decisions.

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

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

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

The Council appoints the Chair, vice-Chair and Treasurer from among their number. The Council currently meets six to eight times a year together with the CEO. The Chair meets with the Senior Management Team once a month and some other trustees meet with staff once a quarter.

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

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

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



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accounts.

## Overview of Council Governance 2019

Date	Main business	Trustee attendance
20/01	Financial review, membership fees, student rate, AGM proposal, Council Training Day.	SA, PF, DG, MJ, JM, RM, GN, AR, JV, SW.
09/03	Pathway to veganism report, organisational chart, non-binary language, nominated person for grievance/disciplinary matters involving CEO, archiving, safeguarding policy, international activity proposal, charity registration in Scotland, proposals to AGM.	SA, PF, DG, MJ, JM, RM, GN, AR, JV, SW.
07/04	CEO and SMT reports, Finance report, draft annual report, proposals to AGM, working groups, randomised control trial for VEG 1, trustee visits.	SA, PF, DG, MJ, JM, RM, GN, AR, JV, SW.
18/05	Finance update, review of AGM motion results, review of trustee election and officer positions, review of Council workplan.	SA, DG, MJ, JM, RM, GN, AR, JV, SW, EZ.
14/07	Amending charitable objectives, trustee skills audit, 2020 AGM, diversity training, 75 <sup>th</sup> anniversary celebration plans and budgets, veganism as a protected belief legal case, staffing proposals.	SA, DG, MJ, RM, GN, AR, JV, SW, EZ.
22/09	Pay structure, employer pension contributions, 'How Many Vegans' survey results, strategy roadmap	SA, DG, MJ, RM, GN, AR, JV, SW, EZ.
24/11	Proposals for new positions, payment authorisation levels, strategy roadmap and delivery plan, risk register, diversity survey	SA, DG, MJ, RM, GN, AR, JV, SW EZ.

Salim Akbar (SA), Patricia Fairey (PF) [formerly Tricker], David Gore (DG), Menna Jones (MJ), Robb Masters (RM), Jane Mckears (JM), Graham Neale (GN),

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Ali Ryland (AR), Jenifer Vinell (JV), Stephen Walsh (SW), Eshe Kiama Zuri (EZ)

MJ was Chair, JV vice-Chair and SW Treasurer throughout 2019. All meetings include review of operational reports from the CEO and other staff including any requests for increased resources.

*12. Related parties and relationships with other organisations*

The society did not have any significant related-party transactions nor relationships with other organisations during 2019. Related party transactions are disclosed in note 12 to the accounts.

*13. Remuneration policy for key management personnel*

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

Council has committed to move our pay scales up each year against the NJC scale as required in order to ensure that the bottom of the scale stays above the living wage set by the Living Wage Foundation. As is normal, apprentices may be paid less than this amount.

In 2019, we carried out a benchmarking exercise comparing our salaries with those of other voluntary sector organisations. After careful review of the results we moved our pay scales up significantly in terms of NJC scale points (most roles moved up by 8 points) to remove a clear gap between our salaries and salaries for comparable roles.

*14. Fundraising*

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

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which fits well with The Vegan Society's values.

All of the charity's fundraising activities are undertaken in-house by our fundraising team and we do not have any relationships with external professional fund-raisers. This is the first full year that we have employed a professional fundraiser at the organisation, and as such we are still establishing a fundraising dialogue with our supporters. They appear more open to fundraising asks than they have been previously, as we received no complaints this year in relation to our fundraising activities.

Fundraising asks are only made of members and supporters who have opted in to receive communications from us and can unsubscribe at any time. The Vegan Society is registered with the Fundraising Regulator and we adhere to the Code of Fundraising Practice and associated rulebooks as set out by them as a governing body. We had no instances of non-compliance with the code during the year and have received no complaints through the Charity Commission.

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

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

#### *15. Risk management*

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

Protecting the society against potential risks is a key part of Council responsibilities. The major risks to which the charity is exposed, as identified by the trustees and documented in a risk register, are reviewed at each Council meeting and systems or procedures established to manage those risks.

