

REGISTERED COMPANY NUMBER: 03901671 (England and Wales)
REGISTERED CHARITY NUMBER: 1101885

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021
FOR
FOOD ETHICS COUNCIL
(A COMPANY LIMITED BY GUARANTEE)

Chariot House Limited
Chartered Accountants
44 Grand Parade
Brighton
East Sussex
BN2 9QA

FOOD ETHICS COUNCIL

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FOR THE YEAR ENDED 31ST DECEMBER 2021

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FOOD ETHICS COUNCIL

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2021**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st December 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

About the Food Ethics Council

The Food Ethics Council believes that we can have a better, fairer food system: where everyone eats well and global hunger is a distant memory; where farmers and food producers make a decent living, animals are treated humanely, and the environment is respected.

Who we are

We are a registered charity and our work is not for profit. We are not affiliated to any political party or religious organisation. Our Council members are appointed as individuals. They bring a broad range of expertise to our work, from academic research through to practical knowledge of food, farming, business and policy. Our members lead our work in a voluntary capacity and our staff supports them through research, analysis and advocacy.

What we do

We work as an independent think-and-do tank, whose purpose is to bring ethics to the centre of food systems. We bring expertise together - providing the ethical tools and space for honest and meaningful dialogue. We challenge the status quo and accepted ways of thinking. Fundamentally, we work to promote ethical approaches and considered solutions to real-world food systems problems. We strive to provide a safe space for those in the food and farming sector wanting to be part of that shift. In this, we help to create an enabling environment, overcome barriers and design fairer ways in which food systems, their component parts and food businesses can operate. This is all in line with our mission: to accelerate the shift to fair and resilient food systems which respect people, animals and the planet.

Our Objects

1. To promote education for the public benefit in issues of ethics, economic and social studies, politics, science and public policy, as they relate to food and agriculture.
2. To promote for the public benefit research in any of the above fields of education and to publish the useful results of that research.

What we work on

Our work spans ethical concerns in food and farming, from care for the environment (including the climate and biodiversity crises) and animal welfare to social justice, from health & nutrition to socially equitable food systems. Our work is UK-focussed, but within a global ethical framework.

How we are funded

The Food Ethics Council is funded by a mixture of grant funding, selective consultancy, Business Forum membership and individual donations. The directors only accept funds that will not compromise the charity's independence.

FOOD ETHICS COUNCIL

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2021

OBJECTIVES AND ACTIVITIES

Public benefit

In shaping our objectives and planning our activities for the year, the Trustees have given consideration to the duties set out in Section 17(5) of the Charities Act 2011 to have due regard to public benefit. In particular, the Trustees have considered how the planned activities will contribute to the overall aims and objectives that they have set.

The Trustees believe that the paragraphs above, and those in the section 'Achievement and Performance', convey in detail the benefits that the Charity provides to the public.

ACHIEVEMENT AND PERFORMANCE

Overview of the year

An unstable external environment

2021 was another challenging year, as the pandemic lingered, with deep and lasting impacts for so many, including those working in food and farming. With parts of the world being re-opened, and then sometimes shut down again, it was a year when short-term patience and building longer-term resilience were vital.

Major global gatherings promised a lot and delivered only some progress. At COP26, we saw how one word can make a big difference (a last minute change to the collective agreement to 'phase down' rather than 'phase out' fossil fuel use left many disappointed). Given the food system's impact on global heating and how the climate emergency is already impacting food and farming in so many countries, the fact that food barely featured on the COP26 agenda was a huge missed opportunity.

The 'decade of action' in the 2020s should now be well and truly underway, but it needs an urgent reboot - and national governments must seize opportunities to put food and food ethics at the centre of the agenda in 2022, for example at the UN Biodiversity Conference (COP15) and UN Climate Change Conference 2022 (COP27).

However, working with community food initiatives and networks, dairy farmers, civil society organisations, food businesses and social changemakers, what we've seen consistently in the past year are efforts to identify, bolster and build more resilient food systems. We're heartened to see initiatives that build capacity - particularly those in which food citizens are empowered to shape the food systems they want and need, namely to ensure everyone is fed well and healthily and able to look after one another.

The Food Ethics Council's work in 2021 has been wide-ranging, but has continued to focus on bringing ethics to the centre of food systems, particularly in two key areas: building community (food) resilience and helping dairy farmers transition to fairer, more ethical dairy. Below we have captured highlights from our work in 2021.

