



Summary minutes of the 65th AGM

Held on Wednesday
16 November 2011 at
Armada House, Bristol

1 Opening of the AGM

There being a quorum of more than 20 members present, **Orna NiChionna**, chair of the Soil Association declared the 65th AGM open.

2 Appointment of the chairperson for the meeting

Monty Don tendered his apologies and **Orna NiChionna**, chair, took the chair and welcomed members present.

3 Apologies for absence

Huw Bowles, Roger Cadbury, Renée Elliott, Jane Hallé, Phil Haughton, David Main, John McCormick, Pamela Noble, Dennis Overton, Sheila Philbrick, Tim O'Riordan, Bill Starling, June Stubbs.

4 Minutes of the 63rd AGM

It was proposed by **Graham Keating** and seconded by **Annabel Allott** that the minutes be approved. Carried with one abstention.

5 Election of councillors

Elections had been held for three general members of council places and one place as the devolved nations' member of council for Northern Ireland.

Declared elected:

David Main (436 votes), **Gabriel Scally** (426 votes), **Orna NiChionna** (370 votes). Since the voting papers were sent out, **Peter Segger** had resigned from council and therefore **Renée Elliott** (365 votes) was declared elected to fill that place. **John McCormick** was elected unopposed as the devolved nations' member of council for Northern Ireland.

Not elected:

Griselda Barker (who had withdrawn), **Anna Louise Batchelor, Erin Gill, Martin Kunz.**

Orna NiChionna paid tribute to **Peter Segger** and **Roger Cadbury**; Peter had been involved with the organisation for almost 40 years, including twice serving on council. Roger had given many years of service to the Soil Association both as a trustee and as a board member and chair of SA Certification Ltd. Orna thanked them both for the valuable contribution they had made and expressed the gratitude of the council for their years of service.

6 Resolution

To adopt the annual accounts for the year ending 31 March 2011 and the treasurer's report.

Neil Canetty-Clarke reported that the turnover for the year was £11m. Overall the group had achieved a surplus of £30,000 which was an improvement on the prior year and the reserves stood at £4.4m. Referring to SA Certification Ltd: although their income had been adversely affected by the decline in the organic market, this had been offset by a significant reduction in costs. On the Charity side, income and expenditure were broadly in balance; unrestricted income – grant income was down but was offset by an increase in donations and gifts; two areas of mention were the growth of the Catering Mark and an increase in sponsorship; the raffle had also brought in an extra £22,000. Restricted income – grant income was significantly up. The National Centre – expenditure for the planning application had been funded by SWRDA and the result was expected soon. Neil concluded by saying that in his year as Hon. Treasurer he had been very impressed with the way the organisation controlled its money. It had been a difficult year with the economic situation and decline in the organic market, although the results showed that the organisation was in a sound financial situation.

In response to a question, Neil confirmed that costs associated with the National Centre had been funded externally.

Martin Fitton proposed and **Jennifer Lauruol** seconded that the annual accounts for the year ended 31 March 2011 and the treasurer's report be adopted. Motion carried – 259 in favour, 3 against and 3 abstentions.

7 Resolution

To appoint Baker Tilly, 2 Bloomsbury Street, London, WC1B 3ST as the Soil Association's auditors for the year 2011/12.

Proposed **Dennis Nightingale-Smith**, seconded **Geoff Truscott** that Baker Tilly be appointed as the Soil Association's auditors for the year 2011/12. Motion carried – 144 in favour, 8 against, 3 abstentions.

8 Annual report

Helen Browning, chief executive, thanked those for their attendance, saying how much it was appreciated. She explained that the rest of the afternoon would be divided into two sections: the first was a few short reports on the year's activities and the second was to introduce the new strategy. Helen spoke about the research undertaken by the Food Issues Census, which had been funded by a group of philanthropists who wanted to understand what was happening in the world of

food and farming; where the money was coming from and where it was going; and who was well regarded. It discovered that only 1% of funding in the charitable sector was going into the food and farming domain. This work had shown that the Soil Association was regarded as an important partner by others and also was highly regarded as having a big impact.

Helen acknowledged the work which had been done by **Rob Sexton** in his interim role running the organisation before she started. She thanked Orna, the council and the senior team for the support she had received.