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

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

### **Financial risks**

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

Coronavirus/covid-19 is expected to have an adverse effect on trading income and possibly on membership subscriptions and donations. Impact up to the end of March was modest but impact for the rest of 2020 can't be meaningfully estimated yet. The trustees and senior management have already deferred some spending. They are closely monitoring the ongoing impact and will act promptly to protect the sustainability of the society and to ensure expenditure remains productive in the changing circumstances.

### **Governance Risks**

The Vegan Society is governed by its board of trustees, made up of members volunteering their time, dedication and commitment to ensure that the society pursues its mission effectively. Governance risks may arise if the elected trustees are unable to fulfil their responsibilities. This could occur if Council did not have the appropriate skills or knowledge or if there were excessive conflict. Turnover of trustees can create issues with retention of knowledge and continuity. We look forward to a competitive election for trustee posts at the 2020 AGM, with three of our current trustees standing for re-election and five additional candidates.

The society currently has a broad voting membership: every subscribing member who is a dietary vegan can vote in the election of trustees and those aged 16 or over can also stand as a candidate for Council. This gives members the opportunity to influence the direction of the society and call Council to account. However, the current process for appointing trustees may not always give an ideal balance of skills and perspectives. Since 2016 members have been able to vote on trustee appointments even if there are fewer candidates than vacancies on Council but there may still be important skills that are not available on Council. Since 2017 two out of twelve posts on Council have been reserved for appointment by co-option if needed to provide additional skills.

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Also, since 2018 Council have been required to inform members of the skills, experience, diversity and commitment needed by Council, in order to inform members' decisions regarding standing for election or voting on candidates. This supports appropriate skills being present among Council members. To this end, an audit of trustees' skills is now undertaken annually.

## **Mitigation**

In 2015, we introduced a new web form for supporters to inform us of any misuse of the Vegan Trademark they might have encountered.

([www.vegansociety.com/take-action/reporting-vegan-trademark-misuse](http://www.vegansociety.com/take-action/reporting-vegan-trademark-misuse))

There was an example during 2016 where we published information on our website that fell below our standard for accurate evidence-based promotion of veganism. We made changes to secure the quality of the information we provide while still responding very quickly to events and breaking news. Our dietitian, Heather Russell, has updated our nutritional information and other key information has been updated to ensure it is solidly evidence-based.

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

The Treasurer and CEO must approve all major new contracts before any commitment is made. Proposals for spending more than £20,000 must be approved by Council. Orders costing more than £10,000 or those outside approved budgets must be approved by the Treasurer (except purchase orders for VEG 1). Management accounts are produced every two months to monitor progress and are circulated to Council for review.

During 2015 and 2016 there was a passionate debate within The Vegan Society about whether it should continue as a democratic organisation controlled by our members or whether the members should be asked to transfer their existing powers to the board (Council).

Those wishing to transfer members' powers to the board raised some legitimate concerns. Council considered their concerns carefully but came to the view that there were better ways of dealing with them without asking

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members to surrender their very valuable democratic power to hold us to account.

We consulted the members on a range of possible changes (including a transfer of some or all members' powers to the board). The consultation strongly supported continuing as a democratic organisation and the Council unanimously agreed that we can be stronger and more effective by remaining fully accountable to our members. Following the consultation of members in 2016, the 2017 AGM made a number of constitutional changes to improve our governance: reserve two posts on Council for co-option; allow Council to remove a trustee with an appeal to an appeals committee; require all Council members to be committed to a vegan lifestyle; allow a response by a proposer to a counterargument. Key decisions that could conflict with members' power to appoint directors (co-option and removal of directors and removal of a member) now all require a 75% majority of all trustees.

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

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

Maintaining an occupational requirement to be vegan for many of the posts within the organisation and ensuring that this is clearly communicated during the advertising and interviewing process ensures that our workforce is well-informed on veganism, and personally committed to the objectives of the organisation. The occupational requirement to be vegan covers all senior management roles even if they are not outward-facing as well as all outward-facing roles. Our most effective routes for publicising vacancies are through vegan social media channels and we ensure that these are used to the full. We pay charity wages and this in itself means that most people applying will be committed to our objectives. We are currently very successful in recruiting committed vegans.

