



2018 ANNUAL REPORT AND ACCOUNTS

Year ended 31 December 2018

And

Annual General Meeting

on 18 May 2019

at Resource for London, 356 Holloway Road, London N7 6PA

(www.resourceforlondon.org)

Doors open 12.30, AGM 13.00 to 17.00

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Registered Charity No: 279228

Company No: 1468880

The Vegan Society
Reference and administrative information
for the year ended 31 December 2018

Charity No. 279228
Company No. 1468880
Registered office and operational address: Donald Watson House, 34-35 Ludgate Hill,
Birmingham, B3 1EH

Trustees who served during 2018 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; Vice-Chair from 28/05/2016
Stephen Walsh	Elected 27/06/2015; Vice-Chair from 21/11/2015 to 28/05/2016; Chair from 28/05/2016 to 10/11/2018; Treasurer from 10/11/2018
David Gore	Elected 28/05/2016; Assistant Treasurer since 10/11/2018
Salim Akbar	Elected 28/05/2016
Patricia Fairey	Elected 28/05/2016
Graham Neale	Elected 28/05/2016
Ali Ryland	Elected 19/05/2018
Robb Masters	Elected 19/05/2018
Jane Mckears	Elected 19/05/2018

Key management personnel

George Gill	Chief Executive (from 04/05/2016)
Chantelle Adkins	Head of Business Development (started 22/02/2018)
Samantha Calvert	Head of Communications (from 05/06/2017)
Louise Davies	Head of Campaigns, Policy & Research (from 19/12/16)
Stephen Hirst	Chief Finance Officer (5/10/2015 to 29/03/2018)
Lucy Pinnock	Finance Manager (3/9/2018 to 30/11/2018)
Nirdesh Sandhu	Finance Manager (started 2/1/2019)

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Bankers Co-operative Bank, 1 Balloon Street, Manchester, M60 4EP

Solicitors Bates Wells Braithwaite London LLP, 10 Queen Street Place,
London, EC4R 1BE

Auditors 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 2018 varied due to staff movements. The society had an average of 30.7 full-time-equivalent staff members. The staff complement at year-end 31 December 2018 was 36, some of whom worked part-time, giving 34.2 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 2018 the society's Nutrition and Health Advisers were Sandra Hood and Stephen Walsh.

A Research Advisory Committee maintains close links between the society and the research community and provides specific advice and support as

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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 <https://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 2018. Reference and administrative information set out on page 1 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 principal objective of the society is the promotion of 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. It sets out to do this by:

- Furthering 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.
- Encouraging the development and use of alternatives to all commodities derived wholly or partly from animals.
- Supporting older 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

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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 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

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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 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:

1. More people adopting and sustaining a vegan lifestyle.
2. All organisations – public, corporate and third sector – improving knowledge, practice and policies in vegan catering, nutrition, and agriculture, and rewarding sustainable, healthy and compassionate lifestyles

Themes

The Vegan Society:

1. Promotes the benefits of the vegan lifestyle by:
 - a. Encouraging more people to adopt it and making it easy for people to follow a vegan lifestyle.
 - b. Increasing the development and use of vegan alternatives to all commodities derived wholly or partly from animals.

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2. Furthers 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.
3. Explains the various reasons for being vegan. People are most likely to stay committed to veganism if they believe it is wrong to exploit other animals.
4. Aims to challenge the dominant world view of exploiting other animals by working towards a world where nonhuman animals are recognised as fellow beings who are not made to suffer or die for human purposes.
5. Encourages legal, cultural and policy changes to be more supportive of a vegan lifestyle.

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

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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 the public.

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 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:

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- 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 campaign with an open letter from influencers such as George Monbiot and Kerry McCarthy MP. We took the campaign to 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:
- 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.
- 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.

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- 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.
- e) **World Vegan Day** – On 1 November we celebrate the birth of The Vegan Society, which was established in 1944. Each year we highlight the day and the subsequent World Vegan Month with events, actions and PR. World Vegan Day 2018 was celebrated worldwide and once again trended on Twitter. World Vegan Day saw the launch of our new VeGuide app that provided a new platform for the Vegan Pledge. World Vegan Month was supported by vegan actor Evanna Lynch, who promoted the launch of our new app to help people to go vegan, with video messages and vegan chef Day Radley who took part in over 20 broadcast interviews on World Vegan Day along with the society's media officer, Dominika Piasecka. In November around 7 million people saw our print coverage. Online articles mentioning our activities had over 11 billion visits throughout November 2018.
- f) **The Vegan Pledge and VeGuide app** – A 30-day online programme for people interested in becoming vegan or those who need additional support. Tips, information and recipes are shared with participants and VeGuide features a daily quiz and films:
<https://www.vegansociety.com/go-vegan/veguide>.
- 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.

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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 – One of the three main 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

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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. 2018 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 2018 8,900 people took the 30-day Vegan Pledge and a further 6,000 people took a 7-day vegan pledge as part of the Plate Up for the Planet campaign.

From its launch on 1 November 2018 to the end of December 16,000 people downloaded the VeGuide app 30-day programme.

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.

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 on Vegetarianism and Veganism in collaboration with Vegetarian for Life. Parliamentary events have discussed public procurement and celebrated the economic impact of the growth in veganism.

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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, Conservative and the Liberal Democrat conferences discussing the role of veganism in sustainable food and farming policy, and held exhibition stands at Labour, Green and SNP conferences encouraging political support for our Catering for Everyone parliamentary petitions. Our fringe event at the Conservative party conference included the Farming Minister on the panel.

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

We conducted a small follow up survey to our 2016 survey of the number of vegans. This demonstrated continual growth in the numbers following a vegan diet and has been very widely referenced in discussions of veganism.

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 developed the major Plate Up for the Planet campaign to bring veganism to a whole new audience – specifically those who are concerned about the 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. It also aims to influence messages about food from environmental organisations. We saw a shift in acknowledgement of the environmental damages of animal farming from key environmental NGOs and secured a monthly column in The Ecologist to continue making the case.

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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 took our Grow Green campaign to the European Parliament and developed relationships with MEPs.

The Trademark team has had another extremely productive year and increased the number of products it has registered by nearly 30%. We are confident 2019 will be another successful year for the Vegan Trademark.

The Vegan Society supplement VEG 1 continued to be popular in 2018 with sales increasing by 30%.

We hit a major milestone by exceeding £2 million in total income, including almost £1 million from the Trademark.

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

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Trademark licensing was the most significant source of income, raising £966k against a target of £825k.

Sales of Materials Promoting Veganism: Our target (including postage) was set at £515k, and we achieved sales of £582k, of which VEG 1 generated £566k. The higher sales income also meant higher costs for purchasing the goods sold.

Membership: We had set a target of £165k and achieved £211k.

Legacies are not really targeted as such, and their value fluctuates a great deal from year to year. We had planned on an estimated £47k income (60% of a five-year average) and received £170k.

Donations: We set a donation target of £65k in anticipation of recruiting a full-time fundraiser, who started in April. We achieved £54k.

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 2018 were the Trademark, Sales, Membership, Legacies and Donations. Income from all sources totalled £2,042k in the 12 months to December 2018 compared with £1,406k in 2017.

Trademark income grew to £966k in the 12 months of 2018 compared with £755k over the previous 12 months, whilst the £305k direct costs of this activity in 2018 compared with £298k in the previous 12 months. There was an expansion of the team at the end of 2018.

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 fell from £7.3k in 2017 to £5.3k in 2018, while Sales of material promoting veganism grew from £415k to £582k, due to the success of the VEG 1 dietary supplement, which grew from £400k to £566k (including postage). This continued strong growth was facilitated by ensuring that stocks were sufficient to support growth and finding new distribution routes.

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Donations, including membership fees and gift aid, totalled £288k in 2018 compared with £196k for the previous year. The number of members (including supporters) rose by 20%, from 6,917 at 31 December 2017 to 8,273 as at 31 December 2018. Membership subscriptions rose by 35%, from £156k in 2017 to £211k in 2018, boosted by the flow through of the new membership rates introduced in May 2016 as well as the increase in the number of members. Donations in 2018 were £54k compared with £20k for the previous year and Gift Aid was £23k compared with £20k in 2017.

The Society had a very good year for legacies, with £170k in 2018 compared with £17k in 2017. Income from legacies fluctuates a great deal from year to year but is a very important part of our overall income, averaging about £90k 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 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.

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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. The three Heads of Department are assigned to support costs, though in practice they contribute directly to our charitable activities as well as through supporting their departments.

Support and governance costs account for £477k, which is £132k higher than in 2017. This increase is mainly driven by the costs of the one-off relocation to much larger offices and the increased rental costs for these offices. Increased support staff costs are the second biggest contributor, reflecting the fact that we have a Head of Department for Business Development now that George Gill, our CEO, has stopped temporarily covering this role as well as his own.

The costs of raising funds increased from £10k in 2017 to £43k in 2018. The main reason is the appointment in April of a full-time fund-raiser.

We were able to increase spending on charitable activities by £306k, from £1,443k in 2017 to £1,749k in 2018. Additional outreach and communication activity accounted for £110k of the additional spending, largely driven by the campaigning activity. Increased sales, mainly of VEG 1, meant a £141k increase in the cost of supplying those goods while Trademark costs increased by £56k.