Roger Mortlock, deputy director, spoke of the work done by the Food for Life Partnership which had achieved far more than had ever been expected; it was now the biggest school health intervention in the UK. One of the exciting outcomes from this programme had been that 45% of parents reported a change in their buying behaviours towards more vegetables.

Talking about the Land Trust which was launched during the previous year, there were now over 2,500 acres pledged to the Land Trust. Two fields had also been donated which had been turned into a community Enterprise on a long-term lease to grow food and raise animals for the local community.

Other exciting projects have been:

- the apprenticeship scheme, which 36 people have completed
- the school yard farmers' markets being trialled with 60 schools in Wales, Shropshire and London
- farm schools offering short taster courses to the general public – over 3,500 people have attended
- a school academy working with 10 inner-city schools to take groups of children from Year 10 to work on a partner organic farm for up to a week
- low-carbon farming project – to give technical advice to all farmers on how to reduce their carbon footprint.
- Community Supported Agriculture – there are 76 trading which the Soil Association is supporting and another 120 in development.
- local buying groups – 20 new buying groups have been set up.

Rob Sexton, Chief Executive of Soil Association Certification explained that as the trading subsidiary of the charity Certification's role was to deliver on organic principles. It also ran verification schemes to support people, who have chosen low-input sustainable methods, moving towards organic principles. It also ran some non-organic schemes purely as a service to farmers to enable them to have all their certification done at one time. It supports and services 4,500 licensees; help finding routes to market as well as working with retailers so that they recognise and encourage support for the Soil



Association symbol.

Regarding the UK organic market, Rob said that it was still in decline although the rate of attrition had slowed. On the positive side, in 2010 many other major countries selling organic food have shown significant growth. Soil Association Certification was working with the Charity on why the organic market was doing so much better in Europe.

The major source of income for Soil Association Certification was from organic food and farming certification. Rob was pleased to report that a decent profit had been made in the year despite the downturn in the market. This had been achieved through careful cost management. One positive factor was that independents and brands were showing growth although 'own brands' organics were struggling.

Internally the major focus had been to provide the best possible customer support. He said that building the reputation of the Soil Association would give it a greater voice in some of the campaigning and lobbying work being done.

Emma Hockridge, head of policy, outlined the key areas of work undertaken during the year.

- **'Not in my Banger'** – a campaign against development of what is known as a mega-pigfarm in Foston in Derbyshire, a huge-scale development of 25,000 pigs. Emma explained how this type of development could critically affect the future of our UK agricultural system.

- **CAP 2013** – the Soil Association had been involved in the discussions around CAP reform. The legislative proposals were published in mid-October 2011 from Brussels and show promising signs for organic farming.

- **Feeding the world** and agro-ecology – the Soil Association has been highlighting the importance of agro-ecology approaches like organic farming. They have been involved in the development of a new all-party parliamentary group, taking part in debates and building good relationships with other NGOs on this issue.

- **GM** – Emma said that the debate continued, citing the proposed trial in Hertfordshire and the planned potato open-air trial in Norwich.

- **Peak phosphate** – the Soil Association had produced a report a year before and Emma was pleased to report that the issue was now being discussed at policy level, which had possible implications for the future direction of food and farming.

Question from the floor regarding the Land Trust and whether it was proofed against Compulsory Planning Orders and the High Speed Rail. Rob Sexton responded that the whole purpose of the Land Trust was to set aside land in perpetuity, so ensuring that it was proofed against CPOs, was part of that. He said that none of the land was on the

High Speed Rail route.

Question regarding the Co-operative and why they did not appear as green on the slide. Helen responded that the slide was not produced by the Soil Association and it was meant to represent how others perceived different groups.

Cherry Lavell, from the floor, commented that the All Party Parliamentary Group on Agroecology meetings were well worth attending and that anybody could register.

Elisabeth Winkler asked why the organic 'own brands' were struggling? Rob replied that Kantar evidence suggested that the gap was between those who took the time to build their brand and explain the value of organic and those who did not. The big retailers were promoting their own 'finest' range over organic, he said the Soil Association was working with them to try to correct this.