We have adopted the new Charity Governance Code for larger charities ([www.charitygovernancecode.org](http://www.charitygovernancecode.org)) as a tool to support continuous improvement. Risk management and governance were key topics identified for the 2019 governance training day for trustees and senior management staff,

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which directly resulted in the development and adoption of a revised and robust risk management approach.

The Trustees have considered the Charity Commission guidance on trading (CC35) and concluded that a trading subsidiary provides increased flexibility for non-primary purpose trading and limits risks to the charity from trading activities, e.g. from trading losses or contractual disputes. In light of the rapid expansion of our trading activities, Council (supported by our auditors and solicitors) concluded that the use of a trading subsidiary would provide important protection of assets and management of risks for the Society. On 24 November 2019, therefore, the Vegan Society Council (Board of Directors/Trustees) decided that a subsidiary company should be established in order to better manage and quarantine the risks of trading activity.

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

The trustees (who are also directors of The Vegan Society for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy the financial position of the charitable

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

As far as the trustees are aware:

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

The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information. The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees (voting members) at 31 December 2019 was 7,111. The trustees are members of the charity, but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

## **Auditors**

Third Sector Accountancy Limited were reappointed as the charitable company's auditors at the 2019 AGM and have expressed their willingness to continue as auditors.

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

## **Thank you**

Donations from members and supporters enable the society to help new vegans, support existing vegans and influence those with a responsibility for vegans, e.g. in care homes, hospitals and vulnerable situations. The more non-vegan products are replaced with vegan versions, and the more mainstream



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veganism becomes, the more we help our ultimate beneficiaries: the billions of non-human animals exploited by humans. We are grateful to all who have helped us with donations and to our volunteers who have given a substantial amount of their time.

The trustees' annual report was approved by the trustees on 25 April 2020 and signed on their behalf by

Menna Jones

*Chair, The Vegan Society*

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

## **Opinion**

We have audited the financial statements of The Vegan Society (the 'charitable company') for the year ended 31 December 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2019 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## **Other information**

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

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

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on pages 29-30, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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

## **Auditor's responsibilities for the audit of the financial statements**

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

## **Use of the audit report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

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

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Statement of Financial Activities  
(including Income and Expenditure account)  
for the year ended 31 December 2019

	Note	Unrestricted funds £	Restricted funds £	Total funds 2019 £	Unrestricted funds £	Restricted funds £	Total funds 2018 £
<b>Income from:</b>							
Donations and legacies	3	676,713	-	676,713	458,297	-	458,297
Charitable activities	4	2,371,628	-	2,371,628	1,564,680	-	1,564,680
Other trading	5	12,186	-	12,186	18,304	-	18,304
Investments	6	20,534	-	20,534	785	-	785
<b>Total income</b>		<b>3,081,061</b>	<b>-</b>	<b>3,081,061</b>	<b>2,042,066</b>	<b>-</b>	<b>2,042,066</b>
<b>Expenditure on:</b>							
Raising funds	7	58,229	-	58,229	43,158	-	43,158
Charitable activities	8	2,516,817	-	2,516,817	1,749,409	-	1,749,409
<b>Total expenditure</b>		<b>2,575,046</b>	<b>-</b>	<b>2,575,046</b>	<b>1,792,567</b>	<b>-</b>	<b>1,792,567</b>
<b>Net income/(expenditure) before net gains/(losses) on investments</b>		506,015	-	506,015	249,499	-	249,499
Realised gains/(losses) on investments		15,456	-	15,456	(6,563)	-	(6,563)
Unrealised gain on investment property		-	-	-	174,028	-	174,028
<b>Net income/(expenditure) for the year</b>	10	<b>521,471</b>	<b>-</b>	<b>521,471</b>	<b>416,964</b>	<b>-</b>	<b>416,964</b>
<b>Reconciliation of funds</b>							
Total funds brought forward		1,275,424	13,884	1,289,308	858,460	13,884	872,344
<b>Total funds carried forward</b>		<b>1,796,895</b>	<b>13,884</b>	<b>1,810,779</b>	<b>1,275,424</b>	<b>13,884</b>	<b>1,289,308</b>