Staff costs represented almost half (£764k) of total expenditure in 2018 (compared with £643k in the previous year), and during the year the average number of staff increased from 28.5 to 32.5. 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 30.7 full-time-equivalent staff working during the year (compared with 26.9 the previous year). The second-largest cost item was goods for resale, which amounted to £371K compared with £247k in 2017.

During the year, external grants totalling £15,297 were made (compared with £9,761 the previous year). £10,000 went to fund preparation of a legal case to confirm veganism as a protected belief. Other grants were much smaller and mostly went to support small grassroots outreach projects, usually in the UK.

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8. *Reserves policy*

Towards the end of 2017 we decided to move to a larger, rented office that could accommodate all our staff. In recent years staff have been split between the office we bought in 2005 at 21 Hylton St and a rented office nearby. Having all the staff in a single building is more efficient and makes it easier to work as an integrated team. This move was completed in the middle of 2018.

The Vegan Society intends to keep a minimum reserve of £525k plus the Hylton Street offices (£200k to cover working capital and £200k to cover fluctuations in net income relative to budget, and £125k plus the Hylton Street offices towards the purchase of a larger office). We try to avoid reserves persistently being more than £100k 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 £860k and £960k.

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 2018 were £1,241k (including the market value of our former offices in Hylton Street, which we had vacated and were about to rent out), compared with £664k at the end of 2017 (not including the Hylton Street offices, which at that time were necessary for our continued operation and therefore not a saleable asset).

The change in use of our former offices (from necessity for our current work to investment property) accounts for an expected and deliberate £335k increase in total reserves, but there has been a further unintended increase of £242k. Indeed, our intention in November 2017, when we set the 2018 budgets, was to end 2018 with our reserves close to their target minimum. We are therefore £381k better off than we expected: £906k plus our former offices versus our target of £525k plus our former offices.

While there have been other deviations from predictions, the core explanation is that key sources of income exceeded our expectations while the costs of generating this income remained within budget.

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	budget	actual	gain
Trademark	825	966	141
Sales	515	582	67
Membership	165	211	46
Legacies	47	170	123
Donations	65	54	-11
Total	1617	1983	366

Income gains relative to budget, £k

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 5). 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 8) is notably more favourable to veganism and, as we reach our 75th anniversary in 2019, we will continue to build on this to promote

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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 spending to promote veganism. This gives us a great opportunity to do even more. Our plans for 2019 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 2018 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 8,273 at the end of 2018. Our media impact and online presence have also grown substantially recently. This growth is to the credit of all the staff and volunteers.

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.

The Vegan Society
Trustees' Annual Report

for the year ended 31 December 2018

Overall responsibility for The Vegan Society is vested in the council, whose members are listed on page 1. Council 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

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Trustees' Annual Report

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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 accounts.

Overview of council governance 2018

Date	Main business	Trustee attendance
13/01	Relocation, pilot survey, employment of vegans, review of trademark, intersectionality.	SA, PF, DG, CI, MJ, GN, SS, JV, SW
10/03	Financial review, consultancy support / campaigns funding, Hylton Street Offices, Charity governance code and preparation of trustee report, preparation for AGM, Health and safety, accessibility.	SA, PF, DG, CI, MJ, GN, SS, JV, SW
10/04	Report and accounts, proposals to AGM, pilot survey, decision on Hylton St, framework document, succession planning,	SA, PF, DG, CI, MJ, GN, SS, JV, SW
15/07	Finance update, Trademark staffing, board review, trademark, international expansion.	SA, PF, DG, MJ, RM, JM, GN, AR, JV, SW
02/09	Framework document, presentation of animal testing criteria, election of officers, review of skills, trustee training staff sickness and turnover, ACAS equality policy, review of leaflets.	SA, PF, DG, MJ, RM, JM, GN, AR, JV, SW
10/11	Officers standing down, election of officers, financial review and 2019 budget, council skills, deposit accounts.	SA, PF, DG, MJ, RM, JM, GN, AR, JV, SW

Salim Akbar (SA), Patricia Fairey (PF) [formerly Tricker], David Gore (DG), Constantin Imbs (CI), Menna Jones (MJ), Robb Masters (RM), Jane Mckears (JM), Graham Neale (GN), Ali Ryland (AR), Sagar Shah (SS), Jenifer Vinell (JV), Stephen Walsh (SW)

JV was vice-Chair throughout 2018, SW was Chair and MJ was Treasurer until 10/11/2018, when MJ became Chair and SW Treasurer.

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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 2018. 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.

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 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. 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.

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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.

Fundraising asks are only made of supporters who have opted in to receive communications from us and can unsubscribe at any time. We received five direct complaints this year in relation to fundraising activities, which our Supporter Services team dealt with and resolved efficiently. This is a very small proportion of the large amount of interactions that we have with our supporters and we used the feedback to strengthen our fundraising procedures.

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, have been reviewed and systems or procedures established to manage those risks. Council has identified a need to make our risk management process more systematic and increase the frequency at which major risks are formally reviewed by trustees. This will be addressed during 2019 drawing on external advice and training.

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

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

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potential impact of substantial new spending proposals is assessed against cautiously projected reserves and monitored carefully by senior staff and council.

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 – which for several years before the 2016 AGM had been much higher than desirable – can create issues with retention of knowledge and continuity. We are pleased to report that since 2016 trustees have resigned only as required for the normal rotation of trustees every three to four years. We look forward to a competitive election for trustee posts at the 2019 AGM, with three of our current trustees standing down and two standing for re-election.

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 be 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. 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

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(<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 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.

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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) as a tool to support continuous improvement. Our intention for 2018, was to focus on section 4 of the Charity Governance Code (Decision-making, risk and control) as this has had less formal attention than broader constitutional and strategy issues in recent years. Risk management and governance are therefore key topics identified for the 2019 governance training day for trustees and senior management staff.

The Vegan Society
Trustees' Annual Report

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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 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 Vegan Society
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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 2018 was 7,324. 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 2018 AGM 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 veganism becomes, the more we help our ultimate beneficiaries: the millions 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 07 April 2019 and signed on their behalf by

Menna Jones

Chair, The Vegan Society

Independent auditor's report to the members of the Vegan Society

Opinion

We have audited the financial statements of The Vegan Society (the 'charitable company') for the year ended 31 December 2018 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 2018 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.

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.

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

Independent auditor's report to the members of the Vegan Society

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 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 page 27, 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 of the Vegan Society

Auditor's responsibilities for the audit of the financial statements

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. This description forms part of our auditor's report.

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

The Vegan Society
Statement of Financial Activities
(including Income and Expenditure account)
for the year ended 31 December 2018

	Note	Unrestricted funds £	Restricted funds £	Total funds 2018 £	Total funds 2017 £
Income					
Donations and legacies	3	458,297	-	458,297	212,929
Income from charitable activities	4	1,564,680	-	1,564,680	1,180,469
Income from other trading activities	5	18,304	-	18,304	11,109
Investment income	6	785	-	785	1,467
Total income		2,042,066	-	2,042,066	1,405,974
Expenditure					
Costs of raising funds	7	43,158	-	43,158	9,656
Expenditure on charitable activities	8	1,749,409	-	1,749,409	1,443,286
Total expenditure		1,792,567	-	1,792,567	1,452,942
Net income before net gains on investments		249,499	-	249,499	(46,968)
Net gains/(losses) on investments	16	(6,563)	-	(6,563)	7,623
Net gains/(losses) on investment property	14	174,028	-	174,028	-
Net income/(expenditure) for the year	10	416,964	-	416,964	(39,345)
Transfer between funds		-	-	-	-
Net movement in funds for the year		416,964	-	416,964	(39,345)
Reconciliation of funds					
Total funds brought forward		858,460	13,884	872,344	911,689
Total funds carried forward		1,275,424	13,884	1,289,308	872,344

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

The Vegan Society
Company number 1468880
Balance Sheet as at 31 December 2018

	Note	2018	2017
		£	£
Fixed assets			
Tangible assets	14	354,081	177,282
Intangible assets	15	15,571	17,541
Investments	16	56,238	62,801
Total fixed assets		425,890	257,624
Current assets			
Stock		62,280	29,724
Debtors	17	228,493	112,624
Cash at bank and in hand		697,668	550,542
Total current assets		988,441	692,890
Liabilities			
Creditors: amounts falling due in less than one year	18	(125,023)	(78,170)
Net current assets		863,418	614,720
Net assets		1,289,308	872,344
The funds of the charity:			
Restricted income funds	19	13,884	13,884
Unrestricted income funds	20	1,275,424	858,460
Total charity funds		1,289,308	872,344

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 36 to 49 form part of these accounts.

Approved by the trustees on _____ and signed on their behalf by:

Stephen Walsh (Trustee, Treasurer)

Menna Jones (Trustee, Chair)

The Vegan Society
Statement of Cash Flows
for the year ending 31 December 2018

	Note	2018 £	2017 £
Cash provided by/(used in) operating activities	23	170,465	1,318
<i>Cash flows from investing activities:</i>			
Dividends, interest, and rents from investments		785	1,467
Purchase of tangible fixed assets		(17,404)	(8,188)
Purchase of intangible fixed assets		(6,720)	(8,400)
Cash provided by/(used in) investing activities		(23,339)	(15,121)
Increase/(decrease) in cash and cash equivalents in the year		147,125	(13,803)
Cash and cash equivalents at the beginning of the year		550,542	564,345
Total cash equivalents at the end of the year		697,667	550,542

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) (effective 1 January 2015) - (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 Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required, and have determined that no restatement is necessary.

