

Annual Report & Accounts

2023 - 2024



Soil Association Annual Report & Accounts 2023-24

Contents

Who We Are	3
Chair's Introduction	4
Trustees' Report.....	6
Chief Executive's Introduction	6
Charitable Objects.....	8
How This Report Was Compiled	9
Achievements for 2023-24	10
Nature Friendly Farming and Forestry	10
Healthy and Sustainable Diets and Living	11
Impact across Our Group	14
Soil Association Certification.....	14
Soil Association Land Trust	15
Soil Association Exchange	16
Our Organisation	17
Fundraising.....	17
People.....	18
Equality, Diversity & Inclusion (EDI).....	19
Sustainability.....	20
Reputation.....	21
Digital.....	22
Consideration of Trustees' Responsibilities	23
Financial review and results for the year.....	25
Financial Review	25
Charity result 2023-24.....	25
Group result 2023-24.....	28
Reserves at 31 March 2024.....	29
Unrestricted funds and reserves	29
Restricted funds and reserves	30
Going Concern	30

Significant Risks and Uncertainties.....	31
Structure and Governance.....	32
Streamline Carbon and Energy Reporting	36
Statement of Trustees' Responsibilities	38
Independent Auditor's Report to the Trustees and Members of Soil Association Ltd ..	40
Financial Statements.....	45
Consolidated Statement of Financial Activities.....	45
Charity Statement of Financial Activities	47
Consolidated Balance Sheet	48
Charity Balance Sheet.....	49
Consolidated Statement of Cash Flows	50
Charity Statement of Cash Flows	51
Notes to the Financial Statements	52
Reference and Administrative Details.....	90

Who We Are

The Soil Association is the charity that joins forces with nature for a better future.

Working with everyone to transform the way we eat, farm and care for our natural world, we build real solutions from the ground up.

Together, we are a force for nature.

Our Vision

Regeneration – a world with good health, in balance with nature and a safe climate restored for all.

Our Mission

To help everyone understand and explore the vital relationship between the health of soil, plants, animals and people.

Chair's Introduction

Welcome to the annual report and accounts for 2024 where we highlight some of the fruits of an exceptionally busy and productive year. We continue to vigorously tackle a wide range of vital and urgent issues around food, health, climate and nature in pursuit of our charitable objectives.

We are experiencing some positive momentum around broader acceptance of the regenerative power of organic and agro-ecological approaches to improving soil health and biodiversity and to mitigating the effects of climate change. Nonetheless, it has been a challenging year, with ongoing environmental, political and economic turmoil impacting us all. Organic markets in the UK are growing, but many farmers, growers and producers are under real financial pressure. Despite increasing public scrutiny - and indeed anger - damage to our environmental and natural systems continues to be inflicted by over-intensive farming and land use.

In this report you will find plenty of evidence of the Soil Association working to promote long term systemic innovative solutions that will deliver resilience and be fair to all. We are helping farmers find routes to improving the ecological and the financial health of their farms. We are working to ensure healthy and sustainable diets become the norm. We know that to achieve real and lasting impact we need to keep engaging effectively with citizens, communities, policymakers, other NGOs and companies that are genuinely trying to build their businesses on sustainable principles.

The financial statements which form part of this report show that our free financial reserves have reduced slightly this year to just under £1 million - which is at the bottom of the target range set by the trustees. The financial results can be confusing because of the year-to-year swings in revenues and costs of the various programmes, and one-off items, but the summary for this year is that we have just about balanced the books, although we have had to steward our limited resources very carefully, and have not been able to make some of the investment in capabilities that we had planned.

Accordingly, we continue to focus on generating more funding support – our fund-raising team have had good success recently with trusts, foundations and corporate partners, and we have set up a Development board, to help build links with new philanthropic supporters. In time we hope that Soil Association Exchange will also be an important new source of funding for the charity, as our Certification business is today, as well as helping participants in the food and farming industry improve their financial resilience and environmental impact.

We are trying hard to ensure that the Soil Association is an inspiring and enjoyable place to work. Our staff are hard-working, committed and creative, and we are greatly appreciative of their effort and admiring of their substantial achievements this year. Thank you all. I am also very grateful to the board of trustees for the considerable expertise, time and energy they give freely to the organisation to ensure good governance.

My final thanks go to all of you - without the outstanding support we get from our members, donors, volunteers, and partners all this would not be possible. Your contributions have been invaluable, enabling us to build together a more sustainable future for farming, food, and forestry in the UK.

A handwritten signature in black ink, appearing to read 'Martin Nye', written in a cursive style.

Martin Nye, Chair of the Board of Trustees

Trustees' Report

Chief Executive's Introduction

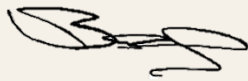
The Soil Association can be a complex charity to fully understand because we work from soil to table, and from table back to soil, always seeking to put our shoulder to the areas of the food system where our knowledge and expertise will be most impactful. We are agile, yet also persistent; ambitious for change while understanding the real-world challenges people and businesses face; values centred yet endlessly curious and creative, open to new ideas that can build on our wisdom of ages.

As you will see in this annual review, we work with and through a range of allies to achieve our goals. We start where people are, and through our wide-ranging programmes, schemes and services, help them take the next steps towards a healthier, happier and more sustainable future. Increasingly, through initiatives like Soil Association Exchange, we are capturing data which demonstrates impact, helps us and others understand what is working well, and less well, and fuels our learning cycle. This evidence allows us to be a trusted partner for policy makers, encouraging them to put the right regulatory and economic frameworks in place, so that it's easier for individuals and businesses to make the choices and investments that will allow humanity to thrive in harmony with nature.

This is not easy work, requiring a coherent and seamless support system for the farmers, foresters, progressive businesses and citizen leaders who carry so much responsibility, and so much risk, in pursuing the pathways to agroecology and healthy, sustainable diets for everyone. We made some big strides in developing and delivering this support system in 23/24, collaborating with our many friends and partners to enable us all to play our best role, without duplication of effort. We celebrated our 150th Field Lab, the farmer-led research projects that are at the heart of our Innovative Farmers programme. And with our partners, The Woodland Trust, we hosted the UK's first Agroforestry Show and were bowled over to have nearly 1400 farmers and foresters attending. Just two snippets from an action-packed year.

As ever, our vision and ambition exceed our resource, and while we perhaps should look back at the year with some satisfaction, there is always frustration that we cannot do more, and faster. Maybe it would be easier to rally resources if we portrayed ourselves through an emotional, one issue campaign ... but we were founded on the premise of holism, to explore and explain the interconnections between the health of soils, plants, animals and people, so that reducing our cause to a captivating soundbite is both seemingly impossible, and in conflict with our heritage.

So I thank the many funders and individuals who take the time to get to know us, to dig deep into our work and philosophy. Your preparedness to explore the breadth and depth of the range of issues that make up the food web, and to help us become ever more effective, is hugely appreciated. Every week, every month, I am astounded by the activities and impact of what is still a relatively small team, a team so motivated and hardworking, sometimes too hardworking! Many of them are young, fired up by the urgency and importance of our mission, and the part they can play in delivering it. They represent a generation whose lives will be shaped by the choices society makes this decade, and, judging by the numbers who apply for every position we recruit for, there are so many who want to actively play their part. Thank you to them, for their commitment and relentless hard work, and to all the members, supporters, trustees, funders and businesses who make their endeavours possible. I do hope you are encouraged by this annual report.



Helen Browning, Chief Executive

Charitable Objects

The objects of the Charity are:

- To advance the education of the public by promoting a full understanding of the vital relationship between the health of the soil, plants, animals, people and the environment;
- To advance the education of the public by carrying out research (and disseminating the results) into agricultural and forestry production methods and the effects of these methods on the quality of food and other outputs on human health and environment;
- To preserve, conserve and protect the environment through the prudent use of natural resources, including by the promotion of organic and sustainable farming techniques;
- To promote and enhance human health through providing information and advice in relation to healthy eating and nutrition; and
- To promote high standards in the care and welfare of farm animals to prevent cruelty to and suffering by farm animals.

How This Report Was Compiled

The purpose of this report is to provide a comprehensive overview of the Soil Association Charity's activities and performance throughout the financial year 2023-24.

The report will highlight:

- Our charitable purposes, and what our strategy is for meeting these;
- Significant activities we've undertaken as part of this strategy;
- What we achieved in carrying out these activities; and
- How we take the Charity Commission's public benefit guidance into account when making any decision it is relevant to.

In our impact and achievements section, this report is structured on a model that highlights the process of change relevant to our strategic goals, with points that correspond to our top-level impact in the wider world. This involves:

1. Explore Ideas: Learning from the ground up with our stakeholder groups, and helping them to explore the potential of the values, activities and behavioural changes we promote
2. Grow Support: Setting standards and advocating for political and financial support to meet them, bringing more people into the movement
3. Grow Impact: Delivering change through solutions that regenerate our world, influencing farm, forest and supply chain practice and innovating in public sector catering

Achievements for 2023-24

Nature Friendly Farming and Forestry

By working with farmers and foresters, we're boosting uptake of nature-friendly farming and ensuring high animal welfare standards; beyond the farm gate, we are raising awareness of the demand for sustainable food, and providing markets for nature-friendly farming produce. Meanwhile, we use our position as policy influencers to advocate for sustainable practices on the main stage.

We're calling for every farmer to be able to find resilient and profitable pathways to agroecological farming, and for forests and farm woodland to be managed regeneratively to bring abundant nature back into our farmed countryside.

Explore Ideas:

- We supported 270 farmers in establishing and maintaining tree projects on their farms through our agroforestry learning networks, which also provide peer-to-peer learning opportunities.
- We strengthened livelihoods through agroecology in Scotland through a collaborative knowledge exchange programme with Nourish Scotland.
- Transforming agriculture for farmers across Europe with our partners, we're working at the leading edge of nature-friendly farming on applied research projects. Projects include using AI for soil health improvements, improved rural innovation support, and a learning programme enabling soil advisors to promote Nature Based Solutions. We also Secured a strong cross-party consensus in party election manifestos for government to use its buying power to prioritise more local and more sustainable production

Grow Support:

- We support farmers to make critical decisions about their businesses by giving clear guidance and campaigning for more support. Through the DEFRA Future Farm Resilience Fund, we offered 1-2-1 support for farm subsidy payment changes; we have also influenced the Government to clarify support options for organic farmers.
- Our advocacy work, informed by farmers and crofters, led to the Scottish Government redesigning the Forestry Grant Scheme to introduce more support for farmers who plant trees on their land. Agroforestry will also be included for support in the English Environmental Land Management Scheme following years of lobbying from the Soil Association and Woodland Trust.
- In Wales, our influencing work led to the Welsh Government reinstating financial support for organic farmers, benefiting many of the farms we work with as well as nature; Organic farms are home to 30% more biodiversity on average.

"I'm glad to say I've just got our SFI (Sustainable Farming Incentive) application away and been successful in stacking plenty CS (Countryside Stewardship) options too. The compatibility of many of the SFI options with the organic CS options really makes a great combination so I'm grateful to the SA for your lobbying in this regard!" -

Participating Farmer

Grow Impact:

- Through our work in Scotland, we secured funding for a development pilot exploring new income sources for farmers in the nature restoration sector. This was done with support from NatureScot and the National Lottery Heritage Fund.
- Over 1,250 farmers, foresters, advisers and land managers gained knowledge and confidence on establishing and maintaining agroforestry schemes at our first ever Agroforestry Show, which we organised with the Woodland Trust.
- We are proud to contribute to the leadership and development of the global organic movement, helping a rapidly growing sector rise to the challenges of today. We successfully made the case, working with partners, for continued support for organic farming in England.
- We celebrated the parliamentary launch of a report from the Alliance to Save our Antibiotics (who we collaborate with) on the importance of better farm animal husbandry to tackle antibiotic resistance.

Next year

We will work to make organic affordable, available, and accessible to everyone in society. The 'Organic for All' vision will leverage our unique role working across the sector to join the dots between consumers, policymakers, farmers, businesses, and communities to address challenges and collaborate on solutions.

- We aim to support a 'good life' for farmed salmon by conducting a comprehensive review of salmon farming standards.
- To help ensure that farmers are paid fairly for the food and environmental services they provide, we will support them to access green finance and to make the transition to agroecological farming.
- Demonstrating the track record of the Soil Association working with farmers and foresters to make farming more sustainable, and persuading government to deliver our manifesto asks including an Organic Action Plan for England and a strategy to grow more, and eat more, fruit and vegetables.

Healthy and Sustainable Diets and Living

Our work to promote human health uses resources, networks and programmes to build a more resilient food system. We work across the UK, operating on the frontline with schools, nurseries, hospitals and communities.

We're campaigning for every child to have at least one healthy and sustainable meal every day (1.2 million meals that meet our sustainable catering standards are served daily across the UK already as a result of our work), and to equip people and communities to drive change in local food systems.

Explore Ideas:

- By giving a platform to local voices, we are improving routes to healthy and sustainable food. With Walsall Public Health we ran a food summit engaging over 30 organisations to contribute to a borough-wide food plan, which has an emphasis on good food choices, access and sustainability. This builds on the great work that is taking place in Walsall including a new three-year Food for Life programme that will respond to the needs of the community. Elsewhere, we worked directly with Leicestershire primary schools to explore how best to encourage children and families to cook with and eat locally grown beans through the BeanMeals project, which is working to improve the use of local and sustainable supply chains.
- 152 communities from Cornwall to the Outer Hebrides have good food initiatives shaped by our My Food Community programme. The programme provides community food champions with leadership development training and a grant to apply their learnings locally to make positive change to food systems in their area.
- We brought together a dozen of England's leading public health and children's food organisations for a series of roundtables, exploring the complex and contested evidence on ultra-processed foods, and led the development of a 'consensus messaging' document to align diverse voices around common solutions.

Grow Support:

- We are supporting a third of Local Authorities in the UK to address local food system challenges through Sustainable Food Places. Our network has grown by 23 members in the last year and is making good food a defining characteristic of where people live. This work is made possible with funding from the National Lottery and the Esmée Fairbairn Foundation.
- Building on recent endorsements of Food for Life from the Efra Committee, Hospital Food Review, and Dimbleby's Food Strategy, we highlighted the potential of public procurement to contribute to the widespread transformation of UK food systems, influencing Defra to propose a % target for organic in food served in public spaces and securing high profile support via an open letter to the Prime Minister for a reduction of ultra-processed food in schools.
- We strengthened our packaging standards – including a ban on PFAS 'forever chemicals' and reduction in problematic plastics, ensuring consumer safety and reducing negative impacts on the environment from packaging.
- Both of our Erasmus+ funded international projects – Planet Friendly Schools and Digital Food Education, were completed. We worked with partners across Europe to share best practice and innovation focussing on schools based climate action initiatives.

Grow Impact:

- Over 7million kgs of CO2 have been saved in the catering industry thanks to Cool Food Pro, our carbon reduction calculator tool, developed as part of a programme funded by Interreg. Cool Food Pro gives caterers knowledge and understanding of what constitutes a sustainable menu and generates sustainable changes through CO2e monitoring.
- 110 schools and early years settings achieved their Food for Life Award this year – improving food education and food provision so that children experience a good food culture that promotes healthy and sustainable diets, our Local Authority

Public Health-funded commissions continue to allow us to target areas where the need is highest.

- Children in 6,140 schools eat nutritious, sustainable food through Food for Life Served Here or the Food for Life Awards programme, reaching children in almost a quarter of schools in England and nearly half of those in Scotland. The number of high-quality Food for Life Served Here certified meals served has grown by 19% in the last six months, giving pupils the best possible start and improving health and wellbeing.
- A further 23 places from across the UK have achieved a Sustainable Food Places award, recognising and celebrating excellence in local food systems work. We supported also 50 cross sector food partnerships to meet with their respective MPs in Westminster to discuss their vision for a reimagined food system, whilst highlighting innovative practice from within the Sustainable Food Places network.
- Over 1,200 'Food System Impacts' have been recorded by Food Partnerships through our 'Innovation Hub', highlighting practical actions taken to address a range of cross cutting food related issues.
- Our recommendations presented to the Lords Inquiry on Food, Diet and Obesity were endorsed by respected scientists and advocates, with a growing chorus of voices now calling on the government to promote whole and minimally processed foods as the basis of a healthy diet.