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

The Vegan Society  
Company number 1468880

Balance sheet as at 31 December 2019

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	15	350,561	354,081
Intangible assets	16	6,882	15,571
Investments	17	71,694	56,238
<b>Total fixed assets</b>		<b>429,137</b>	<b>425,890</b>
<b>Current assets</b>			
Stock		21,834	62,280
Debtors	18	530,125	228,493
Cash at bank and in hand		1,062,668	697,668
<b>Total current assets</b>		<b>1,614,627</b>	<b>988,441</b>
<b>Liabilities</b>			
Creditors: amounts falling due in less than one year	19	(232,985)	(125,023)
<b>Net current assets</b>		<b>1,381,642</b>	<b>863,418</b>
<b>Total assets less current liabilities</b>		<b>1,810,779</b>	<b>1,289,308</b>
<b>Net assets</b>		<b>1,810,779</b>	<b>1,289,308</b>
<b>The funds of the charity:</b>			
Restricted income funds	20	13,884	13,884
Unrestricted income funds	21	1,796,895	1,275,424
<b>Total charity funds</b>		<b>1,810,779</b>	<b>1,289,308</b>

Directors' responsibilities:

- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts are prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes on pages 38 to 57 form part of these accounts.

Approved by the trustees on 25 April 2020 and signed on their behalf by:

\_\_\_\_\_  
Stehen Walsh

\_\_\_\_\_  
Menna Jones

# The Vegan Society

## Statement of Cash Flows for the year ending 31 December 2019

	Note	2019 £	2018 £
<b>Cash provided by/(used in) operating activities</b>	24	<b>351,036</b>	<b>170,465</b>
<i>Cash flows from investing activities:</i>			
Dividends, interest, and rents from investments		20,534	785
Purchase of tangible fixed assets		(6,570)	(17,404)
Purchase of intangible fixed assets		-	(6,720)
<b>Cash provided by/(used in) investing activities</b>		<b>13,964</b>	<b>(23,339)</b>
Increase/(decrease) in cash and cash equivalents in the year		365,000	147,126
Cash and cash equivalents at the beginning of the year		697,668	550,542
<b>Cash and cash equivalents at the end of the year</b>		<b>1,062,668</b>	<b>697,668</b>

# The Vegan Society

## Notes to the accounts for the year ended 31 December 2019

### **1 Accounting policies**

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

#### **a Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

#### **b Judgments and estimates**

The trustees have made no key judgments 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 amount of assets and liabilities within the next reporting period.

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

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



**d Income**

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

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

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

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

**e Donated services and facilities**

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

**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**

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

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

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

**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 comprise the costs of the membership scheme and non-primary purpose trading and associated support costs.
- Expenditure on charitable activities includes the costs of communications and outreach, trademark, and primary purpose sales undertaken to further the purposes of the charity and their associated support costs.

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

**i Allocation of support costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 9.

**j Operating leases**

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

Notes to the accounts for the year ended 31 December 2019 (continued)

**k Tangible fixed assets**

Individual fixed assets costing £1000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Leasehold property	87 years (the life of the lease)
Furniture and Equipment	10 years
Computer Equipment	3 to 5 years

**l Intangible fixed assets**

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

**m Fixed asset investments**

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

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

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

**n Stock**

Stock is included at the lower of cost or net realisable value. In general, cost is determined on a first in, first out basis. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving, and defective stocks. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

**o 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.

# The Vegan Society

Notes to the accounts for the year ended 31 December 2019 (continued)

## **p 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.

## **q 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.

## **r 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.

## **2 Legal status of the charity**

The charity is a company limited by guarantee registered in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The registered office address is disclosed on page 1.