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 Key judgements and estimates

There are no key judgements which the trustees have made which have a significant effect on the accounts.

The trustees have considered whether 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.

e Income

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

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.

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.

f 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.

g 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.

h 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.

i 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.

j 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.

k 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.

l Tangible fixed assets

Individual fixed assets costing £1,000 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

m 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.

n 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.

o 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.

p 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.

q 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.

r 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.

s 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 private 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.

3 Income from donations and legacies

	Unrestricted £	Restricted £	Total 2018 £	Total 2017 £
Donations	54,184	-	54,184	19,913
Gift Aid	23,304	-	23,304	20,120
Subscriptions	211,121	-	211,121	155,903
Legacies	169,688	-	169,688	16,993
	<hr/>	<hr/>	<hr/>	<hr/>
	458,297	-	458,297	212,929
	<hr/>	<hr/>	<hr/>	<hr/>
			2018 £	2017 £
Restricted income from donations and legacies			-	-
Unrestricted income from donations and legacies			458,297	212,929
			<hr/>	<hr/>
			458,297	212,929
			<hr/>	<hr/>

The Vegan Society

Notes to the accounts for the year ended 31 December 2018 (continued)

4 Income from charitable activities

	Unrestricted £	Restricted £	Total 2018 £	Total 2017 £
Sales of materials promoting veganism	582,456	-	582,456	414,549
The Vegan magazine	16,137	-	16,137	11,137
Trademark (product authentication)	966,087	-	966,087	754,783
	<u>1,564,680</u>	<u>-</u>	<u>1,564,680</u>	<u>1,180,469</u>
			2018 £	2017 £
Restricted income from charitable activities			-	-
Unrestricted income from charitable activities			1,564,680	1,180,469
			<u>1,564,680</u>	<u>1,180,469</u>

5 Income from other trading activities

	2018 £	2017 £
Affinity commission	9,215	3,852
Ancillary sales	5,296	7,257
Publication licensing	1,897	-
Sales commission	1,896	-
	<u>18,304</u>	<u>11,109</u>
Non-primary purpose trading		

All income from other trading activities is unrestricted.

6 Investment income

	Unrestricted £	Restricted £	2018 £	2017 £
Income from bank deposits	777	-	777	1,467
Dividends received	8	-	8	-
	<u>785</u>	<u>-</u>	<u>785</u>	<u>1,467</u>

The Vegan Society

Notes to the accounts for the year ended 31 December 2018 (continued)

7 Cost of raising funds

	2018 £	2017 £
Fundraising: staff costs	18,699	-
Fundraising: direct costs	5,625	4,206
Cost of non-primary purpose sales	3,466	5,450
Support Costs (See note 9)	14,755	-
Governance Costs (See note 9)	613	-
	<u>43,158</u>	<u>9,656</u>

All expenditure on cost of raising funds is unrestricted.

8 Analysis of expenditure on charitable activities

	Communications and Outreach Programmes £	Sales of material promoting veganism £	Trademark (product authentication) £	Total 2018 £	Total 2017 £
Staff costs	269,721	48,393	243,239	561,353	514,654
Project Costs	253,940	395,886	61,588	711,414	573,839
Grants made	15,297	-	-	15,297	9,761
Governance costs (see note 9)	8,836	1,585	7,968	18,389	19,796
Support costs (see note 9)	212,833	38,186	191,937	442,956	325,236
	<u>760,627</u>	<u>484,050</u>	<u>504,732</u>	<u>1,749,409</u>	<u>1,443,286</u>
<i>Total 2017</i>	<u>651,102</u>	<u>343,481</u>	<u>448,703</u>	<u>1,443,286</u>	
				2018 £	2017 £
Restricted expenditure				-	375
Unrestricted expenditure				1,749,409	1,442,911
				<u>1,749,409</u>	<u>1,443,286</u>

No grants were paid to individual beneficiaries and all grants were paid to further campaigns, communications and outreach work.

The Vegan Society

Notes to the accounts for the year ended 31 December 2018 (continued)

9 Analysis of governance and support costs

	Basis of apportionment to the main activities	Support £	Governance £	Total 2018 £	2017 £
Travel, meetings, recruitment, and training	Staff costs	28,535	2,846	31,381	24,542
Staff costs	Staff costs	172,995	11,191	184,186	128,258
IT Costs	Staff costs	33,435	-	33,435	46,074
Premises costs	Staff costs	86,872	-	86,872	43,647
Office relocation	Staff costs	41,865	-	41,865	-
Office expenses	Staff costs	44,034	-	44,034	62,522
Professional Fees	Staff costs	21,388	-	21,388	8,061
Governance and finance	Staff costs	13,953	-	13,953	13,804
Depreciation	Staff costs	14,634	-	14,634	13,964
Trustee Costs	Staff costs	-	4,965	4,965	4,160
		<u>457,711</u>	<u>19,002</u>	<u>476,713</u>	<u>345,032</u>
<i>Total 2017</i>		<u>324,154</u>	<u>20,878</u>	<u>345,032</u>	
		Support £	Governance £	Total 2018 £	2017 £
Allocated as follows:					
<i>Cost of raising funds</i>					
Fundraising		14,755	613	15,368	-
		<u>14,755</u>	<u>613</u>	<u>15,368</u>	<u>-</u>
<i>Charitable activities</i>					
Communications and outreach		212,833	8,836	221,669	164,512
Sales of materials promoting veganism		38,186	1,585	39,771	29,864
Trademark		191,937	7,968	199,905	150,656
		<u>442,956</u>	<u>18,389</u>	<u>461,345</u>	<u>345,032</u>
		<u>457,711</u>	<u>19,002</u>	<u>476,713</u>	<u>345,032</u>

The Vegan Society

Notes to the accounts for the year ended 31 December 2018 (continued)

10 Net income/(expenditure) for the year

This is stated after charging/(crediting):	2018	2017
	£	£
Depreciation of tangible fixed assets	14,633	5,278
Depreciation of intangible fixed assets	8,690	8,686
Operating lease rentals		
Property	51,740	26,972
Other	2,258	1,161
Net (gains)/losses on foreign exchange	7,802	4,515
(Profit)/loss on fair value movement of investment property	(174,028)	-
(Profit)/loss on fair value movement of investments	6,563	(7,623)
Auditor's remuneration - audit fees	2,500	2,500
Auditor's remuneration - accountancy fees	1,500	1,500

11 Staff costs

Staff costs during the year were as follows:	2018	2017
	£	£
Wages and salaries	681,112	590,044
Social security costs	53,186	45,616
Pension costs	11,687	4,222
Other staff costs	18,253	3,030
	<u>764,238</u>	<u>642,912</u>

Allocated as follows:

Cost of raising funds

Fundraising	18,699	-
	<u>18,699</u>	<u>-</u>

Charitable activities

Communications and outreach	269,721	245,388
Sales of materials promoting veganism	48,393	44,545
Trademark	243,239	224,721
Support costs	172,995	118,008
Governance	11,191	10,250
	<u>745,539</u>	<u>642,912</u>
	<u>764,238</u>	<u>642,912</u>

The Vegan Society

Notes to the accounts for the year ended 31 December 2018 (continued)

No employees had employee benefits in excess of £60,000 (2017: One).

The average number of staff employed during the period was 32.5 (2017: 28.5).

The average full time equivalent number of staff employed during the period was 30.7 (2017: 26.9).

The key management personnel of the charity comprise the trustees (unremunerated), the Chief Executive Officer, the Chief Finance Officer/Finance Manager and the Heads of Department. The total employee benefits of the key management personnel of the charity were £140,648 (2017: £136,738).

12 Trustee remuneration and expenses, and related party transactions

Neither the management committee nor any persons connected with them received any remuneration during the year.

Nine members of council received travel, training and subsistence expenses during the year totalling £2,404 (2017: 7 council members received £4,160).

Octopus Planning Systems Limited, a company controlled by trustee Stephen Walsh, made an unrestricted donation of £1,900 during the year (2017: £Nil). There were no other donations from related parties other than routine subscription payments.

Constantin Imbs was a trustee of the charity until 19 May 2018 and also president of the French Vegan Society, the *Société vegane francophone*. During the year, the charity sold vitamin supplements to the *Société vegane francophone* to the value of £35,619 (2017: £38,731). The *Société vegane francophone* also acted as trademark agent for the charity and received commission of £Nil (2017: £2,750). All the transactions were on normal commercial terms.

No other 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 (2017: nil).

13 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 2018 (continued)

14 Fixed assets: tangible assets

	Investment property	Leasehold property	Office equipment	Total
Cost		£	£	£
At 1 January	-	190,000	47,183	237,183
Transfer to investment properties	160,972	(190,000)	(4,798)	(33,826)
Additions	-	-	17,404	17,404
Revaluation	174,028	-	-	174,028
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2018	335,000	-	59,789	394,789
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 January	-	25,116	34,785	59,901
Charge for the year	-	6,551	8,082	14,633
Transfer to investment properties	-	(31,667)	(2,159)	(33,826)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2018	-	-	40,708	40,708
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31 December 2018	335,000	-	19,081	354,081
	<hr/>	<hr/>	<hr/>	<hr/>
<i>At 31 December 2017</i>	<i>-</i>	<i>164,884</i>	<i>12,398</i>	<i>177,282</i>
	<hr/>	<hr/>	<hr/>	<hr/>

Investment properties were subject to independent, professional valuation in 2018. The valuation was undertaken by Siddall Jones Limited. It was assumed that the fair value was the open market value of the leasehold, which is a long lease terminating in 2193.