We are supporting dairy farmers on the transition to fairer, more ethical dairy

Price pressures on farmers and the climate and nature emergencies have increased the urgency of striving for fairer, more ethical dairy systems. But what would those systems look like? All sorts of groups have ideas about what 'fairer, more ethical' means and what farming should be like. But this three-year project is focusing on farmers themselves. We want to understand from them what, if it were possible, they would like to do differently. What are the changes they'd like to see in the dairy sector, and what do they think they could do to help make necessary changes happen?

The Dairy Project was launched in early 2021 and involves working closely with dairy farmers to identify barriers to the creation of fairer and more ethical dairy systems - and what is needed to overcome them. So far, the response from dairy farmers has been overwhelmingly positive, with farmers wanting and willing to engage with the project. We worked with over 40 farmers this year, organising a first workshop of eight producers at the Groundswell Show in June and a further workshop with 12 producers at the UK Dairy Day show in September. Then we ran a wider supply chain discussion in London with representatives from across industry and society, bringing in dairy producer-representatives from the workshops to test out their ideas for accelerating positive change.

We've developed good relationships with industry media during 2021, with ongoing coverage of the project from Farmers Guardian, Agriland, the Grocer and Dairy Farmer. We've also been pleased to see our dairy producers speaking out at events and on social media about the project and their participation in it.

We are building community food resilience

One of the most urgent and pressing societal problems we face as a nation is inequality and growing hunger, as evidenced by the entrenchment of emergency food aid. Yet giving food without considering the structural reasons why so many people cannot afford food is a never-ending battle. We believe that building community resilience using food is a critical part of the puzzle to end hunger and eradicate poverty. Two years ago, when the Food Ethics Council began this work using food citizenship to explore long-term strategies that can address household food insecurity, none of us could have foreseen the catastrophic impact of the COVID-19 pandemic on people, communities and food systems. Community food organisations were and remain a crucial, core pillar of the response to the pandemic. Their role in feeding, connecting and caring for people was quite simply lifesaving.

Over the last two years, we have worked with community food organisations in Sheffield and national networks to develop a guide to building community food resilience. This guide considers how we can broaden our understanding of poverty beyond the economic dimension alone, to encompass the disempowerment and disconnection experienced by communities across the UK. We can then reframe poverty and broaden the search for solutions to include connecting people, empowering communities and building resilience. We will publish this guide in early 2022.

We are growing the food citizenship movement

When it comes to food, our role as individuals is generally limited to that of the consumer, with our ability to participate in food systems being limited to what we buy and how big our wallet is. However, this story about ourselves and how human agency can shape these food systems is incomplete. Since 2016, the Food Ethics Council has been exploring what an alternative to consumerism could, and indeed already does, look like in the UK food and farming sector. We call this food citizenship.

Enabling, energising and amplifying the movement has been a key focus of 2021. We launched the Food Citizenship Manifesto in spring 2021, which outlines the principles and action we need to create a world where the food sector is vibrant, flourishing and kind to people, animals and the planet.

"It is aspirational and achievable. It requires like-minded people all moving in the same direction. Maybe the time is right with many individuals and families evaluating what really matters. Great leadership from... the Food Ethics Council." (Feedback about the food citizenship manifesto on LinkedIn)

We appointed a Food Citizenship Coordinator, Beth Bell, in September 2021 - to develop knowledge, confidence and ownership of and in food citizenship in diverse organisations and networks across the UK, and to empower the food citizenship movement. It has been heartening to observe the narrative changing, to see organisations explicitly pointing out the problems of a consumerist food system and increasingly harnessing the opportunities that food citizenship affords - from civil society embedding food citizenship in strategies and plans to growing recognition in discussions around policy and trade e.g. being cited in the Trade and Agricultural Commission Final report in March 2021.

We are nurturing a space for business leaders in our Business Forum community

We have continued to provide a safe space for individuals from food and farming businesses to come together and learn from expert speakers and peers. In 2021, we held two in-person Business Forum dinner meetings on fairer dairy and on the UK exchanging lessons about food and farming sustainability with the Netherlands. The remainder of our Business Forum meetings and workshops were held online - on a diverse range of relevant topics including 'Doing net zero well', 'Engaging others in your food philosophy', 'A fair pay food sector' and 'Reflecting on the National Food Strategy'; plus a mini-series on 'food, charity and the Boardroom' in partnership with the University of Sheffield. We are continuing to grow our Business Forum community. We have published non-attributed write-ups from discussions, in order that others can benefit from these insights. We have an exciting programme for 2022, with a mix of in-person dinner events and online meetings, with our Business Forum members helping set the agenda.