# The Vegan Society

## Notes to the accounts for the year ended 31 December 2019 (continued)

### 3 Income from donations and legacies

	Unrestricted £	Restricted £	Total 2019 £	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>Total 2018</i> £
Donations	34,818	-	34,818	54,184	-	54,184
Gift Aid	42,393	-	42,393	23,304	-	23,304
Subscriptions	208,461	-	208,461	211,121	-	211,121
Grants	1,000	-	1,000	-	-	-
Legacies	390,041	-	390,041	169,688	-	169,688
<b>Total</b>	<b>676,713</b>	<b>-</b>	<b>285,672</b>	<b>458,297</b>	<b>-</b>	<b>458,297</b>

### 4 Income from charitable activities

	Unrestricted £	Restricted £	Total 2019 £	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>Total 2018</i> £
Sales of material promoting vegan	698,631	-	698,631	582,456	-	582,456
The Vegan magazine	20,549	-	20,549	16,137	-	16,137
Trademark (product authentication)	1,652,448	-	1,652,448	966,087	-	966,087
<b>Total</b>	<b>2,371,628</b>	<b>-</b>	<b>2,371,628</b>	<b>1,564,680</b>	<b>-</b>	<b>1,564,680</b>

# The Vegan Society

## Notes to the accounts for the year ended 31 December 2019 (continued)

### 5 Income from other trading activities

	Unrestricted £	Restricted £	Total 2019 £	<i>Unrestricted £</i>	<i>Restricted £</i>	<i>Total 2018 £</i>
Affinity commission	5,323	-	5,323	9,215	-	9,215
Ancillary sales	5,044	-	5,044	5,296	-	5,296
Publication licensing	456	-	456	1,897	-	1,897
Sales commission	1,363	-	1,363	1,896	-	1,896
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Non- primary purpose trading	12,186	-	12,186	18,304	-	18,304
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

### 6 Investment income

	Unrestricted £	Restricted £	Total 2019 £	<i>Unrestricted £</i>	<i>Restricted £</i>	<i>Total 2018 £</i>
Income from bank deposits	3,387	-	3,387	777	-	777
Dividends received	16	-	16	8	-	8
Rent - investment property	17,131	-	17,131	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	20,534	-	20,534	785	-	785
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

### 7 Cost of raising funds

	Unrestricted £	Restricted £	2019 £	<i>Unrestricted £</i>	<i>Restricted £</i>	<i>2018 £</i>
Fundraising: staff costs	31,971	-	31,971	18,699	-	18,699
Fundraising: direct costs	8,616	-	8,616	5,625	-	5,625
Cost of non-primary purpose sales	2,704	-	2,704	3,466	-	3,466
Governance costs (see note 9)	1,308	-	1,308	613	-	613
Support costs (see note 9)	13,630	-	13,630	14,755	-	14,755
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	58,229	-	58,229	43,158	-	43,158
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

# The Vegan Society

Notes to the accounts for the year ended 31 December 2019 (continued)

## 8 Analysis of expenditure on charitable activities

	Communications and Outreach Programmes £	Sales of material promoting veganism £	Trademark (product authentication) £	Total 2019 £
<b>Year ended 31 December 2019</b>				
Staff costs	456,645	59,022	419,515	935,182
Project costs	419,069	34,136	139,934	593,139
Cost of sales	45,539	475,360	-	520,899
Grants made	30,625	-	-	30,625
Governance costs (see note 9)	18,687	2,415	17,169	38,271
Support costs (see note 9)	194,684	25,163	178,854	398,701
	<hr/>	<hr/>	<hr/>	<hr/>
	1,165,249	596,096	755,472	2,516,817
	<hr/>	<hr/>	<hr/>	<hr/>
Restricted expenditure	-	-	-	-
Unrestricted expenditure	1,165,249	596,096	755,472	2,516,817
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditure	1,165,249	596,096	755,472	2,516,817
	<hr/>	<hr/>	<hr/>	<hr/>