15 Fixed assets: intangible assets

	Website and database
Cost	£
At 1 January	49,215
Additions	6,720
	<hr/>
At 31 December 2018	55,935
	<hr/>
Depreciation	
At 1 January	31,674
Charge for the year	8,690
	<hr/>
At 31 December 2018	40,364
	<hr/>
Net book value	
At 31 December 2018	15,571
	<hr/>
<i>At 31 December 2017</i>	<i>17,541</i>
	<hr/>

The Vegan Society

Notes to the accounts for the year ended 31 December 2018 (continued)

16 Fixed assets: investments

	2018 £	2017 £
Market value at the start of the year	62,801	55,178
Add net gain/(loss) on revaluation	(6,563)	7,623
	<hr/>	<hr/>
Market value at the end of the year	56,238	62,801
	<hr/> <hr/>	<hr/> <hr/>

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

17 Debtors

	2018 £	2017 £
Trade debtors	85,284	60,899
Other debtors	55,213	32,773
Prepayments and accrued income	87,996	18,952
	<hr/>	<hr/>
	228,493	112,624
	<hr/> <hr/>	<hr/> <hr/>

18 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	55,606	32,484
Other creditors and accruals	10,088	37,421
Deferred income	39,084	-
Taxation and social security costs	20,124	7,329
Pension contributions owed	121	936
	<hr/>	<hr/>
	125,023	78,170
	<hr/> <hr/>	<hr/> <hr/>

19 Analysis of movements in restricted funds

	Balance at 1 January 2018 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2018 £
Promotion of Veganism in Developing Countries					
The International Outreach	7,884	-	-	-	7,884
Purchase of vehicle					
Vehicle Fund	6,000	-	-	-	6,000
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total	13,884	-	-	-	13,884
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The Vegan Society

Notes to the accounts for the year ended 31 December 2018 (continued)

Name of

restricted fund 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.

20 Analysis of movement in unrestricted funds

	Balance at 1 January 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 property assets	194,823	-	-	(160,171)	34,652
	<u>858,460</u>	<u>2,209,531</u>	<u>(1,792,567)</u>	<u>-</u>	<u>1,275,424</u>

Name of

unrestricted fund

Description, nature and purposes of the fund

General fund	The free reserves after allowing for all designated funds.
Designated property assets fund	The tangible fixed assets are essential for the future operation of the charity and so are excluded from free reserves.

21 Analysis of net assets between funds

	General fund £	Designated funds £	Restricted funds £	Total £
Tangible fixed assets	335,000	19,081	-	354,081
Intangible fixed assets	-	15,571	-	15,571
Fixed asset investments	56,238	-	-	56,238
Cash at bank and in hand	683,784	-	13,884	697,668
Other net current assets	165,750	-	-	165,750
Total	<u>1,240,772</u>	<u>34,652</u>	<u>13,884</u>	<u>1,289,308</u>

The Vegan Society

Notes to the accounts for the year ended 31 December 2018 (continued)

22 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:

	Equipment		Leasehold properties	
	2018	2017	2018	2017
	£	£	£	£
Less than one year	2,258	1,161	51,667	14,080
One to five years	8,749	1,433	170,833	-
	<hr/>	<hr/>	<hr/>	<hr/>
	11,007	2,594	222,500	14,080
	<hr/>	<hr/>	<hr/>	<hr/>

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

	2018	2017
	£	£
Net income/(expenditure) for the year	416,964	(39,345)
Adjustments for:		
Depreciation charge	23,323	13,964
(Gains)/losses on investments	6,563	(7,623)
(Gains)/losses on investment property	(174,028)	-
Dividends, interest and rents from investments	(785)	(1,467)
Decrease/(increase) in stock	(32,556)	(9,418)
Decrease/(increase) in debtors	(115,869)	16,457
Increase/(decrease) in creditors	46,853	28,750
	<hr/>	<hr/>
Net cash provided by/(used in) operating activities	170,465	1,318
	<hr/>	<hr/>



2018 ANNUAL REPORT AND ACCOUNTS

Year ended 31 December 2018

And

Annual General Meeting

on 18 May 2019

at Resource for London, 356 Holloway Road, London N7 6PA

(www.resourceforlondon.org)

Doors open 12.30, AGM 13.00 to 17.00

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Registered Charity No: 279228

Company No: 1468880

The Vegan Society
Reference and administrative information
for the year ended 31 December 2018

Charity No. 279228
Company No. 1468880
Registered office and operational address: Donald Watson House, 34-35 Ludgate Hill,
Birmingham, B3 1EH

Trustees who served during 2018 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; Vice-Chair from 28/05/2016
Stephen Walsh	Elected 27/06/2015; Vice-Chair from 21/11/2015 to 28/05/2016; Chair from 28/05/2016 to 10/11/2018; Treasurer from 10/11/2018
David Gore	Elected 28/05/2016; Assistant Treasurer since 10/11/2018
Salim Akbar	Elected 28/05/2016
Patricia Fairey	Elected 28/05/2016
Graham Neale	Elected 28/05/2016
Ali Ryland	Elected 19/05/2018
Robb Masters	Elected 19/05/2018
Jane Mckears	Elected 19/05/2018

Key management personnel

George Gill	Chief Executive (from 04/05/2016)
Chantelle Adkins	Head of Business Development (started 22/02/2018)
Samantha Calvert	Head of Communications (from 05/06/2017)
Louise Davies	Head of Campaigns, Policy & Research (from 19/12/16)
Stephen Hirst	Chief Finance Officer (5/10/2015 to 29/03/2018)
Lucy Pinnock	Finance Manager (3/9/2018 to 30/11/2018)
Nirdesh Sandhu	Finance Manager (started 2/1/2019)

The Vegan Society
Reference and administrative information
for the year ended 31 December 2018

Bankers Co-operative Bank, 1 Balloon Street, Manchester, M60 4EP

Solicitors Bates Wells Braithwaite London LLP, 10 Queen Street Place,
London, EC4R 1BE

Auditors 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 2018 varied due to staff movements. The society had an average of 30.7 full-time-equivalent staff members. The staff complement at year-end 31 December 2018 was 36, some of whom worked part-time, giving 34.2 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 2018 the society's Nutrition and Health Advisers were Sandra Hood and Stephen Walsh.

A Research Advisory Committee maintains close links between the society and the research community and provides specific advice and support as

The Vegan Society
Reference and administrative information
for the year ended 31 December 2018

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

<https://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

The Vegan Society
Trustees' Annual Report

for the year ended 31 December 2018

The trustees present their report and the audited financial statements for the year ended 31 December 2018. Reference and administrative information set out on page 1 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 principal objective of the society is the promotion of 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. It sets out to do this by:

- Furthering 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.
- Encouraging the development and use of alternatives to all commodities derived wholly or partly from animals.
- Supporting older 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

The Vegan Society
Trustees' Annual Report

for the year ended 31 December 2018

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 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

The Vegan Society
Trustees' Annual Report
for the year ended 31 December 2018

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 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:

1. More people adopting and sustaining a vegan lifestyle.
2. All organisations – public, corporate and third sector – improving knowledge, practice and policies in vegan catering, nutrition, and agriculture, and rewarding sustainable, healthy and compassionate lifestyles

Themes

The Vegan Society:

1. Promotes the benefits of the vegan lifestyle by:
 - a. Encouraging more people to adopt it and making it easy for people to follow a vegan lifestyle.
 - b. Increasing the development and use of vegan alternatives to all commodities derived wholly or partly from animals.

The Vegan Society
Trustees' Annual Report

for the year ended 31 December 2018

2. Furthers 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.
3. Explains the various reasons for being vegan. People are most likely to stay committed to veganism if they believe it is wrong to exploit other animals.
4. Aims to challenge the dominant world view of exploiting other animals by working towards a world where nonhuman animals are recognised as fellow beings who are not made to suffer or die for human purposes.
5. Encourages legal, cultural and policy changes to be more supportive of a vegan lifestyle.

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

The Vegan Society
Trustees' Annual Report

for the year ended 31 December 2018

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 the public.

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 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:

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- 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 campaign with an open letter from influencers such as George Monbiot and Kerry McCarthy MP. We took the campaign to 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:
- 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.
- 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.

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- 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.
- e) **World Vegan Day** – On 1 November we celebrate the birth of The Vegan Society, which was established in 1944. Each year we highlight the day and the subsequent World Vegan Month with events, actions and PR. World Vegan Day 2018 was celebrated worldwide and once again trended on Twitter. World Vegan Day saw the launch of our new VeGuide app that provided a new platform for the Vegan Pledge. World Vegan Month was supported by vegan actor Evanna Lynch, who promoted the launch of our new app to help people to go vegan, with video messages and vegan chef Day Radley who took part in over 20 broadcast interviews on World Vegan Day along with the society's media officer, Dominika Piasecka. In November around 7 million people saw our print coverage. Online articles mentioning our activities had over 11 billion visits throughout November 2018.
- f) **The Vegan Pledge and VeGuide app** – A 30-day online programme for people interested in becoming vegan or those who need additional support. Tips, information and recipes are shared with participants and VeGuide features a daily quiz and films:
<https://www.vegansociety.com/go-vegan/veguide>.
- 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.