"Food for Life has been working with Medway schools for eighteen months and it has been really inspiring seeing the positive impact the whole-school food programme has had so far. Schools have reported that Food for Life has put food, cooking and growing back on the agenda for them, especially after Covid-19. Pupils are trying new vegetables or fruit they've grown and cooked themselves, helping them to make healthy choices. Schools are building links with local farms and pupils are learning where food comes from and developing their food preparation skills. This all contributes towards a healthy school food culture." - Medway Commissioner

Next year

We will support even more children and communities to access and enjoy healthy, sustainable meals through our Food for Life programme and Sustainable Food Places, tying into the opportunities presented by the Good Food Nation Act, including government support for a better food system. As part of this, we will trial a refreshed Food for Life offer for early-years settings in order to provide greater accessibility to all settings, whilst also piloting a new local Community Champions Award as part of our work in Walsall. As well as this, we will be supporting more places to become part of the Sustainable Food Places network, fostering connections for shared learning, and working with partners to amplify underrepresented voices and perspectives.

- With funding secured, we are developing and growing use of Cool Food Pro to ensure it continues to cut CO2 by accurately responding to caterers' environmental impact management and reporting needs.
- We will highlight the harms caused to rivers by industrial livestock farming, and shine a spotlight on the need for dietary change towards 'less and better' meat, beginning with industrial poultry.

- We will launch a new citizen engagement campaign on ultra-processed foods, informed by the Lords Inquiry and the upcoming Lancet series, which we have been contributing to.
- Working with the new government, we will seek to advance policy on public procurement, animal welfare and eco-labelling, ultra-processed foods, dietary inequalities, and healthy and sustainable diets.

Impact across Our Group

A core part of our work delivering change through solutions that regenerate our world takes place through organisations we have created and continue to work closely with - Soil Association Certification, Soil Association Exchange, and the Soil Association Land Trust. Each of these parts of our group contribute to our ability to influence and innovate on the ground, through farms, forests, supply chains and catering environments. Through them, we are increasing our ability to be dynamic and responsive to the challenges of today, growing profile and support for the causes we value and the people we work with both in the UK and globally.

Soil Association Certification

Soil Association Certification is the UK’s leading organic certifier offering a huge range of organic and sustainable certification schemes across food, farming, forestry, beauty & wellbeing, fashion & textiles and catering. Soil Association Certification Limited¹ business is a wholly owned subsidiary of Soil Association and, in that context, is committed to aligning with the Group strategic ambitions.

Achievements this year

- We certified 8,410 new organic food & drink innovations and carried out 4,000 inspections to ensure quality compliance for our consumers. We also now certify 28.6 million hectares of responsibly managed forest and have issued 247 new certificates highlighting the potential for growth in the sustainable forestry sector.
- To raise the profile of organic in the food industry, we collaborated with over 50 trade and policy organisations, promoting subjects ranging from soil health and nutrition to organic’s place in the changing world.
- By delivering accredited training with 167 participants across 30 different countries, we built forestry skills capacity globally. For this work, we were nominated for “Nature Based Project of the Year” at the UK Business Green Awards.

¹ Throughout the sub-section entitled “*Soil Association Certification*” any reference to ‘we’, ‘our’, ‘us’ or ‘SA Certification’ refers solely to Soil Association Certification, a wholly-owned but separate legal entity from the Soil Association Charity

- To boost public engagement with organic, we celebrated the 50th year of organic certification - reaching over 4 million people through our PR activity, launched the world's first 'Happier Meal', and judged 425 entries for the Best of Organic Market awards.
- We are continuing to create change on a wider scale; we delivered timber supply chain assurance across 485 chain of custody certificates in over 60 countries and are leading FSC global standards innovation from Slovenia to the Solomon Islands.

Next year

- High integrity certification across food, farming and land use remains our central business focus, with thought leadership on upcoming legislative implications and evolving carbon and biodiversity markets.
- We will continue to champion the evidence case for organic amongst a growing industry debate around regenerative agriculture, collaborating with trade and policy organisations across food and textiles sectors to raise our profile.
- As the first UK Organic Regulations are developed post EU exit, we will play a key role influencing the direction of these standards.
- Global forestry skills continue to be a focus, with increased capacity building through our accredited training provision.

Soil Association Land Trust²

Soil Association's Land Trust is a charity that preserves, conserves, and protects areas of countryside for the public benefit.

Achievements this year

- 300 schoolchildren visited Woodoaks Farm and engaged in different activities promoting learning on topics ranging from soil and food growing to wildlife.
- 160 volunteers participated in conservation activities at Woodoaks Farm delivering habitat restoration projects including chalk grassland restoration and hedge planting.
- We secured Heritage Lottery Fund development funding for the Black Barn project, which will see us restoring old farm buildings in order to create a dynamic and sustainable food and farming hub, with a year-round education and activity programme that welcomes and engages a rich and diverse community.
- We secured HS2 grant funding for enhancing biodiversity and people's well-being through conservation volunteering.
- We expanded the Land Trust team, bringing on board a Community Engagement and Partnership Manager at Woodoaks and a Head of Fundraising, as well as a Woodoaks Ranger starting in 24/25.

² Throughout the sub-section entitled "*Soil Association Land Trust*" any reference to 'we', 'our', 'us' etc. refers solely to Soil Association Land Trust, a separate legal and financial entity from the Soil Association Charity

Next year

- Developing our public engagement activities at Woodoaks farm including growing our school visit numbers and volunteer opportunities to engage the public in food, farming, and nature.
- We will work towards securing matched funding for the black barn project

Soil Association Exchange³

Soil Association Exchange is an on-farm and online service aiming to become the industry standard for measuring, improving and rewarding the ecological performance of all UK farming. Exchange supports farmers to make changes on their farms and explore and reap the rewards of farming more sustainably.

Achievements this year

- We worked with over 500 farms, across 198,000 hectares of UK farmland delivering bespoke advice to help them implement sustainable practices and access funding to deliver the change.
- We fully upgraded the scientific methodology that powers what we measure, and how – meaning improved baselining for farmers so they can understand the impact on the environment and more closely reflecting what is needed for them to realise the financial opportunities available and support good environmental outcomes through their practices.
- We forged new relationships with the National Trust, CH&Co and Mindful Chef, as well as signing significant contracts with existing partners like Lloyds Bank.
- Over 250 farmers also signed up to our 'free to access' Exchange platform, enabling them to start using our software as a self-serve tool.

Next year

- We will significantly grow our ability to measure more UK farms, as well as the launch of Exchange Marketplace – a funding hub to enable the supply chain to support practice change on UK farms.

³ Throughout the sub-section entitled "*Soil Association Exchange*" any reference to 'we', 'our', 'us' etc. refers solely to Soil Exchange Limited, a separate legal and financial entity from the Soil Association Charity

Our Organisation

Fundraising

Our Fundraising team continues to work hard to maintain our connections to grow our Soil Association movement of incredible members, donors and supporters who give to us and champion our cause.

How we fundraise

- The charity benefits from varied income streams – from people, our members, companies, trusts and statutory funders. Last year continued to present challenges with the continuing cost-of-living crisis, meaning we had to work harder to secure funding for the Charity, and innovate to explore new fundraising ideas. However, having such a range of income streams allowed us to dial up fundraising in areas where we could see the greatest results, to enable us to continue our charitable activities. We work with 3rd party agencies as required for digital media, lottery management and telephone work, where this is the most cost-effective option and to ensure best practice.
- Soil Association supporters can be assured that we are registered with the Fundraising Regulator, and we comply with the regulatory standard for fundraising. Our supporters and members continue to play a critical role for the Charity, we value their support, their opinions and especially when they are able to add their voice to our campaigns. We continue to strive for all our supporters to have the very best giving experience possible, we want them to feel valued in all they do for us.
- Our Fundraising team use the Code of Fundraising Practice to guide our fundraising practices to ensure we deliver best practice fundraising. Our fundraising policies around accepting and declining donations, fundraising from vulnerable people, supporter promise, and complaints procedure are reviewed regularly and kept up to date. The Fundraising team are trained in these policies as part of their induction process.
- We have had no complaints about our fundraising and one person has contacted the Fundraising Preference Service to ask to be removed from our database.

Achievements this year

- Income from fundraising grew 35% in the last financial year and our member retention rate remains at 90%, with the average member giving for 14 years.
- We are making moves into new spaces through our fundraising work, with a focus on building connections between companies, consumers and food producers. This year, we secured a transformational three-year partnership with Ocado Retail, centring on nature friendly farming, animal welfare standards, and developing a Farm to Fork Ambassadors programme. All Ocado employees will also have the chance to volunteer at a local farm.

- Through our new 'Nature Wins' weekly lottery, which has 469 players and has had 48 winners, we are investing in new income streams for the charity that perform well in the current economic climate.
- Our Scotland team facilitated a visit with funders to Parkhill Farm, to showcase native woodland and agroforestry initiatives. This visit was key in generating income and strengthening our relationship with funders.
- We are developing new connections through our recently launched Development Board; events held as a result of this have already generated new support.

Next year

We have ambitious plans to grow income further now that we have a full team in place through a strategic events programme, as well as thanking and looking after existing donors. To support the plans to grow income further, the charity is committed to becoming more fundraising focussed by ensuring that we have better systems to support income generation, it is easy to support, more people know and understand us, and a strong fundraising culture is embedded in the Charity.

People

Our people are essential to our mission and our impact. By fostering a culture that values colleagues' engagement, development and wellbeing, we attract diverse, talented people and ensure they are supported to deliver our goals and our grounded, inclusive and nourishing culture.

The health and wellbeing of our colleagues is a top priority.

Achievements this year

- Fostered a good mental health culture by launching a new wellbeing plan including mental health training, as well as resources and activities throughout the year.
- Ensured all-round support by maintaining a pool of trained mental health first aiders and providing a 24-hour employee assistance programme.
- Kept our teams safe through our Health and Safety Committee, which consists of board members and colleagues from across the organisation who review and improve processes and procedures.
- Continued to promote our culture of safety first by introducing 'Safety Moments' into our e-newsletters and in team meetings.

"The Inclusive Action Group is an important space for open discussion. Having a meeting that is open to all, but without strict parameters, or the fear of being recorded, allows more meaningful discussion. It is important these continue as a way of ensuring people are not marginalised, raising awareness of issues that affect oneself and/or others, and building policies to protect against injustices." - Soil Association Colleague

Other areas of development this year:

- Our Best Companies overall workplace engagement score increased, and we maintained our one-star company status, signifying a “Very Good” level of employee engagement.
- To ensure fairness, we continued to develop our approach to pay, working with the UNITE trade union and reaffirming our commitment to the Real Living Wage.
- Promoted a balance of flexibility and effective collaboration through our new hybrid working policy.
- Gave colleagues the opportunity to feed into our strategic People Plan and the management of our Bristol Head Office.
- Engaged with colleagues regularly through fortnightly e-newsletters, opportunities to ask anonymous questions, regular online meetings and Q&A sessions with the leadership team, and an office forum.
- Focused on building good team relations by developing our approach to Personal Development Reviews and trained all our line managers accordingly.

Next year

Our new three-year strategic People Plan includes the following areas of focus:

- Making Soil Association a fairer place to work for all colleagues by completing the delivery of our new pay policy.
- Reviewing our working hours and the introduction of increased flexibility
- Skills development, mentoring and improved induction to reinforce our culture of learning and resilience as an organisation.

Equality, Diversity & Inclusion (EDI)

Developing a diverse and inclusive culture is key to our work. Considering diverse needs and including an array of voices and perspectives into our decision-making processes creates a better working environment for our people, and through our work, benefits the organisation and society.

“Diversity is the secret to success in every area of the Soil Association's work. From diversity flows resilience, a better chance of responding to whatever shocks come our way, be they on the farm, in our forests, through our diets or in our businesses. To achieve that, we need diverse ways of thinking, of life experience; we need people from many different backgrounds around the table. For that to be possible, we must have an inclusive and fair culture, which respects and welcomes a range of perspectives, and which actively seeks out people who may not have had the opportunity or inclination to be part of our mission.” Helen Browning

Achievements this year

- Held space for all colleagues to engage with, and raise issues relating to, (internal and external) ED&I issues, through a monthly forum and a regular newsletter, 'Soil Diversity'.

- Remained committed to reducing barriers to inclusion for people of colour by working towards the Wildlife & Countryside [LINK Ethnic Diversity Route Map](#) and participating in the [RACE](#) report, increasing efforts towards building a more diverse environmental sector.
- Supported inclusive culture and practices by and our commitments in the Disability Confident Scheme, [The Good Business Charter](#) and the [Bristol Equality Charter](#).
- Hosted five young people for a week with the [Bristol Future Talent Partnership](#). The partnership is a collaboration of leading organisations who share the vision of making Bristol the fairest and most racially equal place to study and work in the UK. By working with young people from Black and minority ethnic backgrounds the partnership aims to remove barriers, raise aspirations, and provide high quality work experience opportunities.

Next year

We will begin implementing our new EDI Strategy to build on the progress made in recent years. Areas of focus for the future include:

- Increasing the diversity of our Boards
- EDI data collection and reporting
- Equality impact assessment training and
- Further development of community initiatives and networks

Sustainability

Committed to promoting the health of people and planet through our work, we are taking actions to reduce the environmental impact of our activities and operations. Our targets will cumulatively improve our environmental performance and further embed organisation-wide sustainability.

- All the electricity supplied to our Bristol Head Office is from renewable energy sources. Good Energy's granular reporting provides greater transparency for us as an organisation to view how our electricity usage is being matched back to their renewable generators.
- Our intensity ratio (total kgCO₂e per FTE employee from business) decreased from 288 to 281.
- We are minimising general waste through recycling and food waste recycling points. Any general waste is converted into refuse-derived fuel renewable energy sources.
- Our new Green Champions share updates and information across their parts of organisation and are 'go to' people for any questions or support.
- The Charity's main bank is Triodos, one of the world's most sustainable banks.
- Our investments are managed by Rathbone Greenbank in an ethical portfolio.

Further insights into our sustainability record can be found in our Streamline Energy and Carbon Report on page 36, as well as summary points for next year.

Reputation

Building our reputation is a crucial way of increasing our reach and gaining support, by proving to the public that we are trustworthy and have expertise in the sectors that we work in.

Achievements this year

- To explore how we can ensure that organic is accessible for all, we launched a consultation involving all parts of the supply chain to identify current barriers and potential solutions and build an Organic for All strategy.
- Ultra processed foods and the damage to our rivers from intensive poultry farming are two issues we've brought to the public's attention through campaigns this year. Nearly 29,000 people have signed our Stop Killing Our Rivers petition, and 3,300 have gone on to write to their MP demanding action. We received 30 pieces of news coverage after an initial launch on ITV news, including on LBC radio and in the Daily Mirror, giving us the opportunity to reach 169 million people. We continued to share and grow knowledge and deepen the public's connection with the natural world and our work to protect it with around 140 items of press coverage, content on our website channels, and through our social media platforms where we have a combined audience of over 269k followers, providing a direct conduit between our work and the public.
- Our use of open letters amplifies our work and impact and allows us to join forces with individuals and organisations to create more change. Our letter to the Welsh government on reinstating funding for organic farmers reached 18 million people across 15 platforms including ITV Wales and BBC Radio Four's Farming Today, whilst one directed towards the Prime Minister on the ultra-processed food crisis reached 122 million people across 27 pieces of coverage. In-person events are an important way to help practitioners connect to our solutions and to feel like a part of our community. To connect with farmers, we continued to have a strong presence at events like Groundswell and the Oxford Farming conferences as well as running our first Agroforestry Show.

"The UK's 1st Agroforestry Show was the pinnacle of our successful partnership with the Soil Association over the last decade, where together we have helped raise the profile and implementation of agroforestry across the UK. By bringing our respective knowledge and skills together we are enabling real change to take place and look forward to building on this with the next show in 2025." – Helen Chesshire, Lead Farming Advocate, Woodland Trust

Next year

- There is so much to discover about Soil Association and the work we do. To make this easier we are researching how we can best introduce ourselves as a charity so that more people can engage with us faster.
- We are also working with our various initiatives to create a simpler family of brands in the Soil Association group so that it is easier for people to find the solutions that are most relevant to them.