# The Vegan Society

## Notes to the accounts for the year ended 31 December 2019 (continued)

### Analysis of expenditure on charitable activities (continued)

	<i>Communications and Outreach Programmes £</i>	<i>Sales of material promoting veganism £</i>	<i>Trademark (product authentication) £</i>	<i>Total 2018 £</i>
<b>Year ended 31 December 2018</b>				
Staff costs	269,721	48,393	243,239	561,353
Project costs	249,298	33,152	61,588	344,038
Cost of sales	4,642	362,734	-	367,376
Grants made	15,297	-	-	15,297
Governance costs (see note 9)	8,836	1,585	7,968	18,389
Support costs (see note 9)	212,833	38,186	191,937	442,956
	<hr/>	<hr/>	<hr/>	<hr/>
	760,627	484,050	504,732	1,749,409
	<hr/>	<hr/>	<hr/>	<hr/>
Restricted expenditure	-	-	-	-
Unrestricted expenditure	760,627	484,050	504,732	1,749,409
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditure	760,627	484,050	504,732	1,749,409
	<hr/>	<hr/>	<hr/>	<hr/>



# The Vegan Society

## Notes to the accounts for the year ended 31 December 2019 (continued)

### 9 Analysis of governance and support costs

	Support £	Governance £	Total 2019 £	<i>Support</i> £	<i>Governance</i> £	<i>Total 2018</i> £
Travel, meetings recruitment and training	41,496	7,541	49,037	28,535	2,846	31,381
Staff costs	153,179	14,598	167,777	172,995	11,191	184,186
IT costs	33,215	-	33,215	33,435	-	33,435
Equipment	7,642	-	7,642	-	-	-
Premises costs	54,757	-	54,757	86,872	-	86,872
Office relocation	-	-	-	41,865	-	41,865
Office expenses	27,834	1,489	29,323	44,034	-	44,034
Outreach costs	9,195	-	9,195	-	-	-
Professional fees	39,846	15,761	55,607	21,388	-	21,388
Governance and finance	26,387	190	26,577	13,953	-	13,953
Depreciation	18,780	-	18,780	14,634	-	14,634
Trustee expenses	-	-	-	-	4,965	4,965
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	412,331	39,579	451,910	457,711	19,002	476,713
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

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

# The Vegan Society

Notes to the accounts for the year ended 31 December 2019 (continued)

## Analysis of governance and support costs (continued)

	Support £	Governance £	Total 2019 £	Support £	Governance £	Total 2018 £
<b>Allocated as follows:</b>						
Cost of raising funds	13,630	1,308	14,938	14,755	613	15,368
Charitable activities						
Communications and outreach	194,684	18,687	213,371	212,833	8,836	221,669
Sales of materials promoting veganism	25,163	2,415	27,578	38,186	1,585	39,771
Trademark (product authentication)	178,854	17,169	196,023	191,937	7,968	199,905
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	412,331	39,579	451,910	457,711	19,002	476,713
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

# The Vegan Society

Notes to the accounts for the year ended 31 December 2019 (continued)

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

This is stated after charging/(crediting):	2019 £	2018 £
Depreciation of tangible fixed assets	10,090	14,633
Depreciation of intangible fixed assets	8,689	8,690
Operating lease rentals:	-	-
Property	54,167	51,740
Other	2,258	2,258
Net (gains) / losses on foreign exchange	21,986	7,802
(Profit) / loss on fair value movement of investment property	-	(174,028)
(Profit) / loss on fair value movement of investments	-	6,563
Auditor's remuneration - audit fees	4,000	2,500
Auditor's remuneration - accountancy fees	1,500	1,500

## 11 Staff costs

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	978,439	681,112
Social security costs	83,297	53,186
Pension costs	32,884	11,687
Other staff costs	40,310	18,253

1,134,930	764,238
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### Allocated as follows:

Cost of raising funds	31,971	18,699
Charitable activities		
Communications and outreach	456,645	269,721
Sales of material promoting veganism	59,022	48,393
Trademark	419,515	243,239
Support costs	153,179	172,995
Governance costs	14,598	11,191

1,134,930	764,238
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# The Vegan Society

## Notes to the accounts for the year ended 31 December 2019 (continued)

No employees had employee benefits in excess of £60,000 (2018: Nil).

The average number of staff employed during the period was 42 (2018: 32).

The average full time equivalent number of staff employed during the period was 39 (2018: 31).