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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 – One of the three main 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

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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. 2018 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 2018 8,900 people took the 30-day Vegan Pledge and a further 6,000 people took a 7-day vegan pledge as part of the Plate Up for the Planet campaign.

From its launch on 1 November 2018 to the end of December 16,000 people downloaded the VeGuide app 30-day programme.

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.

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 on Vegetarianism and Veganism in collaboration with Vegetarian for Life. Parliamentary events have discussed public procurement and celebrated the economic impact of the growth in veganism.

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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, Conservative and the Liberal Democrat conferences discussing the role of veganism in sustainable food and farming policy, and held exhibition stands at Labour, Green and SNP conferences encouraging political support for our Catering for Everyone parliamentary petitions. Our fringe event at the Conservative party conference included the Farming Minister on the panel.

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

We conducted a small follow up survey to our 2016 survey of the number of vegans. This demonstrated continual growth in the numbers following a vegan diet and has been very widely referenced in discussions of veganism.

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 developed the major Plate Up for the Planet campaign to bring veganism to a whole new audience – specifically those who are concerned about the 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. It also aims to influence messages about food from environmental organisations. We saw a shift in acknowledgement of the environmental damages of animal farming from key environmental NGOs and secured a monthly column in The Ecologist to continue making the case.

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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 took our Grow Green campaign to the European Parliament and developed relationships with MEPs.

The Trademark team has had another extremely productive year and increased the number of products it has registered by nearly 30%. We are confident 2019 will be another successful year for the Vegan Trademark.

The Vegan Society supplement VEG 1 continued to be popular in 2018 with sales increasing by 30%.

We hit a major milestone by exceeding £2 million in total income, including almost £1 million from the Trademark.

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

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Trademark licensing was the most significant source of income, raising £966k against a target of £825k.

Sales of Materials Promoting Veganism: Our target (including postage) was set at £515k, and we achieved sales of £582k, of which VEG 1 generated £566k. The higher sales income also meant higher costs for purchasing the goods sold.

Membership: We had set a target of £165k and achieved £211k.

Legacies are not really targeted as such, and their value fluctuates a great deal from year to year. We had planned on an estimated £47k income (60% of a five-year average) and received £170k.

Donations: We set a donation target of £65k in anticipation of recruiting a full-time fundraiser, who started in April. We achieved £54k.

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 2018 were the Trademark, Sales, Membership, Legacies and Donations. Income from all sources totalled £2,042k in the 12 months to December 2018 compared with £1,406k in 2017.

Trademark income grew to £966k in the 12 months of 2018 compared with £755k over the previous 12 months, whilst the £305k direct costs of this activity in 2018 compared with £298k in the previous 12 months. There was an expansion of the team at the end of 2018.

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 fell from £7.3k in 2017 to £5.3k in 2018, while Sales of material promoting veganism grew from £415k to £582k, due to the success of the VEG 1 dietary supplement, which grew from £400k to £566k (including postage). This continued strong growth was facilitated by ensuring that stocks were sufficient to support growth and finding new distribution routes.

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Donations, including membership fees and gift aid, totalled £288k in 2018 compared with £196k for the previous year. The number of members (including supporters) rose by 20%, from 6,917 at 31 December 2017 to 8,273 as at 31 December 2018. Membership subscriptions rose by 35%, from £156k in 2017 to £211k in 2018, boosted by the flow through of the new membership rates introduced in May 2016 as well as the increase in the number of members. Donations in 2018 were £54k compared with £20k for the previous year and Gift Aid was £23k compared with £20k in 2017.

The Society had a very good year for legacies, with £170k in 2018 compared with £17k in 2017. Income from legacies fluctuates a great deal from year to year but is a very important part of our overall income, averaging about £90k 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 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.

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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. The three Heads of Department are assigned to support costs, though in practice they contribute directly to our charitable activities as well as through supporting their departments.

Support and governance costs account for £477k, which is £132k higher than in 2017. This increase is mainly driven by the costs of the one-off relocation to much larger offices and the increased rental costs for these offices. Increased support staff costs are the second biggest contributor, reflecting the fact that we have a Head of Department for Business Development now that George Gill, our CEO, has stopped temporarily covering this role as well as his own.

The costs of raising funds increased from £10k in 2017 to £43k in 2018. The main reason is the appointment in April of a full-time fund-raiser.

We were able to increase spending on charitable activities by £306k, from £1,443k in 2017 to £1,749k in 2018. Additional outreach and communication activity accounted for £110k of the additional spending, largely driven by the campaigning activity. Increased sales, mainly of VEG 1, meant a £141k increase in the cost of supplying those goods while Trademark costs increased by £56k.

Staff costs represented almost half (£764k) of total expenditure in 2018 (compared with £643k in the previous year), and during the year the average number of staff increased from 28.5 to 32.5. 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 30.7 full-time-equivalent staff working during the year (compared with 26.9 the previous year). The second-largest cost item was goods for resale, which amounted to £371K compared with £247k in 2017.

During the year, external grants totalling £15,297 were made (compared with £9,761 the previous year). £10,000 went to fund preparation of a legal case to confirm veganism as a protected belief. Other grants were much smaller and mostly went to support small grassroots outreach projects, usually in the UK.

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8. *Reserves policy*

Towards the end of 2017 we decided to move to a larger, rented office that could accommodate all our staff. In recent years staff have been split between the office we bought in 2005 at 21 Hylton St and a rented office nearby. Having all the staff in a single building is more efficient and makes it easier to work as an integrated team. This move was completed in the middle of 2018.

The Vegan Society intends to keep a minimum reserve of £525k plus the Hylton Street offices (£200k to cover working capital and £200k to cover fluctuations in net income relative to budget, and £125k plus the Hylton Street offices towards the purchase of a larger office). We try to avoid reserves persistently being more than £100k 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 £860k and £960k.

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 2018 were £1,241k (including the market value of our former offices in Hylton Street, which we had vacated and were about to rent out), compared with £664k at the end of 2017 (not including the Hylton Street offices, which at that time were necessary for our continued operation and therefore not a saleable asset).

The change in use of our former offices (from necessity for our current work to investment property) accounts for an expected and deliberate £335k increase in total reserves, but there has been a further unintended increase of £242k. Indeed, our intention in November 2017, when we set the 2018 budgets, was to end 2018 with our reserves close to their target minimum. We are therefore £381k better off than we expected: £906k plus our former offices versus our target of £525k plus our former offices.

While there have been other deviations from predictions, the core explanation is that key sources of income exceeded our expectations while the costs of generating this income remained within budget.

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	budget	actual	gain
Trademark	825	966	141
Sales	515	582	67
Membership	165	211	46
Legacies	47	170	123
Donations	65	54	-11
Total	1617	1983	366

Income gains relative to budget, £k

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 5). 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 8) is notably more favourable to veganism and, as we reach our 75th anniversary in 2019, we will continue to build on this to promote

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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 spending to promote veganism. This gives us a great opportunity to do even more. Our plans for 2019 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 2018 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 8,273 at the end of 2018. Our media impact and online presence have also grown substantially recently. This growth is to the credit of all the staff and volunteers.

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.

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Overall responsibility for The Vegan Society is vested in the council, whose members are listed on page 1. Council 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

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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 accounts.

Overview of council governance 2018

Date	Main business	Trustee attendance
13/01	Relocation, pilot survey, employment of vegans, review of trademark, intersectionality.	SA, PF, DG, CI, MJ, GN, SS, JV, SW
10/03	Financial review, consultancy support / campaigns funding, Hylton Street Offices, Charity governance code and preparation of trustee report, preparation for AGM, Health and safety, accessibility.	SA, PF, DG, CI, MJ, GN, SS, JV, SW
10/04	Report and accounts, proposals to AGM, pilot survey, decision on Hylton St, framework document, succession planning,	SA, PF, DG, CI, MJ, GN, SS, JV, SW
15/07	Finance update, Trademark staffing, board review, trademark, international expansion.	SA, PF, DG, MJ, RM, JM, GN, AR, JV, SW
02/09	Framework document, presentation of animal testing criteria, election of officers, review of skills, trustee training staff sickness and turnover, ACAS equality policy, review of leaflets.	SA, PF, DG, MJ, RM, JM, GN, AR, JV, SW
10/11	Officers standing down, election of officers, financial review and 2019 budget, council skills, deposit accounts.	SA, PF, DG, MJ, RM, JM, GN, AR, JV, SW

Salim Akbar (SA), Patricia Fairey (PF) [formerly Tricker], David Gore (DG), Constantin Imbs (CI), Menna Jones (MJ), Robb Masters (RM), Jane Mckears (JM), Graham Neale (GN), Ali Ryland (AR), Sagar Shah (SS), Jenifer Vinell (JV), Stephen Walsh (SW)

JV was vice-Chair throughout 2018, SW was Chair and MJ was Treasurer until 10/11/2018, when MJ became Chair and SW Treasurer.

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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 2018. 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.

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 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. 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.

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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.

Fundraising asks are only made of supporters who have opted in to receive communications from us and can unsubscribe at any time. We received five direct complaints this year in relation to fundraising activities, which our Supporter Services team dealt with and resolved efficiently. This is a very small proportion of the large amount of interactions that we have with our supporters and we used the feedback to strengthen our fundraising procedures.

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, have been reviewed and systems or procedures established to manage those risks. Council has identified a need to make our risk management process more systematic and increase the frequency at which major risks are formally reviewed by trustees. This will be addressed during 2019 drawing on external advice and training.