Digital

Digital transformation offers an invaluable opportunity to grow our influence, engagement, and income. We are still in the early stages of our journey but have made important foundational progress this year.

Achievements this year

- We planned the redesign and relaunch of our website. This work will make it easier for people to understand, care about, and participate in our work, growing engagement and income, as well as reinforcing our brand. We will also put in place new ways of working, focusing on insight-driven, continuous improvement.
- The Soil Association websites were visited by nearly one million people across the year. We generated £68,391 income from donations via the site and inspired 33,632 citizen actions, including 33,034 petition signatures. Additionally, 1,010 members joined via the website with an estimated lifetime value to the charity of £1,110,798.
- We are continuing to support Cool Food Pro, which to date has had 409 sign-ups globally, and plan to build on this success with Deloitte, with whom we are a World Climate Partner, with a focus on improving the carbon calculator and resources for in-person delivery.
- We're a learning organisation, and growing skills is important to our strategic goals. In the autumn we launched a digital and data apprenticeship programme, which saw nine people from across the Soil Association Group study digital, data, and business analysis courses. The scheme, run by Multiverse and supported by Deloitte, will improve decision-making and grow fundraising income by better utilising our data to demonstrate impact.
- This year we launched Exchange Explore, a free digital service for farmers, to extend Soil Association Exchange's reach beyond in-person contacts. Exchange Explore enables farmers to generate a report instantly, building understanding around how they can improve their sustainability credentials.

Next year

- We will progress our website re-platforming work – a priority workstream in our digital transformation. The work will involve research, planning and design to make our website more user friendly and fit for the future, with a beta launch in 25/26.
- We will form a Transformation programme plan that includes team transformation, culture and skills, data and customer relationship management, and internal technology and knowledge.

Consideration of Trustees' Responsibilities

Section 172 of the Companies Act 2006 requires the directors (who are the Soil Association Trustees) to act in the way they consider, in good faith, would be most likely to promote the success of the charity to achieve its charitable purposes. The Act states that in doing so, the directors should have regard, amongst other matters, to:

The likely consequences of any decision in the long term

Soil Association's strategic goals were developed as part of a long-term approach to improve access to information about climate change and choices that citizens, farmers, policymakers and businesses can make to counter it. We routinely review external developments and assess future trends to ensure that our plans can be adapted as needed to meet changing circumstances.

The interests of the company's employees

Our colleagues are a vital part of the Soil Association group, whether they work within the Charity, Certification, or Exchange teams, or with one of our partner programmes. We regard regular engagement with them as a top priority, and our employee engagement levels are important to our progress.

The need to foster the company's business relationships with suppliers, customers and others

We prioritise beneficial relationships with all our stakeholders, as well as our wider audience. They will continue as our reach grows through social media activity and member recruitment.

The impact of the company's operations on the community and the environment

We recognise the importance of accountability and transparency to our community, members, and supporters and as such recognise that the way our activities affect the environment should be as transparent as possible. As such, we have compiled information on our environmental impact which can be found in the section entitled "Streamlined Energy and Carbon Reporting". We also hold regular citizen panels to assess our impact on beneficiaries, with groups that span supporters and non-supporters.

The desirability of the company maintaining a reputation for high standards of business conduct

We are regulated by the Charity Commission as well as by the Fundraising Regulator, ensuring that our conduct remains close to both our organisational values and what our stakeholders expect from us. In recruitment, we ensure that everyone who meets the requirements for a position has equal opportunity and access to apply, and that applicants with criminal records are considered on their individual merits unless the posting is exempt from the Rehabilitation of Offenders Act 1974. In working practice, we also adhere to the actions set out in our Modern Slavery Statement so that our stakeholders and business partners can be assured that our conduct meets the high standards they would expect.

The need to act fairly as between members of the company

The Soil Association is a member of the Fundraising Regulator and our relationship with our members follows its Code of Fundraising Practice, and we do not discriminate against people with characteristics protected under law as it applies in England, Wales, Scotland and Northern Ireland. We also take all reasonable steps to treat our members and donors fairly, so that they can make an informed decision about any membership subscription or donation.

Financial review and results for the year

Financial Review

The Consolidated Statement of Financial Activities and Consolidated Balance Sheet incorporate the financial performance of The Soil Association Limited (the "Charity"), Soil Association Certification Limited ("SA Certification"), SA Sales and Services Limited ("SASS"), The Soil Association Land Trust (the "Land Trust") and Soil Exchange Limited ("Exchange") – collectively we refer to these entities as the "Group".

Both the Charity and consolidated Group Statement of Financial Activities and Balance Sheet are presented in these accounts.

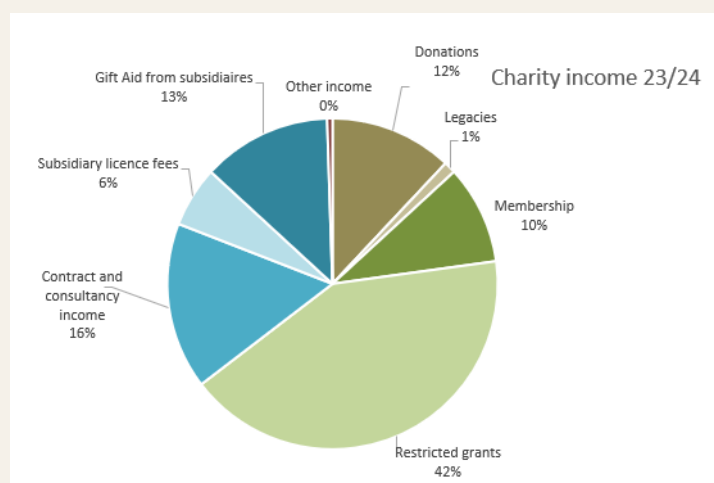
Charity result 2023-24

The parent Charity, Soil Association Limited, made a surplus of £158k in 2023/24 (2022/23: deficit of £1,947k), which splits into an unrestricted surplus of £237k and a restricted deficit of £79k. The unrestricted surplus was after the £690k one-off release of a creditor; without this, the unrestricted result would have been a £453k deficit.

Unrestricted funds are those that Charity Trustees may spend as they see fit in the delivery of the Charity's objectives. Restricted funds are those that must be spent according to the funder's wishes in delivery of the Charity's objectives. The restricted result can vary significantly from year to year due to timing differences between the receipt or accrual of grant income and expenditure on delivering programmes.

Charity income

The parent Charity receives income from fundraising, membership, contracts and grants and also benefits from the donation of profits from trading subsidiaries SA Certification and SASS, which are included in the Charity Statement of Financial Activities under 'investment income'.



Total Charity income in 2023-24 was £8,148k, an increase of £846k on the prior year income of £7,302k.

Unrestricted income totalled £4,323k (2023: £3,592k) and made up 53% of total income (2023: 49%).

Restricted income totalled £3,825k (2023: £3,710k), with the majority given to the Charity to fund specific programmes of work.

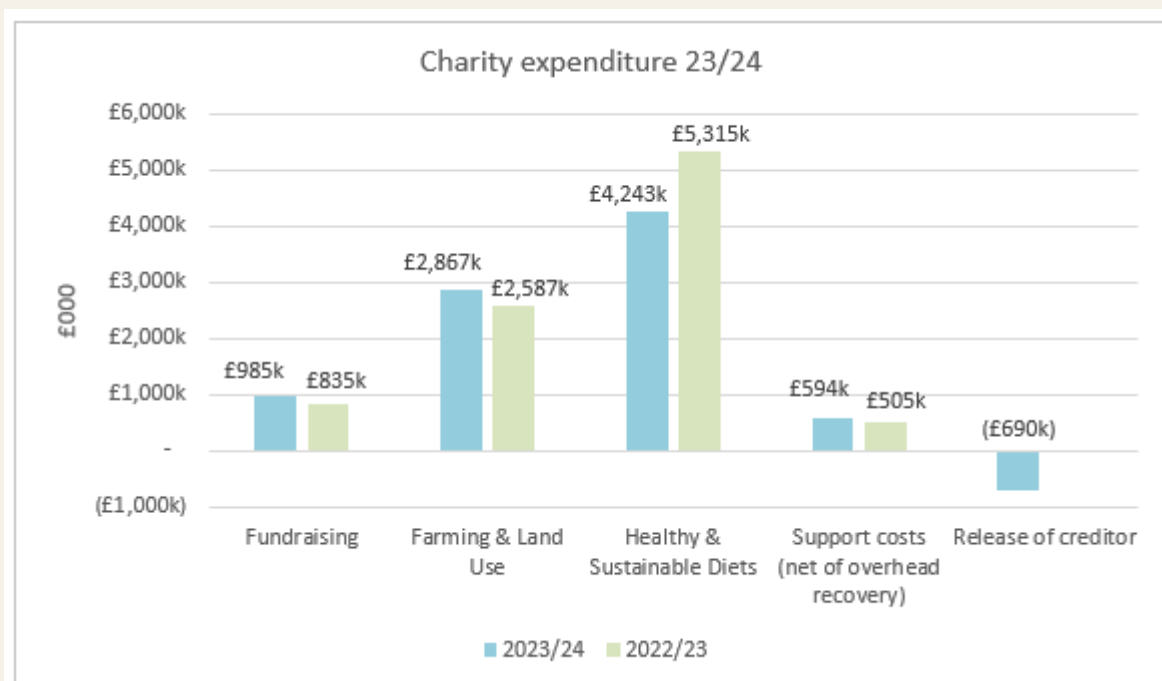
The Charity benefits from a range of unrestricted income streams:

- Income from donations and legacies, which includes Membership income, fell by £273k from the prior year to £1,859k, due to legacy income being unusually high in the prior year. Donations and membership income were comparable year on year.
- Contract and consultancy income increased by £229k to £1,328k. This income was from various sources, including local authority Food for Life commissions, fees from our Food for Life Served Here scheme, Farming contracts and ticket sales from our Agroforestry Show.
- Subsidiary licence fees increased by £39k to £483k. These fees are paid under a licencing agreement for use of the Charity's logo and certification standards by SA Certification and are based on a % of turnover.
- Gift Aid from subsidiaries increased by £734k to £1,031k.

Restricted income was made up of £3,405k of grant income (2023: £3,310k) and £420k of restricted donation income (2023: £400k). The Charity runs and contributes to a significant number of funded programmes each year that deliver impact against our charitable objectives. In 2023/24 some of the largest were Innovative Farmers, Sustainable Food Places, Food For Life Scotland and Food For Life Get Togethers as well as Horizon Europe funded AI4SoilHealth, Agroecology-TRANSECT and NBSoil.

Charity expenditure

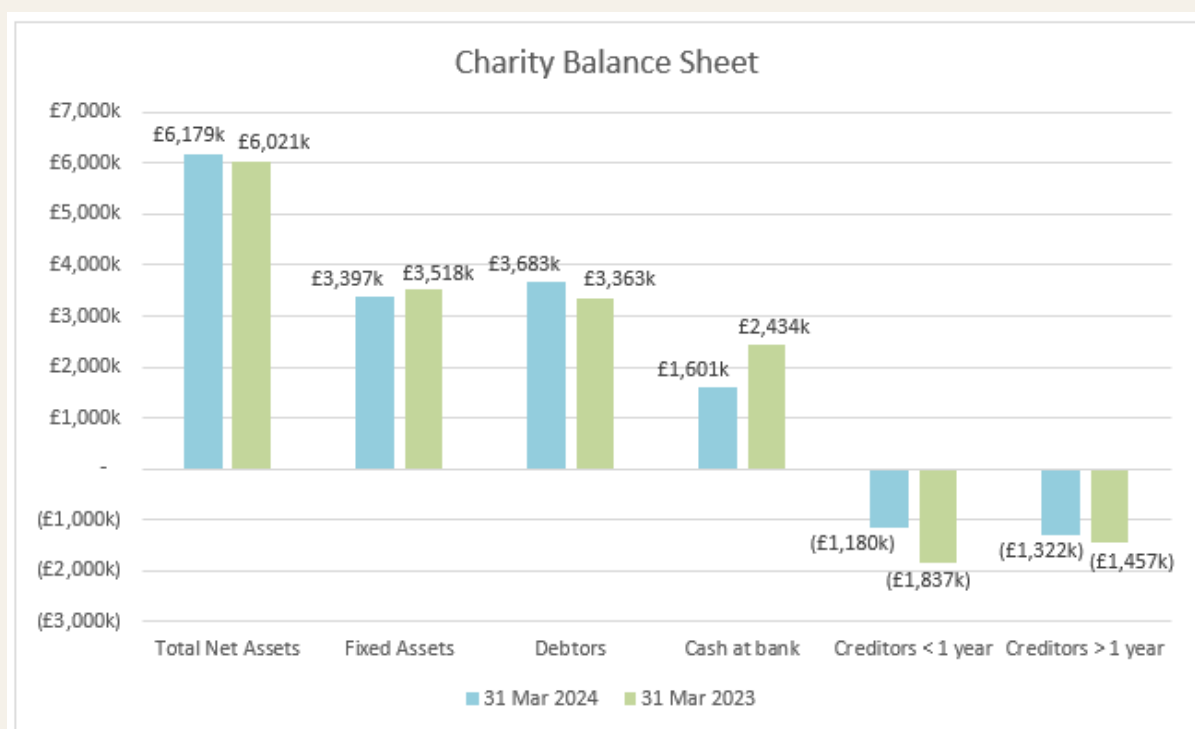
Charity expenditure was £7,999k in 2023/24, down from £9,242k in the prior year. £690k of the decrease was due to the release of a creditor for the repayment of grant funding received from Homes England. See note 7 on page 62 for more information. Excluding this, Charity expenditure was down £553k on the prior year, with a £424k increase in unrestricted expenditure being offset by a £977k decrease in restricted expenditure.



- Direct expenditure on Healthy & Sustainable Diets reduced by £1,072k vs. the prior year, due to a reduction in restricted expenditure as some significant funded programmes ended or moved into their final stages in the year. Unrestricted expenditure on Healthy & Sustainable Diets increased by £55k year on year.
- Farming & Land Use direct expenditure increased by £280k with £174k increase in restricted expenditure on programmes and £106k increase in unrestricted expenditure.
- Expenditure on fundraising increased by 18% to £985k due to investment in the team to drive additional income.
- Support costs were up by £89k to £594k due to lower overhead recovery from programmes, reduced by £121k vs. the prior year. Excluding this, support costs were down £32k year on year.

Charity Balance Sheet at 31 March 2024

The net assets of the Charity increased by £158k from £6,021k at 31 March 2023 to £6,179k at 31 March 2024.



- Fixed Assets totalled £3,397k at 31 March 2024, of which £3,097k relates to our Bristol Head Office. The net book value of fixed assets was reduced by £121k vs. 31 March 2023 due to depreciation and amortisation charged in the year, partly offset by a small amount of capital spend in the year and a small unrealised gain on the value of investments.
- Debtors increased by £320k to £3,683k due to accrued profit donations from subsidiaries increasing year on year.

- Creditors due in less than one year decreased by £657k due to the release of the Homes England creditor.
- Creditors due in more than one year decreased by £135k year on year due to another year of payments relating to our Bristol Head Office mortgage.
- Cash at bank fell by £833k with the £158k operating surplus in the year reduced by the increase in debtors and decrease in creditors discussed above. For more information, please refer to the Charity statement of cashflows on page 51.

Group result 2023-24

The Group Statement of Financial Activities includes the Charity income and expenditure as above plus the total income and total expenditure from trading subsidiaries, after removal of intercompany transactions.

The Group made a deficit of £141k in 2023/24, which splits into an unrestricted surplus of £40k and a restricted deficit of £181k. The prior year result was a deficit of £2,219k, made up of an unrestricted deficit of £859k and a restricted deficit of £1,360k.

Total Group turnover in 2023/24 was £21,508k, up from £18,548k in the prior year. Within 'income from charitable activities', turnover from SA Certification was up £1,236k to £12,075k and Exchange turnover, earned in Soil Exchange Limited and SASS, was up £925k to £1,772k. The remaining turnover from SASS, largely from Corporate Partnership income, is shown under income from 'other trading activities' and was up £532k to £692k due to a high value corporate partnership secured in the last quarter and a year's income invoiced up front. The Land Trust's income is shown as restricted income and is made up of a combination of donations and legacy income, grant income, contract income and income from other trading activities.