The key management personnel of the charity comprise the trustees (unremunerated), the Chief Executive Officer, the Finance Manager and the Heads of Department. The total employee benefits of the key management personnel of the charity were £164k (2018: £141k).

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

Neither the management committee nor any persons connected with them received any remuneration or reimbursed expenses during the year (2018: Nil).

Nine trustees received travel and subsistence expenses during the year of £3,599 in total (2018: £2,404).

Aggregate donations from related parties were £Nil (2018: £1,900).

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, including guarantees, during the year (2018: nil).

### 13 Government grants

The government grants recognised in the accounts were as follows:

	2019 £	2018 £
South and City College	1,000	-
	<hr/>	<hr/>
	1,000	-
	<hr/>	<hr/>

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

### 14 Corporation tax

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

# The Vegan Society

Notes to the accounts for the year ended 31 December 2019 (continued)

## 15 Fixed assets: tangible assets

<b>Cost</b>	Investment building	Office equipment £	Total £
At 1 Jan 2019	335,000	59,789	394,789
Additions	-	6,570	6,570
	<hr/>	<hr/>	<hr/>
At 31 December 2019	335,000	66,359	401,359
	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>			
At 1 Jan 2019	-	40,708	40,708
Charge for the year	-	10,090	10,090
	<hr/>	<hr/>	<hr/>
At 31 December 2019	-	50,798	50,798
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
At 31 December 2019	335,000	15,561	350,561
	<hr/>	<hr/>	<hr/>
<i>At 31 December 2018</i>	<i>335,000</i>	<i>19,081</i>	<i>354,081</i>
	<hr/>	<hr/>	<hr/>

## 16 Fixed assets: intangible assets

<b>Cost</b>	Website and database database £
At 1 Jan 2019	55,935
At 31 December 2019	55,935
	<hr/>
<b>Depreciation</b>	
At 1 Jan 2019	40,364
Charge for the year	8,689
	<hr/>
At 31 December 2019	49,053
	<hr/>
<b>Net book value</b>	
At 31 December 2019	6,882
	<hr/>
<i>At 31 December 2018</i>	<i>15,571</i>
	<hr/>

# The Vegan Society

Notes to the accounts for the year ended 31 December 2019 (continued)

## 17 Investments

	2019 £	2018 £
Listed shares value at the start of	56,238	62,801
Add net gain/(loss) on revaluation	15,456	(6,563)
	<hr/>	<hr/>
	71,694	56,238
	<hr/>	<hr/>
Market value at the end of the year	71,694	56,238
	<hr/> <hr/>	<hr/> <hr/>

Investments are all carried at fair value and are all traded in quoted public markets.

## 18 Debtors

	2019 £	2018 £
Trade debtors	133,246	85,284
Other debtors	310,356	95,213
Tax and social security	99	-
Employer pension contributions	464	-
Prepayments and accrued income	85,960	47,996
	<hr/>	<hr/>
	530,125	228,493
	<hr/> <hr/>	<hr/> <hr/>

## 19 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	106,064	55,606
Accruals	25,401	10,088
Deferred income	77,072	39,084
Tenant deposit (Investment property)	4,875	-
Taxation and social security costs	19,573	20,124
Pension contributions owed	-	121
	<hr/>	<hr/>
	232,985	125,023
	<hr/> <hr/>	<hr/> <hr/>

## The Vegan Society

Notes to the accounts for the year ended 31 December 2019 (continued)

### 20 Analysis of movements in restricted funds

	£
<i>The International Outreach Fund</i>	7,884
<i>Vehicle fund</i>	6,000
	<hr/>
	13,884
	<hr/> <hr/>

The restricted fund balances have remained the same throughout 2018 and 2019.

#### **Description, nature and purposes of the fund**

##### ***The International Outreach Fund***

The International Outreach Fund was established in 2006-07. It can only be used to support the promotion of veganism in developing countries with low GDP per capita. From 2013-14, this has been done through the grants system and by individual projects detailed in annual plans.

##### ***Vehicle fund***

The vehicle fund is for the purpose of acquiring a vehicle for the use of the charity.