Looking Forward – the new strategy

Helen said that the new strategy was an attempt to forward plan to 2020, to ensure that the Soil Association had a long-term perspective on the direction and prioritisation of the work. She said there were two particular challenges: 'one planet living' – the world was living on one planet whilst using the resources of three planets; and issues around inequalities in diet and health. There were also opportunities: the ISTAAD report had shown that an agro-ecological organic approach could be a really effective long-term way to look after people humanely and fairly. As well as addressing the big issues, it was also important to define clearly who the Soil Association was, what it did and why to get involved, to improve its image and that of organic in the community.

Although the word organic did not appear in the headline, Helen said everything within the strategy was locked into those organic principles of health, ecology, care and fairness. Our founders talked about the connections between soil/plant/animal and man rather than organic.

The new strategy is divided into two themes – 'facing the future' and 'good food for all', both of which were underpinned by 'enabling change'. Helen said that in a world of 'hands-off' government it was people, businesses and community groups on the ground who would make the change happen. It was the Soil Association's job to support those people.

Facing the future: it was recognised that 'business as usual was not an option' and sustainable intensification had become the issue being most discussed. She thought that there were inherent dangers in this, citing the mega-pigfarm proposal at Foston. The Soil Association's role was to demonstrate that there was another way to deliver what was needed; it was not just about

yield but about the healthiness of the product.

By creating human-scale, diverse and equitable approaches to reducing resource use, our food and farming systems could be developed to produce the total productivity required whilst protecting the natural world. Some of the work we will be doing into the future will be to influence those farming and food research agendas and working really closely with our farmers and businesses. There was a lot of innovation in farming practice and it was important to ensure there was support for the right kind of practice. Another aspect was the development of the Soil Association standards and keeping our aspirations for organic systems really high, as well as understanding what needed to be done to help those aspiring to meet those standards. More work was needed around soils; unpacking the links between diet and health; and developing ethical trade for example.

There has been a lot of discussion around 'starting where people are', which is one of the reasons the Food for Life programme has been so successful; we are reaching out and engaging with new audiences.

In conclusion, as an organisation ensuring trust because we have done our homework and have the right evidence base, Helen said, was the most important aspect of our work.

Good food for all: Roger Mortlock said, put simply, it was about giving everyone access to food that was good for them and good for the planet, which was what the founders of the movement had advocated. It was about the links between food production, diet, human health and the health of the planet, something, he said, which when considered alongside the obesity and resources crises, gave the Soil Association a unique contribution to the debate. The overall ambition of this part of the strategy is to normalise our agenda, e.g. 50% of primary schools being FFLP in eight years. Our focus will be to reach out to the vulnerable and those who are not part of 'our world' at the moment.

Speaking about the future of the FFL work, he said that under the new government there was a shift towards localism to empower local people. This meant there would be changes in delivery of the work with more focus on commissioning. Roger thanked all the members who had responded to the recent appeal, and said that the Soil Association would also be applying for transition funding from BIG to help cover this phase.

Another pillar of the work was 'sustainable food cities'. With the devolution of power to local levels, many councils are considering how to use food as part of a new agenda to connect with their communities. For example, the Soil Association had been involved in developing a food charter for Plymouth, which links the health authority and university authorities as well as schools. Another



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strand of the work is around 'fair routes to market'. The Soil Association has been looking at large-scale examples of buying groups in North America and Europe where organic, local and sustainable produce is being delivered.

A further pillar would be around hospital food. Roger said this was what the FFL programme had shown could be done and the plan was to extend it to hospitals. It was an opportunity to extend the range of the Catering Mark into residential and care homes and into the workplace, so that 'good food' becomes institutionalised.

Business could also be a force for change, Roger cited the example of Carrefour in France, who required a significant proportion of their produce to be organic. He said that none of the work could be done without a really strong peer-reviewed evidence base, which the FFLP enabled us to have.

Enabling change: Rob Sexton spoke about the work done in SA Certification, which was all about enabling change. He said that there was a strong group strategy and that when the Charity and the certification arm worked together they were a powerful force for change. Rob explained that the Charity works with a small number of pioneers exploring new ideas and creating new schemes, for example the Food for Life Partnership. Out of that work came a scheme to take to the world, which was where Certification came in; it is the delivery vehicle. Without the Charity, Certification does not get new ideas, and without Certification the Charity is limited in its reach. SA Certification is a genuine social enterprise and every project is judged against two elements:

(1) does it or can it make a change of scale?; does it or can it make a financial contribution?