Total Group expenditure in 2023/24 was £21,658k, up from £20,760k in the prior year with increased expenditure in both Certification and Exchange cost of sales as well as in the cost of other trading activities.

Group Balance Sheet at 31 March 2024

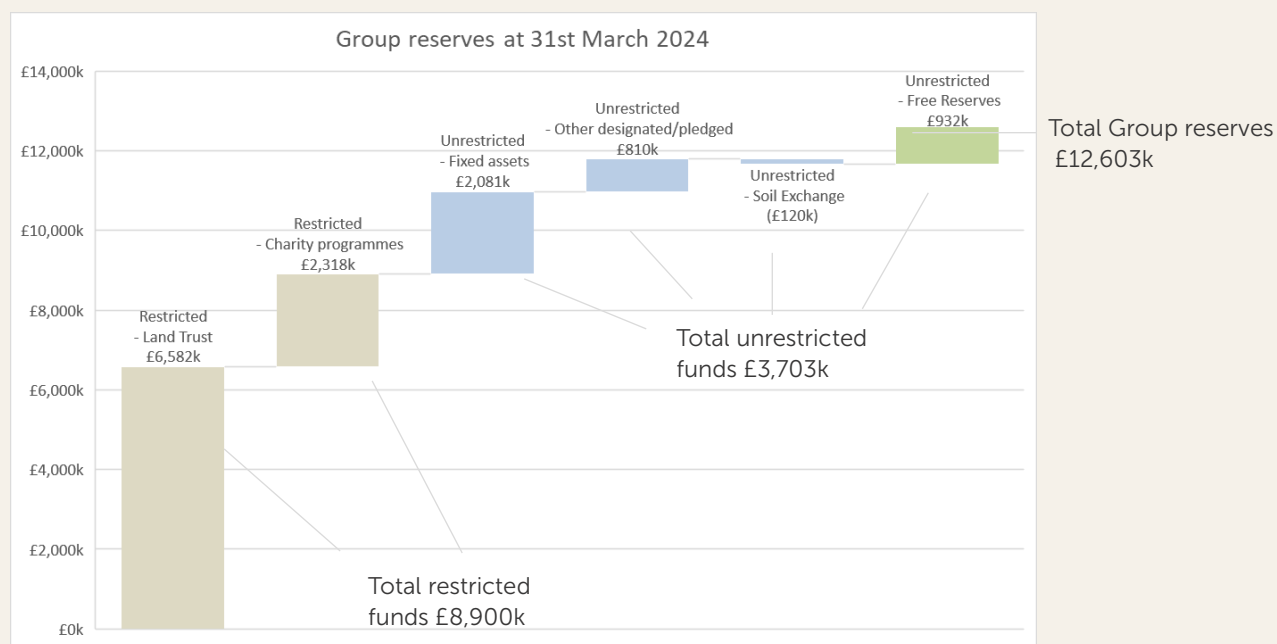
Total net assets of the Group at 31 March 2024 were £12,603k, down from £12,744k at 31 March 2023.

- The biggest component of the Group's net assets is fixed assets at £9,527k, of which £5,972k is Farms and investment property owned by the Land Trust and £3,097k is the net book value of our Bristol Head Office, owned by the Charity.
- Group net current assets total £4,398k at 31st March 2024, down £98k from the prior year end with an increase in cash and debtors being offset by a decrease in creditors.
- Creditors due in more than one year of £1,322k relate to the mortgage on our Bristol Head Office.

Reserves at 31 March 2024

At 31 March 2024, the total funds held by the Group were £12,603k, down from £12,744k at 31 March 2023. Total funds at 31 March 2024 were made up of £3,703k unrestricted funds and £8,900k restricted funds.

Unrestricted funds and reserves



Unrestricted funds and reserves increased to £3,703k at the end March 2024 from £3,663k the previous year.

The Trustees have set a reserves policy that determines a desired range of free unrestricted reserves based upon future expenditure plans and the risks and opportunities inherent within our Group business model. Free unrestricted reserves are those amounts readily available to support charitable activities in the event of unexpected reductions in income, cost increases and to provide a source of funds for planned investment in future years. The Group deems its unrestricted free reserves to be total unrestricted funds less designated funds less unrestricted pledged donations where the cash has not yet been received. The Trustees review the appropriate level of free reserves regularly and, taking into account the current impact of inflation and income risk, consider that free reserves should be in the range of £775k to £1,500k.

At the end of March 2024, the Group's free reserves were £932k (2023: £993k) which is within the range set by Trustees.

The Soil Association's reserves are generated by and held for the benefit of the Soil Association Charity and its trading subsidiaries SA Certification and SASS. Soil Exchange

Limited currently has negative unrestricted reserves as it is a new company and is not yet making a profit, but it has sufficient cash reserves to support itself for the following year.

Restricted funds and reserves

Restricted funds and reserves decreased to £8,900k at the end of March 2024 from £9,081k at the end of March 2023, due to a combination of spend from restricted project funds where the grant income was received or recognised in advance, and a deficit in the Land Trust in the year, which is treated as restricted in the Group accounts.

The £8,900k of restricted funds comprise the net assets of the Land Trust, of which £5,972k relates to land, buildings and machinery, and £2,321k of grant funding received or receivable by the Charity for future expenditure on restricted projects as directed by funders.

Going Concern

The Trustees have reviewed the ability of the Charity and the Group to continue as a going concern and noted no material uncertainties that would mean it would be inappropriate to prepare the accounts on a going concern basis.

They have therefore continued to adopt the going concern basis in the preparation of the Group and Charity accounts. In making this judgment the Trustees have had regard to the following:

- Going concern assessments have been made by the respective boards of Soil Association Certification Limited, Soil Exchange Limited, SA Sales and Services Limited and Soil Association Land Trust Limited with no issues identified.
- Cashflow forecasts have been prepared for all Group companies up to September 2025 that show sufficient cash balances to meet liabilities when they fall due.
- Detailed financial budgets have been prepared for all Group companies up to March 2025 and there has been no indication to date that financial performance will not be within anticipated parameters.
- The Group benefits from a diverse mix of revenue sources, spanning individual charitable giving, corporate partnerships, grants from charitable funders and the public sector, public sector service contracts, and private sector service contracts within the UK and overseas.
- The only material long-term financial liability in the Group is mortgage borrowing on the Charity's Bristol Head Office. This borrowing is fixed at a low interest rate over the long-term and it is estimated that there remains equity in the asset which if required could be realised through a sale or increased borrowing.

The Charity holds £932k in unrestricted free reserves at March 2024, providing a buffer against unforeseen adverse financial performance.

Significant Risks and Uncertainties

The Trustees, through the Audit & Risk Committee, oversee a formal risk management process, regularly reviewing the risks the Group faces, prioritising them and, where possible, identifying means of mitigating them.

The most significant risks and uncertainties facing the Soil Association Group are:

Financial risk

Though UK inflation has now decreased, the recent high rates significantly increased our underlying cost base.

We have seen income from charitable donations hold up well despite the economic challenges, thanks to our loyal supporter base and innovative projects attracting new funding. However, our unrestricted income is not increasing in line with costs.

The new UK Government brings opportunity and uncertainty in equal measure, and the continued tightening of public sector finances may cause the Government to reduce or de-prioritise funding into those areas currently aligned with and funding aspects of our and our partners' charitable work, whether public health, education, farming or the wider environment.

The organic sector is growing, but the sector remains under pressure. Supply chain problems and intense pressure on margins are expected to result in the loss of some organic producers, impacting SA Certification income.

Much of our forestry income within SA Certification is overseas, in parts of the world that did not experience the recent high level of UK inflation, and increasing fees on this work has been challenging. However, some of our cost base relating to this part of our business is based in the UK, and the costs have increased significantly.

Exchange is a new business, innovating within an emerging market. We are contracting with many large UK businesses that are excited about the work we are doing, but as with any new business, we are unable to forecast future income or profit levels with much certainty.

The Group benefits from a diverse mix of income streams, so we are not over-reliant on one source of funding and, in particular, the Charity is not currently relying on any profit donations from Exchange. The impact of inflation over the last couple of years has meant the Charity's free reserves have decreased, but levels are within the range set by Trustees to provide a reasonable level of security. If the Charity does experience a material and sustained reduction in revenue, the impact of which cannot be accommodated within reserves, the Charity can flex its cost base by reducing headcount. Equity in the head office building could also be realised, through a sale or increased borrowing.

Reputational risk

We recognise that if our reputation is significantly damaged then fewer people will trust us, our income will be impacted, or our opinion no longer respected.

We actively mitigate this risk across the Group through brand and communications management, supported by well-established values and agreed behaviours to support them. We monitor traditional and social media coverage for any emerging issues.

We continue to strengthen our processes, including our due diligence approach to funding and the way we review evidence to ensure accurate publication of information. Issues, such as recent challenges to our involvement in Salmon farming, are dealt with through targeted action. Longer-term opportunities, like the wider adoption of Organic, are advanced through brand planning and activation.

Cyber security

As with all organisations, we are vigilant to the continuous threat of a cyber attack and the impact it would have on our work, much of which is now digital. We are working towards Cyber Essentials accreditation in the coming year, to ensure that our digital systems remain robust and resilient.

People risk

Our teams continue to work exceptionally hard to deliver impact for the world, despite limited resources. Employee turnover is comparable with the market average, but the loss of specialist skills from within small teams can have a considerable impact on our work. Our pay and benefits are comparable with the market, and we continue to engage with our people to ensure the Soil Association is an inspiring and enjoyable place to work.

Our work is as vital and urgent as it has ever been. Interest in food security, the health of populations, and solutions to tackle the climate and nature crises is growing, making the ongoing work and positioning of the Soil Association relevant during these challenging times, giving us renewed confidence in our collective mission.

Structure and Governance

The Charity is a charitable company limited by guarantee, incorporated in England and Wales and registered as a charity in England and Wales and with the Office of the Scottish Charity Regulator. It is governed by its Articles of Association.

Group Entities

The Charity operates the following wholly owned subsidiaries:

- Soil Association Certification Limited (SA Certification);
- Soil Exchange Limited (Exchange); and
- SA Sales and Services Limited (SASS).

The purpose of SA Certification is to independently provide a range of organic and sustainable certification schemes across food, farming, catering, beauty, fashion, textiles and forestry, and to generate a profit to support the charity.

The purpose of Soil Exchange (trading as Soil Association Exchange) is to enable farmers to reap the rewards of farming more regeneratively. The business operated within SASS in

2022-23 and it moved into the new company during 2023-24. Still in its infancy, it is hoped Soil Exchange will generate profits to support the Charity.

SASS raises funds for the Charity through fundraising activities such as sponsorship and commercial partnerships.

The Charity is sole member of the Soil Association Land Trust Limited, a separate charity. By virtue of this control, Soil Association Land Trust is deemed to be a subsidiary of the Charity, but the funds are kept separately.

In this report, the accounts include the income, expenditure, assets and liabilities of the charity, all its subsidiaries and Soil Association Land Trust whenever the statements are referred to as 'consolidated' or 'group'. For more detailed information about any of these Group entities, the individual company accounts are filed annually with Companies House and, in the case of Soil Association Land Trust, also with the Charity Commission for England and Wales.

Board of Trustees

The governing body of the Charity is the Board of Trustees that meets six times per year. The Board consists of eight to twelve trustees, who are unpaid volunteers and the directors for the purposes of company law. The Trustees may be appointed by the Charity's members or directly by the Board of Trustees for a term of up to four years, and a trustee may ordinarily serve a maximum of two terms, with a third term possible only if the Board determine it to be in the best interests of the Charity. The Board elects a Chair for a term up to three years, which may be renewed once.

Under the guidance of its Trustee Recruitment and Succession Committee, the Charity assesses the skills and experience it requires on the Board of Trustees and when vacancies arise candidates are sought who meet these requirements. The Charity advertises opportunities to join the Board of Trustees using a variety of methods including features in its members' magazine, posting vacancies on its website and using specialist trustee recruitment services. Applications received are reviewed by the Trustee Recruitment and Succession Committee and short-listed candidates are invited to meet with members of the Committee. The Committee will then recommend potential trustees to the Board, with the full Board responsible for making the appointments.

An induction process exists for newly appointed Trustees which includes meeting with senior managers of the Charity and its subsidiaries to learn about their operation, attendance at key committees and boards, as well as the opportunity to visit beneficiaries of the Charity and see our work on the ground.

The Charity provides directors' and officers' indemnity insurance which covers the trustees, directors of subsidiary companies and any other member of staff of the Group.

Committees and Boards

Trustee Recruitment and Succession Committee

This executive committee consists of the Vice-Chair, one to two other Trustees, the Group Chief Executive and an external member skilled in trustee recruitment. It has

delegated authority from the Board of Trustees to oversee the identification, selection and nomination of candidates for appointment as trustees and is actively working to increase the diversity of the Board and Committees.

Audit and Risk Committee

This executive committee consists of three to four Trustees and an external member skilled in financial management. It has delegated authority from the Board of Trustees to review the effectiveness of the Charity's risk management processes, financial and sustainability reporting and systems of internal control.

Remuneration Committee

This executive committee consists of two to three Trustees and two non-executive directors from the Charity's trading subsidiary, SA Certification. It has delegated authority from the Board of Trustees to oversee policies relating to the remuneration and employment terms of employees.

Farmer and Grower Board

This advisory board consists of representatives elected from organic producers. The Soil Association consults with the Board on a range of topics relevant to producers. One Trustee attends this board to ensure its views are fed to the Board of Trustees.

Standards Board

This advisory board consists of lay representatives and experts drawn from industry sectors in which the Soil Association operates. The Board is chaired by an independent lay member. The role of the Standards Board is to provide independent oversight of the integrity of the Soil Association's standards and to make recommendations for their improvement to the Board of Trustees.

Subsidiary Boards

Each subsidiary trading company has its own Board of Directors consisting of at least one of the Charity's Trustees, which is responsible for the running of the company. Soil Association Land Trust has its own Board of Trustees, which includes the Soil Association Group Chief Executive.

Executive Team

The day-to-day running of the Charity is delegated to and undertaken by the Group Chief Executive and the Charity Managing Director, under a scheme of delegation agreed with the Board of Trustees. The Group Chief Executive leads the Group Leadership Team consisting of the Charity Managing Director, the Group Resources Director and the Chief Executives of SA Certification and Exchange.

Pay setting for key management personnel

The Trustees consider the Group Chief Executive and director level appointments within the charity and its trading subsidiaries' teams are the key management personnel of the Group. The pay of these employees is determined by the Group Leadership Team with

oversight from the Remuneration Committee and the relevant subsidiary boards. Starting pay levels for these senior roles are determined using a combination of the Group's career level assessment, internal benchmarking of comparative roles and assessment of the external job market. Pay progression is reviewed annually and normally increased in line with the standard pay award given to all other employees.

How we secure funding

Soil Association supporters can be assured that we are registered with the Fundraising Regulator and we comply with the regulatory standard for fundraising.

We fundraise by submitting applications to grant-giving trusts, by partnering with companies to deliver joint benefits, by securing donations and gifts-in-wills from individuals and members. Our fundraising from supporters takes the form of funding appeals, and direct asks; face-to-face, by letter and by email.

Last year, we used Ethicall telemarketing agency to deliver telemarketing campaigns to fundraise and reactivate lapsed or cancelled members. We always ensure that any agency we use to assist us with our fundraising is fully accredited with the relevant industry bodies and registered with the Fundraising Regulator. We expect them to also observe the highest standards in terms of fundraising practice and deliver the most sustainable and ethical business practices.

The fundraising, supporter development and citizen marketing team – an in-house team of 21 fundraisers – are familiar with, and work in accordance with, the Fundraising Regulator's code of practice. The team keep abreast of new fundraising trends and practices, always ensuring that the interest of the supporter is at the heart of all we do.

Our focus is to strive for all supporters to have the very best giving experience when they support the work of the Soil Association, and we work hard using up-to-date policies, procedures and informal training to look after the needs of vulnerable people. This financial year we received no complaints about our fundraising. All donors are given the opportunity to update their preferences in how we communicate with them. They can contact us by phone, post or email to change their preferences at any time, and all of our emails offer a one-click unsubscribe option to facilitate easy change of preferences. We also update our records whenever we are notified of undelivered mail, or if we are notified by an official institution such as a bank that a member is deceased. Everyone we contact has the opportunity to remove themselves from future communications and we are committed to carefully monitoring the content and frequency of our approach to individuals.