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

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

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potential impact of substantial new spending proposals is assessed against cautiously projected reserves and monitored carefully by senior staff and council.

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 – which for several years before the 2016 AGM had been much higher than desirable – can create issues with retention of knowledge and continuity. We are pleased to report that since 2016 trustees have resigned only as required for the normal rotation of trustees every three to four years. We look forward to a competitive election for trustee posts at the 2019 AGM, with three of our current trustees standing down and two standing for re-election.

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 be 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. 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

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(<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 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.

The Vegan Society
Trustees' Annual Report

for the year ended 31 December 2018

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) as a tool to support continuous improvement. Our intention for 2018, was to focus on section 4 of the Charity Governance Code (Decision-making, risk and control) as this has had less formal attention than broader constitutional and strategy issues in recent years. Risk management and governance are therefore key topics identified for the 2019 governance training day for trustees and senior management staff.

The Vegan Society
Trustees' Annual Report

for the year ended 31 December 2018

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 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 Vegan Society
Trustees' Annual Report

for the year ended 31 December 2018

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 2018 was 7,324. 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 2018 AGM 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 veganism becomes, the more we help our ultimate beneficiaries: the millions 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 07 April 2019 and signed on their behalf by

Menna Jones

Chair, The Vegan Society

Independent auditor's report to the members of the Vegan Society

Opinion

We have audited the financial statements of The Vegan Society (the 'charitable company') for the year ended 31 December 2018 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 2018 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.

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.

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

Independent auditor's report to the members of the Vegan Society

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 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 page 27, 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 of the Vegan Society

Auditor's responsibilities for the audit of the financial statements

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. This description forms part of our auditor's report.

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

The Vegan Society
Statement of Financial Activities
(including Income and Expenditure account)
for the year ended 31 December 2018

	Note	Unrestricted funds £	Restricted funds £	Total funds 2018 £	Total funds 2017 £
Income					
Donations and legacies	3	458,297	-	458,297	212,929
Income from charitable activities	4	1,564,680	-	1,564,680	1,180,469
Income from other trading activities	5	18,304	-	18,304	11,109
Investment income	6	785	-	785	1,467
Total income		2,042,066	-	2,042,066	1,405,974
Expenditure					
Costs of raising funds	7	43,158	-	43,158	9,656
Expenditure on charitable activities	8	1,749,409	-	1,749,409	1,443,286
Total expenditure		1,792,567	-	1,792,567	1,452,942
Net income before net gains on investments		249,499	-	249,499	(46,968)
Net gains/(losses) on investments	16	(6,563)	-	(6,563)	7,623
Net gains/(losses) on investment property	14	174,028	-	174,028	-
Net income/(expenditure) for the year	10	416,964	-	416,964	(39,345)
Transfer between funds		-	-	-	-
Net movement in funds for the year		416,964	-	416,964	(39,345)
Reconciliation of funds					
Total funds brought forward		858,460	13,884	872,344	911,689
Total funds carried forward		1,275,424	13,884	1,289,308	872,344

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

The Vegan Society
Company number 1468880
Balance Sheet as at 31 December 2018

	Note	2018	2017
		£	£
Fixed assets			
Tangible assets	14	354,081	177,282
Intangible assets	15	15,571	17,541
Investments	16	56,238	62,801
Total fixed assets		425,890	257,624
Current assets			
Stock		62,280	29,724
Debtors	17	228,493	112,624
Cash at bank and in hand		697,668	550,542
Total current assets		988,441	692,890
Liabilities			
Creditors: amounts falling due in less than one year	18	(125,023)	(78,170)
Net current assets		863,418	614,720
Net assets		1,289,308	872,344
The funds of the charity:			
Restricted income funds	19	13,884	13,884
Unrestricted income funds	20	1,275,424	858,460
Total charity funds		1,289,308	872,344

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 36 to 49 form part of these accounts.

Approved by the trustees on _____ and signed on their behalf by:

Stephen Walsh (Trustee, Treasurer)

Menna Jones (Trustee, Chair)

The Vegan Society
Statement of Cash Flows
for the year ending 31 December 2018

	Note	2018 £	2017 £
Cash provided by/(used in) operating activities	23	170,465	1,318
<i>Cash flows from investing activities:</i>			
Dividends, interest, and rents from investments		785	1,467
Purchase of tangible fixed assets		(17,404)	(8,188)
Purchase of intangible fixed assets		(6,720)	(8,400)
Cash provided by/(used in) investing activities		(23,339)	(15,121)
Increase/(decrease) in cash and cash equivalents in the year		147,125	(13,803)
Cash and cash equivalents at the beginning of the year		550,542	564,345
Total cash equivalents at the end of the year		697,667	550,542

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) (effective 1 January 2015) - (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 Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required, and have determined that no restatement is necessary.

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 Key judgements and estimates

There are no key judgements which the trustees have made which have a significant effect on the accounts.

The trustees have considered whether 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.

Notes to the accounts for the year ended 31 December 2018 (continued)

e Income

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

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.

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.

f 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.

g 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.

h 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.

i 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.

j 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.

k 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.

l Tangible fixed assets

Individual fixed assets costing £1,000 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

m 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.

n 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.

o 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.

p 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.

q 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.

r 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.

s 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 private 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.

3 Income from donations and legacies

	Unrestricted £	Restricted £	Total 2018 £	Total 2017 £
Donations	54,184	-	54,184	19,913
Gift Aid	23,304	-	23,304	20,120
Subscriptions	211,121	-	211,121	155,903
Legacies	169,688	-	169,688	16,993
	<hr/>	<hr/>	<hr/>	<hr/>
	458,297	-	458,297	212,929
	<hr/>	<hr/>	<hr/>	<hr/>
			2018 £	2017 £
Restricted income from donations and legacies			-	-
Unrestricted income from donations and legacies			458,297	212,929
			<hr/>	<hr/>
			458,297	212,929
			<hr/>	<hr/>

The Vegan Society

Notes to the accounts for the year ended 31 December 2018 (continued)

4 Income from charitable activities

	Unrestricted £	Restricted £	Total 2018 £	Total 2017 £
Sales of materials promoting veganism	582,456	-	582,456	414,549
The Vegan magazine	16,137	-	16,137	11,137
Trademark (product authentication)	966,087	-	966,087	754,783
	<u>1,564,680</u>	<u>-</u>	<u>1,564,680</u>	<u>1,180,469</u>
			2018 £	2017 £
Restricted income from charitable activities			-	-
Unrestricted income from charitable activities			1,564,680	1,180,469
			<u>1,564,680</u>	<u>1,180,469</u>

5 Income from other trading activities

	2018 £	2017 £
Affinity commission	9,215	3,852
Ancillary sales	5,296	7,257
Publication licensing	1,897	-
Sales commission	1,896	-
	<u>18,304</u>	<u>11,109</u>
Non-primary purpose trading		

All income from other trading activities is unrestricted.

6 Investment income

	Unrestricted £	Restricted £	2018 £	2017 £
Income from bank deposits	777	-	777	1,467
Dividends received	8	-	8	-
	<u>785</u>	<u>-</u>	<u>785</u>	<u>1,467</u>

The Vegan Society

Notes to the accounts for the year ended 31 December 2018 (continued)

7 Cost of raising funds

	2018 £	2017 £
Fundraising: staff costs	18,699	-
Fundraising: direct costs	5,625	4,206
Cost of non-primary purpose sales	3,466	5,450
Support Costs (See note 9)	14,755	-
Governance Costs (See note 9)	613	-
	<u>43,158</u>	<u>9,656</u>

All expenditure on cost of raising funds is unrestricted.

8 Analysis of expenditure on charitable activities

	Communications and Outreach Programmes £	Sales of material promoting veganism £	Trademark (product authentication) £	Total 2018 £	Total 2017 £
Staff costs	269,721	48,393	243,239	561,353	514,654
Project Costs	253,940	395,886	61,588	711,414	573,839
Grants made	15,297	-	-	15,297	9,761
Governance costs (see note 9)	8,836	1,585	7,968	18,389	19,796
Support costs (see note 9)	212,833	38,186	191,937	442,956	325,236
	<u>760,627</u>	<u>484,050</u>	<u>504,732</u>	<u>1,749,409</u>	<u>1,443,286</u>
<i>Total 2017</i>	<u>651,102</u>	<u>343,481</u>	<u>448,703</u>	<u>1,443,286</u>	
				2018 £	2017 £
Restricted expenditure				-	375
Unrestricted expenditure				1,749,409	1,442,911
				<u>1,749,409</u>	<u>1,443,286</u>

No grants were paid to individual beneficiaries and all grants were paid to further campaigns, communications and outreach work.