(2) is it sustainable in its own right or can it make money which is then fed back into the Charity to support its work?

This supports new development as well as new funding going forward.

Speaking of the future, Rob said that the challenge was to make the Soil Association sustainable. A huge amount of income came from food and farming and only a small amount from emerging schemes. A more balanced portfolio was needed to support the social enterprise model, because organic food and farming was flat at the moment. Although the cost base had been well managed, income had decreased quite significantly. Three new schemes were:

(1) Textiles, which had a good social enterprise component as well as being financially viable – organic cotton alone is worth £4.3bn globally.

(2) Health and beauty, which was basically another product of farming with the same argument and with a global market of £200bn and a UK market of £9.3bn, making it one of our biggest industries.

(3) Catering Mark, which had the triple benefit of environmental benefit, social benefit with the link to health and the business benefit, with a UK market of £34bn.

Questions

Jennifer Lauruol questioned the cost of certification and asked what the Soil Association was doing in relation to the risks of peak oil and the shocks of the European debt crisis. Rob Sexton responded that they were looking at a separate scheme to help small licensees – it could not be called organic, which comes under EU law, but would give credibility to the small growers. Helen also responded that the Soil Association did run a risk register, which is constantly under review in order to minimise risks.

James Bond said that he had been horrified to see a large truck at the waste disposal unit depositing rich clean soil into the rock and rubble pit. Helen commented that she agreed it was a pity that soil was so often seen as waste.

Anna Louise Batchelor representing the True Food Community Co-operative asked when the full report from Traci Lewis workshop would be available. Roger responded that it would be available soon and he would speak to Traci about it.

Patrica Ross commented on the downturn in organic sales in September 2011 compared to 2010, and asked if there had been an organic fortnight in 2011. She said that people were not sufficiently aware of the benefits to their health of eating organic or the corresponding deficit of not eating organic or the risks of GM. She believed that education was imperative to counteract this and asked what was being done. **Peter Melchett** replied that GM was an on-going part of

our policy work.

Terence Fowler asked whether there was any work being done on minimum cultivation? Peter responded that there was a trial being done in Switzerland by a large organic research centre looking at min-till in organic systems. He said it was a complicated area and one which the Soil Association was following. Responding to a further question about soil erosion and the damage done by ploughing, Peter replied that it was a complicated issue and depended upon various factors, e.g. on how quickly a cover crop was planted after ploughing.

Replying to a question about feeding the world, Helen said that all the predictions were that population would rise to 9bn and the challenge was to ensure all were fed fairly. She thought that each region of the world would need to find its own way, adding that she was not sure that the West had all that much to teach others about farming methods, and citing Sir Albert Howard's Indian experience, it was important to respect and build on the indigenous knowledge.

Rupert Shute asked the chair to comment on the letter which had been sent out with the voting papers, which directed people to vote for a certain subset of people. Orna responded that council had debated this for several years. Accepting that a balanced council was necessary, and having looked at what other charities did, it had been decided that Helen would write a letter mentioning the skill gaps that had been identified. Rupert commented that he would have thought it would have been better done when calling for nominations. Orna acknowledged that this was another way of doing it and his comments would be borne in mind. A member of the audience commented that this was a less prescriptive way than the National Trust's and they had found the guidance helpful.

As there were no further questions arising, the meeting was declared closed.

Independent auditor's statement

We have examined the summarised financial statements for the year ended 31 March 2012 set out on pages 36–37.

The trustees are responsible for preparing the summarised financial statement in accordance with applicable United Kingdom law. Our responsibility is to report to you our opinion on the consistency of the summary financial information with the full annual financial statements, and its compliance with the relevant requirements of section 427 of the Companies Act 2006 and the regulations made thereunder. We conducted our work in accordance with Bulletin 2008/3 issued by the Auditing Practice Board. Our report on the

Charity's full annual financial statements describes the basis of our opinion on those financial statements.

In our opinion the summarised financial statements are consistent with the full annual financial statements of the Soil Association for the year ended 31 March 2012 and comply with the applicable requirements of section 427 of the Companies Act 2006 and the regulations made thereunder.

Baker Tilly UK Audit LLP, Statutory Auditor, Chartered Accountants, Hartwell House, 55–56 Victoria St, Bristol BS1 6AD. 25/8/11