On our website there are easy to find policies, including: privacy policy, complaints, safeguarding, our approach to GDPR, whistleblowing and our supporter promise.

Streamline Carbon and Energy Reporting

We calculate our energy reporting in line with the requirements of the Companies Act 2006 and this report details the information for 2023-24 the energy and carbon reporting obligations under the Companies (Directors' Report) Regulations 2018. The Soil Association Group undertakes this calculation to support our environmental management and is not currently defined as a large unquoted company under the Act.

The energy and carbon use being reported upon is for the Soil Association Group excluding:

- The Soil Association Land Trust Limited. Energy consumption and carbon emissions at Land Trust properties are under the control of the farm tenants not the Soil Association Land Trust charity.
- Energy consumption at The Soil Association's Edinburgh office. The Soil Association has a small number of workstations in a large office building sharing space as a sub-tenant with no separate utility metering/billing and very limited control over utility usage. The energy and associated carbon emissions related to this office space are considered immaterial in comparison to the size of the Soil Association Group's overall energy and carbon use.

Methodology

In 2023-24 the Soil Association Group had two principal sources of energy consumption and carbon emissions:

- Electricity and gas used for heat, light and power at our Head Office in Bristol. Energy usage was calculated from the bills paid during the financial year.
- Business travel undertaken by employees in vehicles. Only travel undertaken in vehicles where the Soil Association is responsible for purchasing the fuel are included. This includes company cars, hire cars and the employees' own private vehicles.

Data has been captured from employee expense claims, fuel card purchases and car hire invoices. Because of the large number of different vehicles used, assumptions had to be made about the vehicle size/type for calculating the carbon emissions of some vehicles. Other travel methods such as air and rail journeys are being monitored but are not currently reported. The UK Government Greenhouse gas reporting: conversion factors for 2023 has been used to provide the required conversion rates. In the last financial year, a new part of the organisation - Soil Association Exchange, has been incorporated into the reporting. The data captured from this part of the Group has been included in this year's reporting.

Emissions statistics comparison

	2023-24	2022-23	2021-22
<u>Bristol HQ</u>			
Energy consumption used to calculate emissions (kWh)	155,825	160,983	175,557
Emissions from combustion of gas (kgCO ₂ e)	11,724	11,404	18,075
Emissions from purchased electricity (kgCO ₂ e)	18,781	18,879	16,322
Total emissions from gas and electricity (kgCO ₂ e)	30,504	30,283	34,397
Emission from water (supplied and waste) (kgCO ₂ e)	177	227	Not measured in last year's report
Net internal area (NIA) of office (m ²)	1,276	1,276	1,276
Intensity ratio (total kgCO ₂ e per m ² of office NIA)	24	24	27
<u>Business travel</u>			
Soil Association Certification Limited (kgCO ₂ e)	58,768	61,836	34,924
Soil Association Limited (kgCO ₂ e)	30,509	27,761	14,012
Soil Association Exchange (kgCO ₂ e)	1,092	n/a	n/a
Total emissions from business travel (kgCO ₂ e)	90,369	89,597	48,936
Average full time equivalent (FTE) employees in 2023-24	321	311	277.1
Intensity ratio (total kgCO ₂ e per FTE employee from business travel)	281	288	177
<u>Total gross emissions</u>			

	2023-24	2022-23	2021-22
Emissions from Bristol HQ and business travel (kgCO ₂ e)	121,100	120,107	83,333

Current practice and next year

The Soil Association is continually making improvements to the environmental practices within the organisation.

We source our electricity from Good Energy, a supplier who matches 100% of the electricity we use with power they generate at their own renewable energy farm or power they buy from independent renewable generators.

Further improvement in the building's energy efficiency has been incorporated into the strategic three-year planning.

Current organic and forestry certification regimes require physical inspections at client sites. Often these sites are in rural or out of town locations that cannot be easily accessed by public transport, and in the case of forestry a significant number of clients are overseas necessitating air travel. The fleet vehicle contracts are due to be renewed in the next 12 months and is a project relating to introducing hybrid vehicles instead of petrol, and potentially an employee EV vehicle scheme.

Exchange technicians also have to physically attend sites to undertake visits, but these technicians only undertake travel within a 100 mile radius of their home to reduce travel and emissions. Again, public transport is recommended where available to use.

For other UK business travel in the Soil Association Group, we operate a travel hierarchy that encourages online meetings, but when not possible we encourage the use of public transport and car sharing.

Statement of Trustees' Responsibilities

The Trustees (who are also directors of The Soil Association Limited for the purposes of company law) are responsible for preparing the Trustees' 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 which give a true and fair view of the state of affairs of the Charity and the Group and of the incoming resources and application of resources, including the income and expenditure of the Group 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 judgments and estimates that are reasonable and prudent;

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the Charity and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware there is no relevant audit information of which the Charity's auditor is unaware and the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees confirm they have complied with the duty in the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. When reviewing the aims and objectives of the Group and in planning its future activities the trustees refer to the guidance and consider, in particular, how planned activities will contribute to the aims and objectives they have set.

Auditor

The auditor, RSM UK Audit LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

The Report of the Trustees prepared under the Charities Act 2011, which also contains all information required in a Directors' report by the Companies Act 2006, and the incorporated Strategic Report prepared under the Companies Act 2006, were approved by the Board of Trustees on 23rd September 2024 and signed on behalf of the Trustees by:



Martin Nye

Chair of the Board of Trustees

Independent Auditor's Report to the Trustees and Members of Soil Association Ltd

Opinion

We have audited the financial statements of Soil Association Ltd (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, the Charity Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated and Charity Cash Flow Statements and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 group's and the parent charitable company's affairs as at 31 March 2024; and of the group's and the parent charitable company's incoming resources and application of resources, including their income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We have been appointed auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, section 151 of the Charities Act 2011 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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 group and parent 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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 contained within the Trustees Report. 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.

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 directors' report and the strategic report, prepared for the purposes of company law and included within the trustees' annual report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report and the strategic report, included within the trustees' annual report, have 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 group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report or the strategic report, included within the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006, the Charities Act 2011 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- sufficient, adequate and proper accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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;

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out on page 38 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view 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 group's and parent 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 group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material

effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the group and parent charitable company operate in and how the group and parent charitable company are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, Charities and Trustee Investment (Scotland) Act 2005, the parent charitable company's governing document and tax legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from internal/external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to ongoing accreditations with International Organic and Sustainable Accreditation, United Kingdom Accreditation Service and Assurance Services International, fundraising regulations and GDPR compliance. We performed audit procedures to inquire of management whether the company is in compliance with these law and regulations and inspected correspondence with licensing or regulatory authorities.

The group audit engagement team identified the risk of management override of controls and income recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included

but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates, testing a sample of invoices, funding agreements and donations around year end to confirm cut-off, and agreeing a sample of invoices raised and income recognised in the year to source contracts, funding agreements, and other donation and legacy documentation.

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

Use of our report

This report is made exclusively to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011. Our audit work has been undertaken so that we might state to the members and the charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, its members as a body, and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Kerry Gallagher

KERRY GALLAGHER (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
Second Floor,
1 The Square,
Temple Quay,
Bristol,
BS1 6DG

Date 3 December 2024

RSM UK AUDIT LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Financial Statements

Consolidated Statement of Financial Activities

(incorporating a consolidated income and expenditure account)
for the year ended 31 March 2024

	Note	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000	Total funds 2023 (restated*) £000
INCOME FROM:					
Donations and legacies	2	1,439	519	1,958	2,155
Charitable activities	3	15,175	3,569	18,744	16,140
Other trading activities	4	722	57	779	239
Investment income	5	24	3	27	14
Total income		<u>17,360</u>	<u>4,148</u>	<u>21,508</u>	<u>18,548</u>
EXPENDITURE ON:					
Raising funds		1,066	3	1,069	897
Charitable activities	6	16,802	4,326	21,128	18,897
Release of creditor	7	(690)	-	(690)	-
Other trading activities		151	-	151	966
Total expenditure	9	<u>17,329</u>	<u>4,329</u>	<u>21,658</u>	<u>20,760</u>
Net gain / (loss) on investments	15	<u>9</u>	<u>-</u>	<u>9</u>	<u>(7)</u>
Net expenditure and net movement in funds		<u>40</u>	<u>(181)</u>	<u>(141)</u>	<u>(2,219)</u>

* Exchange income and expenditure was included under 'other trading activities' in the 2022/23 accounts. This has now been restated as income and expenditure from charitable activities.

Consolidated Statement of Financial Activities (continued)

	Note	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000	Total funds 2023 £000
RECONCILIATION OF FUNDS					
Total funds brought forward		3,663	9,081	12,744	14,963
Total funds carried forward	22	<u>3,703</u>	<u>8,900</u>	<u>12,603</u>	<u>12,744</u>

The accompanying notes on pages 52 to 89 are an integral part of the consolidated financial statements.

Charity Statement of Financial Activities

(incorporating an income and expenditure account)
for the year ended 31 March 2024

	Note	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000	Total funds 2023 £000
INCOME FROM:					
Donation and legacies	2	1,439	420	1,859	2,132
Charitable activities	3	1,811	3,405	5,219	4,853
Other trading activities	4	30	-	30	12
Investment income	5	1,043	-	1,043	305
Total income		<u>4,323</u>	<u>3,825</u>	<u>8,148</u>	<u>7,302</u>
EXPENDITURE ON:					
Raising funds		1,066	3	1,069	897
Charitable activities	6	3,719	3,901	7,620	8,345
Release of creditor	7	(690)	-	(690)	-
Total expenditure	9	<u>4,095</u>	<u>3,904</u>	<u>7,999</u>	<u>9,242</u>
Net gain / (loss) on investments	15	<u>9</u>	<u>-</u>	<u>9</u>	<u>(7)</u>
Net income / (expenditure) and net movement in funds		<u>237</u>	<u>(79)</u>	<u>158</u>	<u>(1,947)</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>3,621</u>	<u>2,400</u>	<u>6,021</u>	<u>7,968</u>
Total funds carried forward	22	<u>3,858</u>	<u>2,321</u>	<u>6,179</u>	<u>6,021</u>

The accompanying notes on pages 52 to 89 are an integral part of the consolidated financial statements.

Consolidated Balance Sheet

As at 31 March 2024

	Note	2024 £000	2024 £000	2023 £000	2023 £000
FIXED ASSETS					
Intangible assets	13	211		318	
Tangible assets	14	9,164		9,244	
Investments	15	152		143	
			9,527		9,705
CURRENT ASSETS					
Debtors	16	6,746		5,529	
Cash at bank and in hand		5,791		5,271	
		12,537		10,800	
CREDITORS: Amounts falling due within one year	17	(8,139)		(6,304)	
NET CURRENT ASSETS			4,398		4,496
TOTAL ASSETS LESS CURRENT LIABILITIES			13,925		14,201
CREDITORS: Amounts falling due after more than one year	18		(1,322)		(1,457)
NET ASSETS			12,603		12,744
FUNDS AND RESERVES					
Unrestricted funds:					
Designated funds	21	2,791		2,470	
General unrestricted funds		912		1,193	
			3,703		3,663
Restricted funds	22		8,900		9,081
TOTAL FUNDS	22		12,603		12,744

The accompanying notes on pages 52 to 89 are an integral part of the consolidated financial statements.

These financial statements were approved by the Board of Trustees on 23rd September 2024 and signed on their behalf by:



Martin Nye, Chair of the Board of Trustees

Charity Balance Sheet

for the year ended 31 March 2024

	Note	2024 £000	2024 £000	2023 £000	2023 £000
FIXED ASSETS					
Intangible assets	13	50		112	
Tangible assets	14	3,195		3,263	
Investments	15	152		143	
			3,397		3,518
CURRENT ASSETS					
Debtors	16	3,683		3,363	
Cash at bank and in hand		1,601		2,434	
		5,284		5,797	
CREDITORS: Amounts falling due within one year	17	(1,180)		(1,837)	
NET CURRENT ASSETS			4,104		3,960
TOTAL ASSETS LESS CURRENT LIABILITIES			7,501		7,478
CREDITORS: Amounts falling due after more than one year	18		(1,322)		(1,457)
NET ASSETS			6,179		6,021
FUNDS AND RESERVES					
Unrestricted funds:					
Designated funds	21	2,633		2,268	
General unrestricted funds		1,225		1,353	
			3,858		3,621
Restricted funds	22		2,321		2,400
TOTAL FUNDS	22		6,179		6,021

The accompanying notes on pages 52 to 89 are an integral part of the consolidated financial statements.

These financial statements were approved by the Board of Trustees on 23rd September 2024 and signed on their behalf by:



Martin Nye, Chair of the Board of Trustees

Consolidated Statement of Cash Flows

for the year ended 31 March 2024

	Note	2024 £000	2023 £000
Net cash inflow / (outflow) from operating activities	23	729	(2,277)
Cash flows from investing activities:			
Cash receipts from sale of investments		-	87
Purchase of investments		-	(120)
Purchase of software, plant and equipment		(27)	(99)
		<u>(27)</u>	<u>(132)</u>
Cash outflows from financing activities:			
Repayments of borrowing		(131)	(168)
Interest paid on borrowing		(51)	(57)
		<u>(182)</u>	<u>(225)</u>
Increase / (decrease) in cash and cash equivalents in the year		<u>520</u>	<u>(2,634)</u>
Cash and cash equivalents at the beginning of the year		<u>5,271</u>	<u>7,905</u>
Cash and cash equivalents at the end of the year	23	<u>5,791</u>	<u>5,271</u>

The accompanying notes on pages 52 to 89 are an integral part of the consolidated financial statements

Charity Statement of Cash Flows

for the year ended 31 March 2024

	Note	2024 £000	2023 £000
Net cash inflow / (outflow) from operating activities	23	(632)	(1,220)
Cash flows from investing activities:			
Cash receipts from sale of investments		-	87
Purchase of investments		-	(120)
Purchase of software, plant and equipment		(19)	(2)
		<u>(19)</u>	<u>(35)</u>
Cash outflows from financing activities:			
Repayments of borrowing		(131)	(168)
Interest paid on borrowing		(51)	(57)
		<u>(182)</u>	<u>(225)</u>
Increase / (decrease) in cash and cash equivalents in the year		<u>(833)</u>	<u>(1,480)</u>
Cash and cash equivalents at the beginning of the year		<u>2,434</u>	<u>3,914</u>
Cash and cash equivalents at the end of the year	23	<u>1,601</u>	<u>2,434</u>

The accompanying notes on pages 52 to 89 are an integral part of the consolidated financial statements

Notes to the Financial Statements

for the year ended 31 March 2024

1. Accounting Policies

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice ('SORP') 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 2019) – (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Soil Association Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. Values in the financial statements have been rounded to the nearest thousand pounds.

Preparation of the accounts on a going concern basis

The Trustees have reviewed the ability of the Charity and the Group to continue as a going concern and noted no material uncertainties that would mean it would be inappropriate to prepare the accounts on a going concern basis. They have therefore continued to adopt the going concern basis in the preparation of the group and Charity accounts.

In reviewing the going concern basis, the Trustees have considered the going concern assessments made by the subsidiaries and the cashflow forecasts and budgets up to September 2025 for all Group companies. Furthermore, the Trustees have considered the likely requirements for maintaining reserves across the group, liquidity expectations given the already secured longer-term mortgage borrowing and contingency requirements. More detail on this review can be found in the Trustees' report on page 30.

Company status

The Charity is a company limited by guarantee. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £5 per member of the Charity.

Fund accounting

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

1. Accounting policies (continued)

Group financial statements

The financial statements consolidate the results of the Charity and other Group entities listed on pages 32 and 33 on a line-by-line basis. Intra-group income and expenditure transactions are eliminated on consolidation.

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.

- 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.
- Grant income, including income from government grants, is recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received. A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.
- Certification fees are recognised at the date that the licences are granted or renewed. Application fees for new licences are recognised as income when formal appraisal of the application takes place. In the event of suspension or termination of licences, or rejection of an application, fees are not refundable and no obligation for this is therefore recognised at the balance sheet date.
- Donations and gifts are recognised when the Charity has entitlement to the funds, any performance conditions attached to the donation have been met, it is probable that the income will be received and the amount can be measured reliably.
- Activity income is recognised when the activity takes place.