The Vegan Society

Notes to the accounts for the year ended 31 December 2018 (continued)

9 Analysis of governance and support costs

	Basis of apportionment to the main activities	Support £	Governance £	Total 2018 £	2017 £
Travel, meetings, recruitment, and training	Staff costs	28,535	2,846	31,381	24,542
Staff costs	Staff costs	172,995	11,191	184,186	128,258
IT Costs	Staff costs	33,435	-	33,435	46,074
Premises costs	Staff costs	86,872	-	86,872	43,647
Office relocation	Staff costs	41,865	-	41,865	-
Office expenses	Staff costs	44,034	-	44,034	62,522
Professional Fees	Staff costs	21,388	-	21,388	8,061
Governance and finance	Staff costs	13,953	-	13,953	13,804
Depreciation	Staff costs	14,634	-	14,634	13,964
Trustee Costs	Staff costs	-	4,965	4,965	4,160
		<u>457,711</u>	<u>19,002</u>	<u>476,713</u>	<u>345,032</u>
<i>Total 2017</i>		<u>324,154</u>	<u>20,878</u>	<u>345,032</u>	
		Support £	Governance £	Total 2018 £	2017 £
Allocated as follows:					
<i>Cost of raising funds</i>					
Fundraising		14,755	613	15,368	-
		<u>14,755</u>	<u>613</u>	<u>15,368</u>	<u>-</u>
<i>Charitable activities</i>					
Communications and outreach		212,833	8,836	221,669	164,512
Sales of materials promoting veganism		38,186	1,585	39,771	29,864
Trademark		191,937	7,968	199,905	150,656
		<u>442,956</u>	<u>18,389</u>	<u>461,345</u>	<u>345,032</u>
		<u>457,711</u>	<u>19,002</u>	<u>476,713</u>	<u>345,032</u>

The Vegan Society

Notes to the accounts for the year ended 31 December 2018 (continued)

10 Net income/(expenditure) for the year

This is stated after charging/(crediting):	2018	2017
	£	£
Depreciation of tangible fixed assets	14,633	5,278
Depreciation of intangible fixed assets	8,690	8,686
Operating lease rentals		
Property	51,740	26,972
Other	2,258	1,161
Net (gains)/losses on foreign exchange	7,802	4,515
(Profit)/loss on fair value movement of investment property	(174,028)	-
(Profit)/loss on fair value movement of investments	6,563	(7,623)
Auditor's remuneration - audit fees	2,500	2,500
Auditor's remuneration - accountancy fees	1,500	1,500

11 Staff costs

Staff costs during the year were as follows:	2018	2017
	£	£
Wages and salaries	681,112	590,044
Social security costs	53,186	45,616
Pension costs	11,687	4,222
Other staff costs	18,253	3,030
	<u>764,238</u>	<u>642,912</u>

Allocated as follows:

Cost of raising funds

Fundraising	18,699	-
	<u>18,699</u>	<u>-</u>

Charitable activities

Communications and outreach	269,721	245,388
Sales of materials promoting veganism	48,393	44,545
Trademark	243,239	224,721
Support costs	172,995	118,008
Governance	11,191	10,250
	<u>745,539</u>	<u>642,912</u>
	<u>764,238</u>	<u>642,912</u>

The Vegan Society

Notes to the accounts for the year ended 31 December 2018 (continued)

No employees had employee benefits in excess of £60,000 (2017: One).

The average number of staff employed during the period was 32.5 (2017: 28.5).

The average full time equivalent number of staff employed during the period was 30.7 (2017: 26.9).

The key management personnel of the charity comprise the trustees (unremunerated), the Chief Executive Officer, the Chief Finance Officer/Finance Manager and the Heads of Department. The total employee benefits of the key management personnel of the charity were £140,648 (2017: £136,738).

12 Trustee remuneration and expenses, and related party transactions

Neither the management committee nor any persons connected with them received any remuneration during the year.

Nine members of council received travel, training and subsistence expenses during the year totalling £2,404 (2017: 7 council members received £4,160).

Octopus Planning Systems Limited, a company controlled by trustee Stephen Walsh, made an unrestricted donation of £1,900 during the year (2017: £Nil). There were no other donations from related parties other than routine subscription payments.

Constantin Imbs was a trustee of the charity until 19 May 2018 and also president of the French Vegan Society, the *Société vegane francophone*. During the year, the charity sold vitamin supplements to the *Société vegane francophone* to the value of £35,619 (2017: £38,731). The *Société vegane francophone* also acted as trademark agent for the charity and received commission of £Nil (2017: £2,750). All the transactions were on normal commercial terms.

No other 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 (2017: nil).

13 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 2018 (continued)

14 Fixed assets: tangible assets

	Investment property	Leasehold property £	Office equipment £	Total £
Cost				
At 1 January	-	190,000	47,183	237,183
Transfer to investment properties	160,972	(190,000)	(4,798)	(33,826)
Additions	-	-	17,404	17,404
Revaluation	174,028	-	-	174,028
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2018	335,000	-	59,789	394,789
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 January	-	25,116	34,785	59,901
Charge for the year	-	6,551	8,082	14,633
Transfer to investment properties	-	(31,667)	(2,159)	(33,826)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2018	-	-	40,708	40,708
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31 December 2018	335,000	-	19,081	354,081
	<hr/>	<hr/>	<hr/>	<hr/>
<i>At 31 December 2017</i>	<i>-</i>	<i>164,884</i>	<i>12,398</i>	<i>177,282</i>
	<hr/>	<hr/>	<hr/>	<hr/>

Investment properties were subject to independent, professional valuation in 2018. The valuation was undertaken by Siddall Jones Limited. It was assumed that the fair value was the open market value of the leasehold, which is a long lease terminating in 2193.

15 Fixed assets: intangible assets

	Website and database £
Cost	
At 1 January	49,215
Additions	6,720
	<hr/>
At 31 December 2018	55,935
	<hr/>
Depreciation	
At 1 January	31,674
Charge for the year	8,690
	<hr/>
At 31 December 2018	40,364
	<hr/>
Net book value	
At 31 December 2018	15,571
	<hr/>
<i>At 31 December 2017</i>	<i>17,541</i>
	<hr/>

The Vegan Society

Notes to the accounts for the year ended 31 December 2018 (continued)

16 Fixed assets: investments

	2018 £	2017 £
Market value at the start of the year	62,801	55,178
Add net gain/(loss) on revaluation	(6,563)	7,623
	<hr/>	<hr/>
Market value at the end of the year	56,238	62,801
	<hr/> <hr/>	<hr/> <hr/>

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

17 Debtors

	2018 £	2017 £
Trade debtors	85,284	60,899
Other debtors	55,213	32,773
Prepayments and accrued income	87,996	18,952
	<hr/>	<hr/>
	228,493	112,624
	<hr/> <hr/>	<hr/> <hr/>

18 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	55,606	32,484
Other creditors and accruals	10,088	37,421
Deferred income	39,084	-
Taxation and social security costs	20,124	7,329
Pension contributions owed	121	936
	<hr/>	<hr/>
	125,023	78,170
	<hr/> <hr/>	<hr/> <hr/>

19 Analysis of movements in restricted funds

	Balance at 1 January 2018 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2018 £
Promotion of Veganism in Developing Countries					
The International Outreach	7,884	-	-	-	7,884
Purchase of vehicle					
Vehicle Fund	6,000	-	-	-	6,000
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total	13,884	-	-	-	13,884
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The Vegan Society

Notes to the accounts for the year ended 31 December 2018 (continued)

Name of

restricted fund 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.

20 Analysis of movement in unrestricted funds

	Balance at 1 January 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 property assets	194,823	-	-	(160,171)	34,652
	<u>858,460</u>	<u>2,209,531</u>	<u>(1,792,567)</u>	<u>-</u>	<u>1,275,424</u>

Name of

unrestricted fund

Description, nature and purposes of the fund

General fund	The free reserves after allowing for all designated funds.
Designated property assets fund	The tangible fixed assets are essential for the future operation of the charity and so are excluded from free reserves.

21 Analysis of net assets between funds

	General fund £	Designated funds £	Restricted funds £	Total £
Tangible fixed assets	335,000	19,081	-	354,081
Intangible fixed assets	-	15,571	-	15,571
Fixed asset investments	56,238	-	-	56,238
Cash at bank and in hand	683,784	-	13,884	697,668
Other net current assets	165,750	-	-	165,750
Total	<u>1,240,772</u>	<u>34,652</u>	<u>13,884</u>	<u>1,289,308</u>

The Vegan Society

Notes to the accounts for the year ended 31 December 2018 (continued)

22 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:

	Equipment		Leasehold properties	
	2018	2017	2018	2017
	£	£	£	£
Less than one year	2,258	1,161	51,667	14,080
One to five years	8,749	1,433	170,833	-
	<hr/>	<hr/>	<hr/>	<hr/>
	11,007	2,594	222,500	14,080
	<hr/>	<hr/>	<hr/>	<hr/>

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

	2018	2017
	£	£
Net income/(expenditure) for the year	416,964	(39,345)
Adjustments for:		
Depreciation charge	23,323	13,964
(Gains)/losses on investments	6,563	(7,623)
(Gains)/losses on investment property	(174,028)	-
Dividends, interest and rents from investments	(785)	(1,467)
Decrease/(increase) in stock	(32,556)	(9,418)
Decrease/(increase) in debtors	(115,869)	16,457
Increase/(decrease) in creditors	46,853	28,750
	<hr/>	<hr/>
Net cash provided by/(used in) operating activities	170,465	1,318
	<hr/>	<hr/>



Third Sector
Accountancy Ltd

Chartered Accountants
and Registered Auditors

The Vegan Society

Post-audit report

Year ended 31st December 2018

Contents

- Introduction for trustees
- Key audit issues
- Recommendations for improvement in systems or governance
- Status of prior period audit recommendations
- An explanation of adjustments which were made to the financial statements as a result of the audit
- Appendix A – Audit adjustments
- Appendix B – Immaterial unadjusted items

Introduction for trustees

This is our report to management following the audit of the financial statements for the year ended 31st December 2018. The primary purpose of the audit is to give an audit opinion on the financial statements, and the opinion is stated in the audit report included in the financial statements.