# The Vegan Society

Notes to the accounts for the year ended 31 December 2019 (continued)

## 21 Analysis of movement in unrestricted funds

	Balance at 1 Jan 2019 £	Income £	Expenditure £	Transfers £	As at 31 December 2019 £
General fund	1,240,772	3,096,517	(2,575,046)	12,209	1,774,452
Designated	34,652	-	-	(12,209)	22,443
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	1,275,424	3,096,517	(2,575,046)	-	1,796,895
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

### Comparative period

	Balance at 1 Jan 2018 £	Income £	Expenditure £	Transfers £	As at 31 December 2018 £
General fund	663,637	2,209,531	(1,792,567)	160,171	1,240,772
Designated	194,823	-	-	(160,171)	34,652
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	858,460	2,209,531	(1,792,567)	-	1,275,424
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

### Name of

General fund  
Designated  
property assets

### Description, nature and purposes of the fund

The free reserves after allowing for all designated funds.

The tangible fixed assets are essential for the future operation of the charity and so are excluded from free reserves.



# The Vegan Society

Notes to the accounts for the year ended 31 December 2019 (continued)

## 22 Analysis of net assets between funds

	General fund £	Designated funds £	Restricted funds £	Total 2019 £
Tangible fixed assets	335,000	15,561	-	350,561
Intangible fixed assets	-	6,882	-	6,882
Fixed asset investments	71,694	-	-	71,694
Current assets	1,600,743	-	13,884	1,614,627
Current liabilities	(232,985)	-	-	(232,985)

Total	1,774,452	22,443	13,884	1,810,779
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### Comparative period

	General fund £	Designated funds £	Restricted funds £	Total 2018 £
<i>Tangible fixed assets</i>	<i>335,000</i>	<i>19,081</i>	<i>-</i>	<i>354,081</i>
<i>Intangible fixed assets</i>	<i>-</i>	<i>15,571</i>	<i>-</i>	<i>15,571</i>
<i>Fixed asset investments</i>	<i>56,238</i>	<i>-</i>	<i>-</i>	<i>56,238</i>
<i>Current assets</i>	<i>974,557</i>	<i>-</i>	<i>13,884</i>	<i>988,441</i>
<i>Current liabilities</i>	<i>(125,023)</i>	<i>-</i>	<i>-</i>	<i>(125,023)</i>

Total	1,240,772	34,652	13,884	1,289,308
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# The Vegan Society

## Notes to the accounts for the year ended 31 December 2019 (continued)

### 23 Operating lease commitments

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

	Property		Equipment	
	2019 £	2018 £	2019 £	2018 £
Less than one year	50,000	51,667	2,258	2,258
One to five years	108,333	158,333	6,491	8,749
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	158,333	210,000	8,749	11,007
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

# The Vegan Society

Notes to the accounts for the year ended 31 December 2019 (continued)

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

	2019 £	2018 £
<b>Net income/(expenditure) for the year</b>	521,471	416,964
<b>Adjustments for:</b>		
Depreciation and amortisation charge	18,779	23,323
Loss/(profit) on sale of fixed assets	-	-
(Gains)/losses on investments	(15,456)	6,563
(Gains) / losses in investment property	-	(174,028)
Dividends, interest and rents from investments	(20,534)	(785)
Decrease/(increase) in stock	40,446	(32,556)
Decrease/(increase) in debtors	(301,632)	(115,869)
Increase/(decrease) in creditors	107,962	46,853
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<b>Net cash provided by/(used in) operating</b>	351,036	170,465
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## 25 Post balance sheet events

In March 2020 as a result of the the Covid-19 the government introduced social distancing measures. The Vegan Society has successfully transitioned to home working. The pandemic is expected to have an adverse effect on trading income and possibly on membership subscriptions and donations. The impact up to the end of March was modest but the impact for the rest of the year cannot be meaningfully estimated yet. The trustees and senior management have already deferred some spending. They are closely monitoring the ongoing impact and will act promptly to protect the sustainability of the society and to ensure expenditure remains productive in the changing circumstances.