Financial instruments

The group 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.

1. Accounting policies (continued)

Expenditure

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 are those incurred in seeking voluntary contributions, including membership and do not include the costs of disseminating information in support of the charitable activities.
- Expenditure on charitable activities include the costs incurred to further the purposes of the Charity, including associated support costs.
- Expenditure on trading activities represents the costs incurred to undertake trading activities such as those undertaken by SA Sales & Services Ltd.

Employee Benefits

The costs of short-term employee benefits are recognised as a liability and an expense. The holiday year for Soil Association Group ends at the reporting date and employees were entitled to carry forward up to 5 days of any unused holiday entitlement for a full time employee (pro-rated for part-time employees) at the reporting date. The cost of any unused entitlement is recognised in the period in which the employee's services are received.

The group contributes to money purchase schemes to which employees also contribute. The amount charged to the SOFA is the contribution payable in the year. The Group has no other pension liabilities.

Allocation of support costs

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. These costs have been allocated between the cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated is set out in note 11.

Intangible fixed assets

Goodwill is calculated as the difference between the fair value of the consideration on the acquisition of a business and the fair value of the identifiable assets and liabilities. Software is initially recorded at cost and subsequently measured at cost less amortisation and impairment.

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

Goodwill	seven years straight-line method
Software	three to eight years straight-line method

The net book value of goodwill is reviewed annually for any significant change in useful life or residual value.

1. Accounting policies (continued)

Tangible fixed assets and depreciation

Tangible fixed assets are capitalised and included at cost including any incidental expenses of acquisition, net of depreciation and any provision for impairment.

Donated assets are included in the balance sheet at their fair value at the date of the gift and also included in the SOFA as an incoming resource.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost on a straight-line basis over their expected useful economic life as follows:

Freehold buildings	fifty years straight-line method
Leasehold improvements	evenly over the lease term
Building improvements method	ten to twenty years straight-line
Office equipment: Fixtures and fittings method	five to ten years straight-line
Office equipment: IT network hardware method	five to eight years straight-line
Office equipment: other IT equipment	three years straight-line method
Machinery: renewable energy systems	twenty years straight-line method

The Companies Act 2006 requires tangible fixed assets to be depreciated over a finite period. The Trustees of the Soil Association Land Trust Limited consider that the freehold land and buildings held by the trust have an infinite life, and residual values to be high enough to ensure that there is no significant annual depreciation. Consequently, the Trustees consider that to depreciate these assets would not provide a true and fair view and so the financial statements depart from this specific requirement in the Companies Act 2006.

If this departure from the Companies Act 2006 had not been made, the surplus for the financial period may have been decreased by depreciation. The amount of this depreciation is not considered material because of the indefinite life of these assets and the Trustees have invoked a true and fair override.

Impairments

Fixed assets are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable or as otherwise required by relevant accounting standards.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of net realisable value and value-in-use, are recognised as impairments.

Impairment losses are recognised in the SOFA.

1. Accounting policies (continued)

Fixed asset investments

Investments in the group are held to generate income or for their investment potential. They are stated at market value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluations and from disposals throughout the year.

In the Charity balance sheet, investments in subsidiaries are also included, stated at the cost of the nominal value of the shares issued.

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.

Creditors

Creditors 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 are normally recognised at their settlement amount after allowing for any trade discounts used.

Termination payments

The best estimate of the expenditure required to settle an obligation for termination benefits, is recognised immediately as an expense, when the Group is demonstrably committed to terminate the employment of an employee, or to provide termination benefits.

Finance and operating leases

Where assets are financed by leasing agreements that give rights approximating to ownership ("finance leases"), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lessor. Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the SOFA in proportion to the remaining balance outstanding. All other leases are "operating leases" and the annual rentals are charged to the SOFA on a straight-line basis over the lease term.

Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the surplus.

1. Accounting policies (continued)

Taxation

The Soil Association Limited and Soil Association Land Trust Limited are registered charities and as such are exempt from taxation of their income and gains falling within part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to its charitable objectives. No tax charges have arisen in the year.

The profits of the following subsidiaries of the Charity are subject to corporation tax. However, no tax charge will arise as any taxable profits will be donated to the Charity.

- Soil Association Certification Limited
- SA Sales and Services Limited

It is the intention that some profits of Soil Exchange Limited, when they arise in the future, will be donated to the Charity and some will be retained in the company to support its growth. Any profits retained will be subject to corporation tax.

Provision for deferred taxation is made in the subsidiary companies at the appropriate rates in respect of all material timing differences only to the extent that, in the opinion of the trustees, there is a reasonable probability that an asset or liability will crystallise in the foreseeable future.

Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The key judgements made in these financial statements are considered to be:

- Income recognition, particularly around restricted grants, where management need to make a judgement, with reference to the grant agreement, whether receipt of the income is probable or not.
- The level of provision held against debts which may not be fully recoverable, particularly within Soil Association Certification Limited where a provision of £360k (2023: £191k) is held in respect of debts not deemed to be recoverable. In the Charity a much smaller provision of £6k (2023: £10k) is held in respect of debts not deemed to be recoverable.
- No depreciation is charged on the freehold land and buildings held by the Soil Association Land Trust Limited due to the judgement made by the Trustees of the trust that these assets have an infinite life and that their residual values are high enough to ensure that there is no significant annual depreciation

2. Income from Donations and Legacies

Group

	Unrestricted Funds £000	Restricted funds £000	2024 Total £000	Unrestricted Funds £000	Restricted funds £000	2023 Total £000
Donations	558	443	1,001	564	423	987
Legacies	94	76	170	377	-	377
Membership	787	-	787	791	-	791
	<u>1,439</u>	<u>519</u>	<u>1,958</u>	<u>1,732</u>	<u>423</u>	<u>2,155</u>

Charity

	Unrestricted Funds £000	Restricted funds £000	2024 Total £000	Unrestricted Funds £000	Restricted funds £000	2023 Total £000
Donations	558	420	978	564	400	964
Legacies	94	-	94	377	-	377
Membership	787	-	787	791	-	791
	<u>1,439</u>	<u>420</u>	<u>1,859</u>	<u>1,732</u>	<u>400</u>	<u>2,132</u>

3. Income from Charitable Activities

Group

	Unrestricted Funds £000	Restricted funds £000	2024 Total £000	Unrestricted Funds (restated*) £000	Restricted funds £000	2023 Total (restated*) £000
Contract and consultancy income	1,328	68	1,396	1,099	24	1,123
Certification income	12,075	-	12,075	10,839	-	10,839
Exchange income	1,772	-	1,772	847	-	847
Grants receivable	-	3,501	3,501	-	3,331	3,331
	<u>15,175</u>	<u>3,569</u>	<u>18,744</u>	<u>12,785</u>	<u>3,355</u>	<u>16,140</u>

* Exchange income was included in 'other trading income' in 2022/23 accounts. This has now been restated as 'income from charitable activities'.

Charity

	Unrestricted Funds £000	Restricted funds £000	2024 Total £000	Unrestricted Funds £000	Restricted funds £000	2023 Total £000
Contract and consultancy income	1,328	-	1,328	1,099	-	1,099
Subsidiary licence fees	483	-	483	444	-	444
Grants receivable	-	3,405	3,405	-	3,310	3,310
	<u>1,811</u>	<u>3,405</u>	<u>5,216</u>	<u>1,543</u>	<u>3,310</u>	<u>4,853</u>

4. *Income from Other Trading Activities*

Group

	Unrestricted Funds £000	Restricted funds £000	2024 Total £000	Unrestricted Funds (restated*) £000	Restricted funds £000	2023 Total (restated*) £000
Royalty income	6	-	6	5	-	5
Rental income	1	49	50	-	60	60
Sundry income	23	8	31	3	11	14
Other trading income	692	-	692	160	-	160
	<u>722</u>	<u>57</u>	<u>779</u>	<u>168</u>	<u>71</u>	<u>239</u>

* Exchange income was included in 'other trading income' in 2022/23 accounts. This has now been restated as 'income from charitable activities'.

Charity

	Unrestricted Funds £000	Restricted funds £000	2024 Total £000	Unrestricted Funds £000	Restricted funds £000	2023 Total £000
Royalty income	6	-	6	5	-	5
Rental income	1	-	1	4	-	4
Sundry income	23	-	23	3	-	3
	<u>30</u>	<u>-</u>	<u>30</u>	<u>12</u>	<u>-</u>	<u>12</u>

5. Investment Income

Group

	Unrestricted Funds £000	Restricted funds £000	2024 Total £000	Unrestricted Funds £000	Restricted funds £000	2023 Total £000
Bank interest	24	3	27	12	1	13
Dividends	-	-	-	1	-	1
	<u>24</u>	<u>3</u>	<u>27</u>	<u>13</u>	<u>1</u>	<u>14</u>

Charity

	Unrestricted Funds £000	Restricted funds £000	2024 Total £000	Unrestricted Funds £000	Restricted funds £000	2023 Total £000
Gift Aid from subsidiaries	1,031	-	1,031	297	-	297
Bank interest	12	-	12	7	-	7
Dividends	-	-	-	1	-	1
	<u>1,043</u>	<u>-</u>	<u>1,043</u>	<u>305</u>	<u>-</u>	<u>305</u>

6. Expenditure on Charitable Activities

Group

	Unrestricted Funds £000	Restricted funds £000	2024 Total £000	Unrestricted Funds £000	Restricted funds £000	2023 Total (restated*) £000
Farming and land use transition	1,449	2,036	3,485	1,286	1,831	3,117
Healthy and sustainable diets	2,264	2,290	4,554	2,205	3,417	5,622
Certification costs	11,580	-	11,580	10,158	-	10,158
Exchange costs	1,509	-	1,509	846	-	846
	<u>16,802</u>	<u>4,326</u>	<u>21,128</u>	<u>14,495</u>	<u>5,248</u>	<u>19,743</u>

* Exchange expenditure was included in expenditure on 'other trading activities' in 2022/23 accounts. This has now been restated as expenditure on charitable activities.

Charity

	Unrestricted Funds £000	Restricted funds £000	2024 Total £000	Unrestricted Funds £000	Restricted funds £000	2023 Total £000
Farming and land use transition	1,455	1,611	3,066	1,286	1,437	2,723
Healthy and sustainable diets	2,264	2,290	4,554	2,205	3,417	5,622
	<u>3,719</u>	<u>3,901</u>	<u>7,620</u>	<u>3,491</u>	<u>4,854</u>	<u>8,345</u>

7. Release of Creditor

At 31st March 2023, a £790k creditor was held on the Group and Charity Balance Sheet in respect of the potential repayment of grant funding received from Homes England for the development of the Gasworks site in Bristol as the Soil Association HQ. An agreement was reached in 2023/24 to repay £100k of the funding in full settlement of the liability, therefore the balance of £690k was able to be released. As the original 'loss on disposal' of the Gasworks site was accounted for as unrestricted expenditure in 2015/16, the release has been treated as a credit to unrestricted expenditure in 2023/24.

8. *Staff Numbers and Costs, Trustee Remuneration and Expenses and the Cost of Key Management Personnel*

Group	2024 No.	2023 No. Restated*
	<u> </u>	<u> </u>
Average number of employees during the year:		
Fundraising	27	21
Farming and land use transition	55	46
Healthy & sustainable diets	82	92
Certification	204	189
Exchange	11	11
	<u> </u>	<u> </u>
	<u>379</u>	<u>359</u>

*The prior year headcount has been increased by 11 due to an error on consolidation in 2022/23.

The aggregate payroll costs were as follows:	£000	£000
Wages and salaries	11,595	10,568
Social security costs	1,198	1,075
Pension costs	489	438
	<u> </u>	<u> </u>
	<u>13,282</u>	<u>12,081</u>

Charity	2024 No.	2023 No.
	<u> </u>	<u> </u>
Average number of employees during the year:		
Fundraising	24	21
Farming and land use transition	55	46
Healthy & sustainable diets	82	92
	<u> </u>	<u> </u>
	<u>161</u>	<u>159</u>

The aggregate payroll costs were as follows:	2024 £000	2023 £000
Wages and salaries	5,202	4,852
Social security costs	529	498
Pension costs	225	207
	<u> </u>	<u> </u>
	<u>5,956</u>	<u>5,557</u>

8. Staff Numbers and Costs, Trustee Remuneration and Expenses and the Cost of Key Management Personnel (continued)

Redundancy and termination payments

	<i>Group</i> 2024 £000	<i>Group</i> 2023 £000	<i>Charity</i> 2024 £000	<i>Charity</i> 2023 £000
Statutory redundancy payments	28	4	28	4
Other termination payments	54	21	38	1
	<u>82</u>	<u>25</u>	<u>66</u>	<u>5</u>

Of the above, £16,000 of statutory redundancy and other termination payments were accrued at 31 March 2024 and paid post year end (2023: £1,000).

Amounts outstanding at the year end in relation to defined contribution pension schemes:

	Unrestricted Funds £000	Restricted funds £000	2024 Total £000	Unrestricted Funds £000	Restricted funds £000	2023 Total £000
Group	74	3	77	61	8	69
Charity	34	3	37	27	8	35

The number of higher paid staff whose employee benefits (excluding employer pension contributions) exceeded £60,000 in the year was as follows:

	<i>Group</i> 2024 No.	<i>Group</i> 2023 No.	<i>Charity</i> 2024 No.	<i>Charity</i> 2023 No.
£60,001 to £70,000	4	2	1	2
£70,001 to £80,000	4	1	2	-
£80,001 to £90,000	1	1	-	1
£90,001 to £100,000	1	2	1	-
£110,001 to £120,000	2	-	-	-
	<u>12</u>	<u>6</u>	<u>4</u>	<u>3</u>

8. Staff Numbers and Costs, Trustee Remuneration and Expenses and the Cost of Key Management Personnel (continued)

	<i>Group</i> 2024 £000	<i>Group</i> 2023 £000	<i>Charity</i> 2024 £000	<i>Charity</i> 2023 £000
Contributions to defined contribution pension schemes for the above higher paid staff amounted to	<u>40</u>	<u>15</u>	<u>12</u>	<u>8</u>

The Trustees neither received nor waived any emoluments during the year (2023: £nil). Expenses incurred by 2 Trustees (2023: 5), either out of pocket expenses reimbursed to Trustees or paid directly to third parties, were as follows:

	<i>Group</i> 2024 £000	<i>Group</i> 2023 £000	<i>Charity</i> 2024 £000	<i>Charity</i> 2023 £000
Travel & subsistence and event attendance	<u>-</u>	<u>3</u>	<u>-</u>	<u>3</u>

Key Management Personnel

The key management personnel of the parent Charity comprise the Trustees, Group Chief Executive Officer, Group Resources Director, Charity Managing Director, Director of Communications, Programmes Director, Director of Development and Policy and Strategy Director. The total employee benefits (including employers National Insurance and pension contributions) of the key management personnel of the Charity were £482,000 (2023: £546,000)

The key management personnel of the group comprise those of the Charity and those of its wholly owned subsidiaries Soil Association Certification Limited and the Soil Exchange Limited. The key management personnel of Soil Association Certification are the Chief Executive Officer, Commercial and Marketing Director, Director of Certification (Food, Textiles & Beauty), Farming and Operations Services Director, Director of Forestry and Head of Climate & Landscape. The key management personnel of Soil Association Exchange is the Chief Executive Officer. In total the employee benefits of the key management personnel of Soil Association Certification Limited and Soil Association Exchange totalled £608,000 (2023: £419,000 restated).

The total employee benefits of key management personnel for the Group were therefore £1,090,000 (2023: £965,000 restated).

9. *Analysis of Expenditure*

Group	Support costs £000	Direct costs £000	2024 Total £000	Support costs £000	Direct costs (restated*) £000	2023 Total £000
Fundraising	84	985	1,069	62	835	897
Farming and land use transition	199	3,286	3,485	136	2,981	3,117
Healthy and sustainable diets	311	4,243	4,554	307	5,315	5,622
Creditor release	-	(690)	(690)	-	-	-
Certification costs	-	11,580	11,580	-	10,158	10,158
Exchange costs	-	1,509	1,509	-	846	846
Other trading activities	-	151	151	-	120	120
	<u>594</u>	<u>21,064</u>	<u>21,658</u>	<u>505</u>	<u>20,255</u>	<u>20,760</u>

* Exchange expenditure was included in expenditure on 'other trading activities' in 2022/23 accounts. This has now been restated as expenditure on charitable activities.