The audit proceeded as planned and according to the agreed timetable. We are pleased to confirm that the audit opinion will be unqualified. An unqualified audit report means that:

- we obtained adequate audit evidence to support the assertions in the financial statements
- we are satisfied that the books and records are in agreement with the financial statements
- we received all the information and explanations we considered necessary for the audit
- we are satisfied with the adequacy of the disclosures in the notes to the financial statements
- the trustees' annual report is consistent with the financial statements.

We gave an outline of our approach to the audit in our Audit Approach document sent to you previously.

As detailed in the audit approach document, we will require you to confirm that you do not wish the items in Appendix B to be adjusted and confirm your reasons for this in the letter of representations.

We would like to express our thanks to the management team and staff for all their help with the audit.

The contents of this report and appendices are for the attention and information of the trustees and managers only. You may only disclose the contents of this letter and appendices to third parties (such as funders) with our permission and we cannot be held liable for any reliance placed on the contents by third parties.

If you would like to discuss the contents of this report or any aspects of your audit, then please do contact Patrick Morrello.

Independence and objectivity

The factors affecting our objectivity and independence were detailed in our audit approach document. No new factors have come to our attention. We can confirm that we have maintained sufficient independence and objectivity in performing our work, and that we have complied with the Ethical Standards for Auditors.

Key audit issues

Issue	Resolution
Valuation of investment property	We were provided with Siddall Jones' valuation
Trademark income paid before year end where certificates granted after year end	After significant discussions and work by both your staff and ours, we arrived at a valuation of deferred Income of £39k.
Completeness of income - membership and donations	It proved difficult and time consuming to retrieve the relevant information from Civi, but this was eventually successfully achieved. The records in Civi are not materially different from the accounts.
Completeness of income - trademark	It proved impossible to retrieve the relevant information from filemaker because filemaker lists amounts of invoices in currency without stating the currency or the exchange rate or sterling amount. However we were able to sample test transactions which showed that income was complete with sufficient assurance.

Status of previous year's recommendations

Issue	Recommendation	Status
There is no formal tariff for the level of trademark fees and no system of approval of trademark fee quotes.	Possibilities include formal signing off of quotes, or a system of tariffs with exception reporting for significant variations.	There has been no change as far as I know.
It is not easy to prove that all income generated by Trademark has followed through to Quickbooks. The financial report from Filemaker did not tally with the income in Quickbooks.	Include invoice numbers, and name of currency in new fields in filemaker. You should then regularly reconcile between filemaker and Quickbooks.	This has been an issue again this year.

New recommendations

The points we make here are some matters we felt would be useful to bring to your attention. The primary purpose of the audit is to form the audit opinion, and the points we make here have come to our attention during the audit. They should not be taken as an exhaustive list of improvements that could be made.

We hope that the recommendations are practical and can be implemented. We ask that you discuss the points at a trustees' meeting. We welcome comments and would appreciate a written response detailing action and implementation.

We will follow up on the status of these recommendations as part of the following period's audit.

Issue	Implication	Recommendation
Book stock was significantly different from physical stock at the year end.	This may have been because of late entry of purchase invoices. Final stock was different by an immaterial amount.	You may need to increase capacity in accounts staff to insure invoices are entered in a timely manner.
Filemaker has no field for name of currency	It is not possible to agree numbers with Quickbooks easily	Add a name of currency field to Filemaker

There is a risk that production and sale of vitamin pills falls outside your charitable objectives	There may be serious tax and legal implications.	You have already taken advice from BWB. You should act on the advice when received.
There is a strategic plan and a budget, but there is no longer term financial forecast	The financial implications of the society's plans are not fleshed out and there is no plan for future possible deficits or surpluses	A 3 or 5 year forecast should be developed
It is not clear who has authority to instruct the investment managers	You are unable to instruct them to provide audit information	You are in the process of resolving this
The trustees report lacks some of the recommended disclosures (it does not lack the compulsory disclosures)	The report does not follow best practice in some instances	You may want to revisit the report next year
Your finance function lacks high-level expertise and has experienced staff fluctuations	Relevant management information may deteriorate. High level information and decisions may be difficult to produce.	Please discuss with us ways this could be resolved.

Amendments to the financial statements

As part of our accounts preparation work we have processed standard accounting adjustments to your records in accordance with your accounting policies. In agreeing the draft accounts you confirm your acceptance of these adjustments.

As part of the audit we identified items which, either on their own or cumulatively, were of sufficient significance that without adjustment the statutory accounts would have contained material errors. As such we have adjusted the draft accounts for these items. We have made adjustments to the draft accounts for some less significant items that, despite being a lower value, were judged to clarify the financial position and performance of «Name». In approving the final financial statements you confirm that you agree with these adjustments.

The detail of these adjustments is included in Appendix A.

Immaterial unadjusted items

During the audit we identified other potential non-trivial adjustments, but which are not material. These unadjusted items are included as Appendix B. As trustees who are responsible for the preparation of the financial statements, you are responsible for reviewing the unadjusted items and confirming that no adjustments are required to the financial statements in the letter of representations.

THE VEGAN SOCIETY**PERIOD ENDED 31 DECEMBER 2018****JOURNALS**

	Account	Class	Dr	Cr	(Surplus)
	B/f from draft				(216,787.35)
1	Uncapitalise small stuff				
	Office/general admin expenses	Office management	2,499.28		(214,288.07)
	Office equipment additions			2,499.28	
2	Capitalise				
	Computer costs	Governance and spprt:IT		2,586.00	
	Computer costs	Governance and spprt:IT		2,617.00	
	Computer costs	Governance and spprt:IT		1,692.12	
	Computer costs	Governance and spprt:IT		1,692.12	
	Office equipment additions		8,587.24		(222,875.31)
	Web ongoing costs	Comms, Outreach and fundraising: Communications		6,720.00	
	Office equipment additions		6,720.00		(229,595.31)
3	Reclassification				
	52001 Investment property		190,000.00		
	Leasehold property cost b/f			190,000.00	
	Leasehold property depn b/f		25,115.84		
	Leasehold property charge in the year		6,551.20		
	52001 Investment property			31,667.04	

4	Office layout capitalised - old building				
	Office equipment brought forward			4,798.00	
	Acc depn b/f - equipment		2,159.10		
	52001 Investment property		2,638.90		
5	Charge for the year				
	39510 depreciation in year	Office management	8,082.36		(221,512.95)
	51240 Depreciation office equipment			8,082.36	
	39510 depreciation in year	Communications	8,690.41		(212,822.54)
	51240 Depreciation office equipment			8,690.41	
6	Revaluation surplus				
	52001 Investment property		174,028.14		
	39800 losses and gains			174,028.14	(386,850.68)
7	Correct posting of ecology interest - by amending transaction				
	Assets held for investment			564.55	
	Ecology Building Society		564.55		
	Unrealised gains/losses		564.55		
	Interest earned			564.55	
8	Correct posting of Henderson dividend - by amending transaction				
	Unrealised gains and losses		16.28		
	Dividend income			16.28	
9	Correct posting of CCLA interest - by amending transaction				
	Assets held for investment			105.16	
	CCLA		105.16		
	Unrealised gains/losses		105.16		
	Interest earned			105.16	
10	Correct posting of CCLA interest - by amending transaction				
	Assets held for investment			96.57	
	Triodos		96.57		
	Unrealised gains/losses		96.57		

	Interest earned			96.57	
11	Correct valuation of Kames and Henderson per report				
	Unrealised gains/losses		2,788.38		(384,062.30)
	Assets held for investment			2,788.38	
12	Increase gift aid accrued income				
	Gift Aid accrued income		9,840.50		(393,902.80)
	Gift Aid income	Fundraising		9,840.50	
13	Old incorrect balance				
	12110 Sales of Primary Product Income	Sales	618.70		(393,284.10)
	64240 Business Bank Account:Amazon Sales			618.70	
17	Correction				
	Advertising	Trademark	92.00		
	Accruals			92.00	(393,192.10)
18	Additional prepayments for Trademark				
	Prepayments		17,939.67		
	33200 Professional fees:Legal fees	Trademark		17,939.67	(411,131.78)
19	accrue credit for business rates				
	Business rates			6,109.05	(417,240.83)
	prepayments		6,109.05		
20	accrue credit notes for TM				
	Accruals			4,496.38	
	Trademark income	Trademark	4,496.38		(412,744.45)
21	Correction to prepayment Reversed existing journals				
	Prepayments		4,354.25		
	IT and computer costs	IT		4,354.25	(417,098.70)

22	Additional prepayment reversal				
	IT and computer costs	IT	1,050.00		(416,048.70)
	Prepayments			1,050.00	
23	Deferred trademark income				
	Trademark sales	Trademark	39,083.59		(376,965.11)
	Deferred income			39,083.59	
24	Accrued legacy see H14 - hawkins				
	Other debtors		40,000.00		
	Legacies	Fundraising		40,000.00	(416,965.11)
25	Clear up loads of small QB balances - little overall effect				

Appendix B - Immaterial unadjusted items

		Debit £	Credit £
1	Fixed assets	2,119	
	IT costs		2,119
	CCTV not capitalised		
2	Expenditure	1,777	
	Accruals		1,777
	Late invoices		
3	Opening reserves	23,000	
	Trademark income		23,000
	Estimated trademark income that should have been deferred at 31/12/17		
4	Cost of sales	4,128	
	Stock		4,128
	Apparent stock difference at 31/12/18		