Charity	Support costs £000	Direct costs £000	2024 Total £000	Support costs £000	Direct costs £000	2023 Total £000
Fundraising	84	985	1,069	62	835	897
Farming and land use transition	199	2,867	3,066	136	2,587	2,723
Healthy and sustainable diets	311	4,243	4,554	307	5,315	5,622
Creditor release	-	(690)	(690)	-	-	-
	<u>594</u>	<u>7,405</u>	<u>7,999</u>	<u>505</u>	<u>8,737</u>	<u>9,242</u>

10. *Net Expenditure for the Year*

This is stated after charging / (crediting):

Group	2024 £000	2023 £000
Auditor's remuneration:		
Audit of consolidated annual accounts	17	16
Audit of the accounts of subsidiaries	29	19
Accounting and tax compliance services	20	7
Other non-audit services	35	28
Interest payable	51	57
Foreign exchange losses	25	11
Depreciation of owned assets	99	108
Amortisation	115	101
Operating lease rentals - land and buildings	27	27
Operating lease rentals - other	44	51
	<u> </u>	<u> </u>

Charity	2024 £000	2023 £000
Auditor's remuneration:		
Audit of charity's annual accounts	17	16
Accounting and tax compliance services	4	3
Other non-audit services	(3)	3
Interest payable	51	57
Foreign exchange (gains) / losses	7	(8)
Depreciation of owned assets	87	94
Amortisation	62	74
Operating lease rentals - land and buildings	27	27
Operating lease rentals - other	11	12
	<u> </u>	<u> </u>

11. Support Costs

Group and Charity

	People £000	Premises £000	Finance £000	IT £000	Governance £000	Total support costs £000	Recovered from programmes £000	2024 Total costs allocated £000	2023 Total costs allocated £000
Fundraising	19	27	46	72	8	172	(88)	84	62
Farming and land use transition	44	70	103	162	19	398	(199)	199	136
Healthy and sustainable diets	66	120	153	242	27	608	(297)	311	307
Support costs	129	217	302	476	54	1,178	(584)	594	505
Costs recharged to Group entities						1,316			
Total support costs						2,494			

The basis for the allocation of support costs, being the number of staff, has been applied consistently in both this year and the prior year.

Governance costs are those incurred for compliance with constitutional and statutory requirements, such as the annual audit and professional fees and trustees' expenses plus an allocation of staff time.

12. Taxation

Group and Charity

The Charity is a registered charity and as such is exempt from taxation of its income and gains falling within part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to its charitable objectives. No tax charge has arisen in the year. This also applies to the Soil Association Land Trust, which is also a charity.

The profits of the following wholly owned subsidiaries of the Charity are subject to UK corporation tax, however no UK corporation tax charge will arise as any taxable profits will be gift aided to the Charity:

- Soil Association Certification Limited; and
- SA Sales and Services Limited.

12. Taxation (continued)

It is the intention that some profits of Soil Exchange Limited, when they arise in the future, will be donated to the Charity and some will be retained in the company to support its growth. Any profits retained will be subject to corporation tax.

13. Intangible Assets

Group

	Software £000	Goodwill £000	Total £000
Cost			
At 1 April 2023	1,092	2,050	3,142
Additions	8	-	8
At 31 March 2024	1,100	2,050	3,150
Amortisation			
At 1 April 2023	774	2,050	2,824
Charge for the year	115	-	115
At 31 March 2024	889	2,050	2,939
Net book value			
At 31 March 2024	211	-	211
At 31 March 2023	318	-	318

Charity

	Software £000
Cost	
At 1 April 2023 and 31 March 2024	366
Amortisation	
At 1 April 2023	254
Charge for the year	62
At 31 March 2024	316
Net book value	
At 31 March 2024	50
At 31 March 2023	112

Amortisation is included in support costs in the SOFA and split between costs of fundraising, farming and land use transition and healthy and sustainable diets based on headcount (see note 11).

14. *Tangible Fixed Assets*

Group

	Freehold land and buildings £000	Leasehold / building improvements £000	Machinery and office equipment £000	Total £000
Cost				
At 1 April 2023	9,248	55	564	9,867
Additions	-	-	19	19
At 31 March 2024	<u>9,248</u>	<u>55</u>	<u>583</u>	<u>9,886</u>
Depreciation				
At 1 April 2023	239	16	368	623
Charge for year	50	7	42	99
At 31 March 2024	<u>289</u>	<u>23</u>	<u>410</u>	<u>722</u>
Net book value				
At 31 March 2024	<u>8,959</u>	<u>32</u>	<u>173</u>	<u>9,164</u>
At 31 March 2023	<u>9,009</u>	<u>39</u>	<u>196</u>	<u>9,244</u>

Group freehold land and buildings represents our Bristol Head Office plus the farms owned by Soil Association Land Trust.

14. Tangible Fixed Assets (continued)

Charity

	Freehold land and buildings £000	Leasehold improvements £000	Office equipment £000	Total £000
Cost				
At 1 April 2023	3,386	12	409	3,807
Additions	-	-	19	19
At 31 March 2024	<u>3,386</u>	<u>12</u>	<u>428</u>	<u>3,826</u>
Depreciation				
At 1 April 2023	239	8	297	544
Charge for year	50	3	34	87
At 31 March 2024	<u>289</u>	<u>11</u>	<u>331</u>	<u>631</u>
Net book value				
At 31 March 2024	<u>3,097</u>	<u>1</u>	<u>97</u>	<u>3,195</u>
At 31 March 2023	<u>3,147</u>	<u>4</u>	<u>112</u>	<u>3,263</u>

Charity freehold land and buildings represents our Bristol Head Office.

15. Fixed Asset Investments

Group and Charity

Listed investments	2024 £000	2023 £000
Market value at start of year	143	117
Additions in year	-	120
Disposals in year	-	(87)
Revaluation gain / (loss)	9	(7)
Market value at end of year	<u>152</u>	<u>143</u>

Group and Charity

	2024 £000	2023 £000
Historic cost at 31 March	<u>138</u>	<u>136</u>

	2024 £000	2023 £000
Unrealised gains at 31 March	<u>14</u>	<u>7</u>

In line with the preferred treatment of the Charities Statement of Recommended Practice, fixed asset investments have been revalued to their market value at 31 March 2024. The above relates to listed investments which have no restrictions imposed upon them.

Charity

Equity investment in group undertakings	£
Cost and net book value at 1 April 2023 and 31 March 2024	<u>105</u>

The Charity owns the whole of the issued ordinary share capital of Soil Association Certification Limited (Company Registration Number 00726903), SA Sales and Services Limited (Company Registration Number 02313146), and Soil Exchange Limited (Company Registration Number 14575685) which are incorporated in the UK.

15. Fixed Asset Investments (continued)

Soil Association Land Trust Limited (Co. No. 06259578), limited by guarantee, registered charity number 1121011, is deemed to be a subsidiary of the Soil Association Limited by virtue of control.

All of these entities have the same registered office as the Soil Association Limited.

The Charity also has indirect ownership of the whole of the issued share capital of Certagrosilva S.L. (NIF B72473143), which is incorporated in Spain and is fully owned by Soil Association Certification Limited. The company's registered address is RSM Spain, Street Entença, number 325 – 335, 1st floor, 08029 Barcelona, Catalonia, Spain.

The principal activity of both Soil Association Certification Limited and Certagrosilva S.L. is that of a certification body, granting licences to trade.

The principal activity of Soil Exchange Limited is providing a digital platform that enables all farmers to benefit from farming sustainably. It measures, improves and then rewards farmers for more sustainable practice.

SA Sales and Services Limited (SASS) works with corporate partners on affinity schemes and sponsorship of Soil Association work and sells advertising space in Soil Association magazines and at Soil Association organised events. During the year, a proportion of the Exchange business continued to be conducted through SASS. The remaining Exchange contracts in SASS are expected to be completed in the first quarter of 2024/25.

The principal activities of Soil Association Land Trust Limited are that of the preservation, conservation and protection of the countryside for the public benefit.

Soil Association Certification Limited and SASS distribute most of their taxable profits, net of taxable losses brought forward from previous years to the Soil Association Limited, as Gift Aid distributions.

15. Fixed Asset Investments (continued)

A summary of subsidiary trading results is shown below:

	SA Certification	Certagrosilva S.L.	SA Sales and Services	Soil Exchange	SA. Land Trust	2024 Total	2023 Total
	£000	£000	£000	£000	£000	£000	£000
Income statement / Statement of financial activities							
Donations	-	-	-	-	23	23	24
Legacies	-	-	-	-	76	76	
Income from sales	12,247	-	1,409	820	125	14,601	11,837
Grants receivable	102	-	-	216	104	422	125
Turnover	<u>12,349</u>	<u>-</u>	<u>1,333</u>	<u>1,036</u>	<u>328</u>	<u>15,122</u>	<u>11,986</u>
Cost of sales	<u>(6,037)</u>	<u>(76)</u>	<u>(776)</u>	<u>(1,096)</u>	<u>(432)</u>	<u>(8,417)</u>	<u>(7,382)</u>
Gross profit / (loss)	<u>6,312</u>	<u>(76)</u>	<u>536</u>	<u>(60)</u>	<u>(104)</u>	<u>6,705</u>	<u>4,604</u>
Administration expenses	(5,947)	-	(7)	(60)	-	(6,014)	(4,584)
Other income	12	2	-	-	-	14	5
Interest receivable	-	-	28	-	3	3	1
Net profit / (loss)	<u>377</u>	<u>(74)</u>	<u>654</u>	<u>(120)</u>	<u>(101)</u>	<u>736</u>	<u>26</u>
Gift Aid payable	<u>(377)</u>	<u>-</u>	<u>(654)</u>	<u>-</u>	<u>-</u>	<u>(1,031)</u>	<u>(296)</u>
Retained in subsidiaries	<u>-</u>	<u>(74)</u>	<u>-</u>	<u>(120)</u>	<u>(101)</u>	<u>(295)</u>	<u>(270)</u>
Balance sheet							
Fixed assets	163	-	-	-	5,972	6,135	6,193
Current assets	5,497	24	1,111	1,741	699	9,072	6,432
Current liabilities	(5,628)	(114)	(1,084)	(1,861)	(89)	(8,776)	(5,899)
Long-term liabilities	-	-	-	-	-	-	-
Net assets / (liabilities)	<u>32</u>	<u>(90)</u>	<u>27</u>	<u>(120)</u>	<u>6,582</u>	<u>6,431</u>	<u>6,726</u>

16. Debtors

	Group 2024 £000	Group 2023 £000	Charity 2024 £000	Charity 2023 £000
Trade debtors	4,506	3,409	348	252
Amounts owed by subsidiary undertakings	-	-	1,759	1,431
Prepayments and accrued income	2,240	2,120	1,576	1,680
	<u>6,746</u>	<u>5,529</u>	<u>3,683</u>	<u>3,363</u>

17. Creditors: Amounts Falling Due Within One Year

	Group 2024 £000	Group 2023 £000	Charity 2024 £000	Charity 2023 £000
Bank loan	135	131	135	131
Trade creditors	1,027	918	289	344
Accruals and deferred income	4,022	2,452	583	393
Other taxes and social security	1,062	656	138	143
Other creditors	1,893	2,147	35	826
	<u>8,139</u>	<u>6,304</u>	<u>1,180</u>	<u>1,837</u>

Deferred income reconciliation (included with accruals and deferred income above)

	Group 2024 £000	Group 2023 £000	Charity 2024 £000	Charity 2023 £000
		<i>Restated*</i>		
At beginning of year	1,713	1,359	-	8
Provided during year	2,990	1,713	-	-
Released during year	(1,702)	(1,359)	-	(8)
	<u>3,001</u>	<u>1,713</u>	<u>-</u>	<u>-</u>

*Group deferred income provided in the prior year and held at prior year end has been restated as the deferred income held in one of the trading subsidiaries was excluded in error.

17. Creditors: Amounts Falling Due Within One Year (continued)

Deferred income relates to:

- Certification licensing fees received in advance of the period to which the licence relates, which is deferred and transferred to the SoFA in the relevant period; and
- Exchange contract income invoiced in advance of delivery, which is deferred and recognised as contract milestones are reached.

18. Creditors: Amounts Falling Due After More Than One Year

	Group 2024 £000	Group 2023 £000	Charity 2024 £000	Charity 2023 £000
Bank loans:				
Secured bank loans (falling due in one-two years)	140	136	140	136
Secured bank loans (falling due in two-five years)	449	434	449	434
Secured bank loans (falling due after five years)	733	887	733	887
	<u>1,322</u>	<u>1,457</u>	<u>1,322</u>	<u>1,457</u>

The bank loans are secured on our Bristol Head Office, a freehold property purchased in 2016-17, which has a carrying value of £3,097,000 at 31 March 2024 (2023: £3,147,000). The terms of the security provide for the lender to claim title to the property in the event of a default of principal and interest payments.

The loan financing comprises of two secured loans as follows:

- A loan of £1,250,000, repayable over 16 years, ending 13 September 2032 at a fixed rate of interest of 3.11% for the first 15 years.
- A loan of £900,000, repayable over 16 years, ending 6 September 2034 at a fixed rate of interest of 3.572% in the first 10 years.

19. Contingent Liabilities

Group and Charity

The charitable group is registered under a group VAT scheme and all group companies, with the exception of Soil Exchange Limited, are jointly liable for the group VAT Liability, which at the year-end amounted to £586,000 (2023: £393,000).

20. Leasing Commitments

At the year end, the total future minimum lease payments and amounts receivable under non-cancellable operating leases are as follows:

Amounts payable:

Group	2024	2024	2023	2023
	Land and buildings £000	Other £000	Land and buildings £000	Other £000
- within one year	3	43	14	44
- later than one year and not later than five years	-	36	-	74
	<u>3</u>	<u>79</u>	<u>14</u>	<u>118</u>

Charity	2024	2024	2023	2023
	Land and buildings £000	Other £000	Land and buildings £000	Other £000
- within one year	3	11	14	11
- later than one year and not later than five years	-	36	-	26
	<u>3</u>	<u>47</u>	<u>14</u>	<u>37</u>

Amounts receivable:

	<i>Group</i> 2024 £000	<i>Group</i> 2023 £000	<i>Charity</i> 2024 £000	<i>Charity</i> 2023 £000
Land and Buildings				
- within one year	39	31	-	-
- later than one year and not later than five years	52	44	-	-
- later than five years	6	9	-	-
	<u>97</u>	<u>84</u>	<u>-</u>	<u>-</u>

21. Designated Funds

Group

	Balance at 31 Mar 2023 £000	Transfers from income and expenditure account £000	Balance at 31 Mar 2024 £000
Fixed asset fund	2,120	(39)	2,081
Bank loan covenant fund	350	-	350
Corporate partnership income received in advance of project delivery	-	360	360
Total designated funds	<u>2,470</u>	<u>321</u>	<u>2,791</u>

Charity

	Balance at 31 Mar 2023 £000	Transfers from income and expenditure account £000	Balance at 31 Mar 2024 £000
Fixed asset fund	1,918	5	1,923
Bank loan covenant fund	350	-	350
Corporate partnership income received in advance of project delivery	-	360	360
Total designated funds	<u>2,268</u>	<u>365</u>	<u>2,633</u>

The designated funds represent the following:

Fixed asset fund: This fund represents the amount of our unrestricted reserves which are held as tangible and intangible fixed assets, including the HQ building. These assets are required for operational activities and are therefore not considered part of the Group's readily available free reserves. The fund is reduced by bank loan repayments due in more than one year as these would be repaid were the HQ building sold. The less than one-year bank loan repayments are not deducted as if a decision was taken to sell the HQ building, mortgage payments would still have to be made while the sale went through. This fund will be designated for the life of the assets included in it, reduced by the depreciation charge and increased by mortgage repayments.

21. Designated funds (continued)

Bank loan covenant fund: a condition of our mortgage is that we maintain free reserves of a minimum of £350k, so by designating these funds we are reflecting that these funds are not freely available for expenditure. These funds will be designated until both long-term loans are fully repaid in September 2034.

Corporate partnership income received in advance of project delivery: SA Sales & Services Limited's profit donation of £654k included annual income from a major corporate partner which was paid in advance, but is linked to delivery by the Soil Association Charity over the calendar year January to December 2024. We are choosing to designate the proportion of this income which relates to delivery that will take place in 2024/25 as it is not considered to be part of the Group's unrestricted free reserves.

22. Total Funds

Group

	At 31 Mar 2023 £000	Income £000	Expend £000	Unrealised gains £000	At 31 Mar 2024 £000
Unrestricted funds	3,663	17,360	(17,329)	9	3,703
<hr/>					
Restricted funds:					
SA Land Trust	6,683	331	(432)	-	6,582
Farming and land use transition:					
NEIRF – Agroforestry Carbon Code	-	17	(17)	-	-
The Prince of Wales’s Charitable Fund	250	-	(150)	-	100
Other	872	1,659	(1,305)	-	1,226
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Farming and land use transition	1,122	1,737	(1,533)		1,326
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Healthy and sustainable diets:					
The National Lottery Community Fund – Food For Life Get Togethers	428	-	(356)	-	72
The National Lottery Community Fund and Esmée Fairbairn Foundation - Sustainable Food Places phase three	688	885	(973)	-	600
The National Lottery Community Fund – Covid-19 Emergency Funding	139	-	(139)	-	-
Other	11	845	(743)	-	113
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Healthy and sustainable diets	1,266	1,730	(2,211)	-	785
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Esmée Fairbairn Core Funding	-	350	(150)	-	200
Fundraising	10	-	(3)	-	7
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total restricted funds	9,081	4,148	(4,329)	-	8,900
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total funds	12,744	21,508	(21,658)	9	12,603
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

22. Total funds (continued)

Group prior year

	At 31 Mar 2022 £000	Income £000	Expend £000	Unrealised losses £000	Transfer between funds £000	At 31 Mar 2023 £000
Unrestricted funds	4,522	14,698	(15,485)	(7)	(65)	3,663
Restricted funds:						
SA Land Trust	6,864	141	(394)	-	72	6,683
Farming and land use transition:						
NEIRF – Agroforestry Carbon Code	-	80	(80)	-	-	-
The Prince of Wales’s Charitable Fund	498	-	(248)	-	-	250
Other	461	1,478	(1,060)	-	(7)	872
Total Farming and land use transition	959	1,558	(1,388)	-	(7)	1,122
Healthy and sustainable diets:						
The National Lottery Community Fund – Better Care	11	-	(11)	-	-	-
The National Lottery Community Fund – Food For Life Get Togethers	1,286	-	(858)	-	-	428
The National Lottery Community Fund and Esmée Fairbairn Foundation - Sustainable Food Places phase three	858	1,149	(1,319)	-	-	688
The National Lottery Community Fund – Covid-19 Emergency Funding	185	-	(46)	-	-	139
Other	132	1,012	(1,133)	-	-	11
Total Healthy and sustainable diets	2,472	2,161	(3,367)	-	-	1,266
Esmée Fairbairn Core Funding	102	-	(102)	-	-	-
Samworth Foundation - Citizen Insight & Digital Transformation	19	-	(19)	-	-	-
Fundraising	25	(10)	(5)	-	-	10
Total restricted funds	10,441	3,850	(5,275)	-	65	9,081
Total funds	14,963	18,548	(20,760)	(7)	-	12,744

22. Total funds (continued)

Charity

	Balance at 31 Mar 2023 £000	Income £000	Expenditure £000	Unrealised losses £000	Balance at 31 Mar 2024 £000
Unrestricted funds	3,621	4,323	(4,095)	9	3,858
Restricted funds	2,400	3,825	(3,904)	-	2,321
Total funds	<u>6,021</u>	<u>8,148</u>	<u>(7,999)</u>	<u>9</u>	<u>6,179</u>

Charity prior year

	Balance at 31 Mar 2022 £000	Income £000	Expenditure £000	Unrealised losses £000	Balance at 31 Mar 2023 £000
Unrestricted funds	4,397	3,592	(4,361)	(7)	3,621
Restricted funds	3,571	3,710	(4,881)	-	2,400
Total funds	<u>7,968</u>	<u>7,302</u>	<u>(9,242)</u>	<u>(7)</u>	<u>6,021</u>

Restricted funds

The following restricted funds were in use during the year. All funds at the year-end were held in net assets (cash or accrued income) with the exception of the farms, machinery and stock donated from Land Heritage to Soil Association Land Trust Limited in previous years.

SA Land Trust

This fund represents the land and buildings owned by and activities undertaken in Soil Association Land Trust Limited.

Farming and land use transition and Healthy and sustainable diets

Funds received with a restriction to our work in Farming and land use transition and Healthy and sustainable diets.

Esmée Fairbairn Core Funding

Multi-year grant from Esmée Fairbairn Foundation to support salary costs of key staff in the organisation.

Fundraising

Donations restricted to Fundraising activities within the organisation.

22. Total funds (continued)

Net assets by fund

Group

	Fixed assets £000	Net current assets £000	Long-term creditors £000	2024 Total £000
Unrestricted funds	3,555	1,470	(1,322)	3,703
Restricted funds	5,972	2,928	-	8,900
Total Group funds	<u>9,527</u>	<u>4,398</u>	<u>(1,322)</u>	<u>12,603</u>

Charity

	Fixed assets £000	Net current assets £000	Long-term creditors £000	2024 Total £000
Unrestricted funds	3,397	1,783	(1,322)	3,858
Restricted funds	-	2,321	-	2,321
Total Charity funds	<u>3,397</u>	<u>4,104</u>	<u>(1,322)</u>	<u>6,179</u>

23. Cash Flow Information

Group

Reconciliation of changes in resources to net cash inflow from operating activities	2024 £000	2023 £000
Net deficit for the year	(141)	(2,219)
Add back depreciation charged	99	108
Add back amortisation charged	115	101
Remove unrealised (gain) / loss on investments	(9)	7
Add back interest paid	51	57
Increase in debtors	(1,217)	(705)
Increase in creditors	1,700	206
Add back decrease in creditors from financing activities (shown on face of cashflow)	131	168
	<hr/>	<hr/>
Net cash inflow / (outflow) from operating activities	729	(2,277)
	<hr/> <hr/>	<hr/> <hr/>

Analysis of cash and cash equivalents

	At 1 April 2023 £000	Cash flow £000	At 31 March 2024 £000
Cash at bank and in hand	5,271	520	5,791

Analysis of changes in net debt

	At 1 April 2023 £000	Cash flow £000	Other non- cash changes £000	At 31 March 2024 £000
Cash at bank and in hand	5,271	520	-	5,791
Loans falling due within one year	(131)	131	(135)	(135)
Loans falling due after one year	(1,457)	-	135	(1,322)
Total	3,683	651	-	4,334

23. Cash flow information (continued)

Charity

Reconciliation of changes in resources to net cash inflow from operating activities:	2024 £000	2023 £000
Net surplus / (deficit) for the year	158	(1,947)
Add back depreciation charged	87	94
Add back amortisation charged	62	74
Remove unrealised (gain) / loss on investments	(9)	7
Add back interest paid (shown on face of cashflow statement)	51	57
(Increase) / decrease in debtors	(320)	580
Decrease in creditors	(792)	(253)
Add back decrease in creditors from financing activities (shown on face of cashflow)	131	168
	<hr/>	<hr/>
Net cash outflow from operating activities	(632)	(1,220)
	<hr/> <hr/>	<hr/> <hr/>

Analysis of cash and cash equivalents

	At 1 April 2023 £000	Cash flow £000	At 31 March 2024 £000
Cash at bank and in hand	<hr/> 2,434	<hr/> (833)	<hr/> 1,601
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Analysis of changes in net debt

	At 1 April 2023 £000	Cash flow £000	Other non- cash changes £000	At 31 March 2024 £000
Cash at bank and in hand	2,434	(833)	-	1,601
Loans falling due within one year	(131)	131	(135)	(135)
Loans falling due after one year	(1,457)	-	135	(1,322)
Total	<hr/> 846	<hr/> (704)	<hr/> -	<hr/> 144
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

24. Financial Instruments

The financial instruments of the Group and Charity are as follows -

	<i>Group</i> 2024 £000	<i>Group</i> 2023 £000	<i>Charity</i> 2024 £000	<i>Charity</i> 2023 £000
Financial assets held at fair value				
Listed investments	152	143	152	143

25. Related Party Transactions

Group and Charity

In the financial year the following transactions took place between the Charity and other Group entities:

Soil Association Certification Limited ('SA Certification')

- A licence charge from the Charity to SA Certification of £480,000 (2023: £444,372) for the right to certify to the Charity's standards and to issue the symbol to its licensees for use in relation to their products.
- A Service Level Agreement charge from the Charity to SA Certification of £1,221,000 (2023: £962,700) for the supply of accommodation, Finance, HR and IT services, including Certification-specific IT licences and other central costs.
- A charge of £16,995 from Charity to SA Certification of staff costs (2023: £30,199 charge from SA Certification to Charity).
- A charge of £nil (2023: £4,033) from the Charity to SA Certification for desk rental.
- The transfer under gift aid of the trading profits of SA Certification to the Charity of £377,000 (2023: £256,000).
- The amount due from Certification to the Charity at 31 March 2024 was £906,000 (2023: £1,174,000).

Soil Association Land Trust Limited ('Land Trust')

- A charge of £104,566 (2023: £84,153) was made from the Charity to the Land Trust of staff costs and overheads.
- Donation income of £8,100 (2023: £nil) was passed from the Charity to the Land Trust in relation to a fundraising appeal to plant hedgerows at Woodoaks Farm.
- The amount due from Land Trust to the Charity at 31 March 2024 was £75,720 (2023: £21,422).

25. Related Parties (continued)

SA Sales and Services Limited ('SASS')

- Commercial income of £813 (2023: £1,363) was transferred from the Charity to SASS.
- Cost of sales relating to raising commercial income, including staff costs and overhead contribution, of £131,019 (2023: £102,236) charged from the Charity to SASS.
- £527,106 (2023: £844,820) of Soil Exchange costs were recharged to SASS from Charity, including £103,525 (2023: £347,296) of staff costs and £61,500 (2023: £45,833) charge for the supply of Finance, People and IT services and other central costs.
- The transfer under gift aid of the trading profits of SASS to the Charity of £653,675 (2023: £40,499).
- The amount due from SASS to the Charity at 31 March 2024 was £775,797 (2023: £236,111).

Soil Exchange Limited ('Exchange')

- A trademark licence charge from the Charity to Exchange of £3,150 (2023: £nil) for the right to use the Soil Association name in its trading name and logo.
- A Service Level Agreement charge from the Charity to Exchange of £20,500 (2023: £nil) for the supply of Finance, People and IT services and other central costs.
- The amount due from the Charity to Exchange at 31 March 2024 was £3,150 (2023: £nil).

Trustees of the Charity do not receive remuneration for the provision of their services as trustees of The Soil Association Limited. Board members receive reimbursement of out-of-pocket expenses for attendance at meetings and events (see note 8).

During the year, gifts were made to departing Trustees, with a cash value of £nil (2023: £148).

Total donations received from Trustees and key management personnel in the year, including Gift Aid, were £5,000 (2023: £5,000).

The Charity and Group purchased services from and made sales to companies whose directors are also Trustees or key management personnel of the Charity.

The majority of sales to companies whose directors are related parties related to certification services to licensees and were under normal commercial terms so are not disclosed.

Non-certification sales to companies owned by Helen Browning totalled £5,850 inclusive of VAT (2023: £5,850). Amounts outstanding at 31 March 2024 on sales made during the year were £488 incl. VAT (2023: £488).

25. Related Parties (continued)

Purchases from companies owned by or linked to Helen Browning totalled £17,487 inclusive of VAT (2023: £11,111). Amounts outstanding at 31 March 2024 on purchases made during the year were £160 (2023: £nil).

26. Capital Commitments

Group and Charity

At the year end the Group had capital commitments of £nil (2023: £16,000) and the Charity £nil (2023: £nil).

27. Comparative Consolidated Statement of Financial Activities

	Note	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000
INCOME FROM:				
Donations and legacies	2	1,732	423	2,155
Charitable activities	3	11,938	3,355	15,293
Other trading activities	4	1,015	71	1,086
Investment income	5	13	1	14
Other income	6	-	-	-
Total income		<u>14,698</u>	<u>3,850</u>	<u>18,548</u>
EXPENDITURE ON:				
Raising funds		870	27	897
Charitable activities	7	13,649	5,248	18,897
Other trading activities		966	-	966
Total expenditure	9	<u>15,485</u>	<u>5,275</u>	<u>20,760</u>
Net gain on investments	15	(7)	-	(7)
Net (expenditure) / income and net movement in funds		<u>(794)</u>	<u>(1,425)</u>	<u>(2,219)</u>
Transfer between funds		(65)	65	-
Net movement in funds		<u>(859)</u>	<u>(1,360)</u>	<u>(2,219)</u>
RECONCILIATION OF FUNDS				
Total funds brought forward		<u>4,522</u>	<u>10,441</u>	<u>14,963</u>
Total funds carried forward	22	<u>3,663</u>	<u>9,081</u>	<u>12,744</u>

Reference and Administrative Details

REGISTERED CHARITY NUMBER: 206862 (England and Wales)
SCO39168 (Scotland)

REGISTERED COMPANY NUMBER: 00409726

REGISTERED OFFICE: Spear House
51 Victoria Street
Bristol
BS1 6AD

GOVERNING DOCUMENT: Articles of Association

CONSTITUTION: Company limited by guarantee

ROYAL PATRON: His Majesty King Charles III

HONORARY VICE PRESIDENTS: Charlotte Mitchell
Jonathan Dimbleby
Trudie Styler

TRUSTEES: Martin Nye (Chair)
Phil Fearnley (Vice-Chair)
Richard Allan
Anthony Balance
Lauren Branston
Andrew Burgess
Steven Lizars
Caroline Missen
Isabel Oliver
Rosemary Radcliffe
Jonathan Spencer
Sabine Vandenbroucke

GROUP KEY MANAGEMENT PERSONNEL:

Group Chief Executive - Helen Browning
Group Resources Director – E. Nicola Spencer
Charity Managing Director - James Cashmore
Director of Marketing and Communications - Ian Ayling
Programmes Director – Aoife Behan, left 7 Apr 2023
Programmes Director – Ruth Galpine, started 1 June 2024
Director of Development – Louisa Pharoah, left 25 June 2024
Policy and Strategy Director – Joanna Lewis, left 21 July 2023
Policy and Strategy Director – Brendan Costelloe, started 2 October 2023

Reference and administrative details (continued)

Group Key Management Personnel (continued)

SA Certification Chief Executive Officer - Dominic Robinson
SA Certification Commercial & Marketing Director - Alex Cullen
SA Certification Director of Certification (Food, Textiles & Beauty) – Hannah Turner
SA Certification Farming & Operational Services Director – Emma Yeats
SA Certification Director of Forestry – Meriel Robson
SA Certification Head of Climate & Landscape – Andrew Grundy

Soil Exchange Chief Executive Officer – Joseph Gridley

COMPANY SECRETARY: Emma Hussey

BANKERS:

Triodos Bank	Lloyds Bank
Deanery Road	Canons House
Bristol	Canons Way
BS1 5AS	Bristol
	BS99 7LB

SOLICITOR:

Veale Wasbrough Vizards
Narrow Quay House
Narrow Quay
Bristol
BS1 4QA

AUDITOR:

RSM UK Audit LLP
Second Floor
One The Square
Temple Quay
Bristol
BS1 6GD



Soil Association
Spear House, 51 Victoria Street
Bristol BS1 6AD
T 0300 330 0100
F 0117 314 5001
Company registration no. 00409726
Registered charity no. 206862

Soil Association Scotland
20 Potterrow
Edinburgh
EH8 9BL
T 0131 370 8150
F 0131 666 1684
Registered charity no. SC039168

www.soilassociation.org

Do you need this in an alternative format?

Please email brand@soilassociation.org to request a copy