FOOD ETHICS COUNCIL

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2021**

In 2021, our Executive Director, Dan Crossley, has also been given the opportunity to write a regular monthly column for The Grocer, a leading food sector magazine, which has given the organisation a good platform to be able to engage a much wider range of business leaders. The articles, providing challenge and ideas on different ethical food issues, have been well received to date.

We are encouraging a bold and enabling policy environment

We continue to run our innovative Food Policy on Trial series, where we critically explore bold policy ideas with the help of expert witnesses, a 'jury' of members of the Food Ethics Council and a wider audience. In 2021, we put carbon border adjustment taxes in the dock, with the jury finding that the idea of applying such a tax to imported agricultural inputs with large climate and environmental footprints - like fertilisers and animal feed - was promising but applying it to individual food products was flawed. This was picked up in the trade press, for example in Footprint. In a second 'trial', we explored whether food and agricultural companies should pay for past harms, including but not limited to racial injustice (e.g. slavery) and historic climate impacts. This is an important topic we will dive into again in 2022.

We have continued to do advocacy work, including joining with others to urge the UK government to issue a bold response to the National Food Strategy, to enshrine animal sentience in legislation and more. We have responded to consultations and policy announcements, and have worked with a number of alliances and partnerships e.g. Sustain's farming working group, Voluntary & Community Sector Emergencies Partnership's food strand and beyond. In addition, in the early part of 2021, we provided expert input into the design of the public dialogue part of the National Food Strategy. We believe in a fair policymaking process - including meaningful engagement of people as food citizens in the process where appropriate. We will continue to promote fair and inclusive policymaking, and to explore bold policy solutions in 2022.

We are bringing our food ethics insights to bear

We are nourishing a space for changemakers via our #FoodTalks series, in partnership with others and we continue to promote tools and resources to enable 'in the round' decision-making and to address injustices in food and farming. Through speaking platforms, in the media, in blogs, on social media and in meetings and workshops, we continue to push for a food system that is fair and resilient for people, planet and animals - with ethics at its centre.

Thank you to all those that have supported us

We would like to thank everyone that has been part of our collective mission this year. We particularly want to thank our funders for being so supportive in challenging times. These include Joseph Rowntree Charitable Trust, Esmée Fairbairn Foundation, A Team Foundation, Polden Puckham Charitable Foundation and sankalpa. We also want to thank the staff team, Council members and all those that have interacted with us in 2021 to help us deliver the wide-ranging impacts that we have.

A special mention

We want to put on record our sincerest thanks to two longstanding members of the Food Ethics Council who stepped down in late 2021. Helen Browning OBE was Chair and Trustee of the Food Ethics Council for many years and played a critical role in the organisation's work over more than two decades, bringing strategic insights as a farmer and from leadership roles in major civil society organisations. Similarly, Geoff Tansey was a Trustee for many years and involved as a member of the Food Ethics Council for 21 years, bringing expertise in food systems thinking and food policy. We would like to acknowledge their immense contribution to our organisation and to the area of food ethics, sustainable food and farming, and food policy. In addition, we want to express our thanks to Anna Cura, an important member of the staff team, who left in late 2021 after over six years with the organisation, in a number of different roles.

FOOD ETHICS COUNCIL

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2021**

FINANCIAL REVIEW

Financial position

Total incoming resources for the year amounted to £149,532, £65,000 restricted and £84,532 unrestricted, (2020: £160,526, £42,850 restricted and £117,676 unrestricted) and total expenditure amounted to £130,963, £29,139 restricted and £101,824 unrestricted (2020: £120,779, £35,951 restricted and £84,828 unrestricted). The total net incoming resources for the year amounted to £18,569 (2020: incoming: £39,747). Net incomings of £35,861, (2020: incomings £6,899) were used on restricted projects which now total £49,130 (2020: £13,269). There is a net deficit for the year of £17,292 (2020: net surplus £32,848) on unrestricted general reserves which now stand at £21,929 (2020: £39,221).

Reserves policy

The Food Ethics Council's reserves policy is that the unrestricted reserve level should normally be equal to four to six months of the anticipated expenditure from unrestricted funds for the following year. Unrestricted reserves at the end of 2021 did not fall within the terms of the policy. However, we kept this under close scrutiny, with the strong likelihood of additional funds being received in early 2022. We are working with the staff team to further strengthen our longer-term financial security. The Food Ethics Council recognises that it may be appropriate to allow the reserve to fluctuate as a result of short-term cash inflows and outflows.

Risk Review

The Trustees have concluded their own review of the major risks to which the charity is exposed and systems have been established to manage those risks. Significant external risks to funding have led to the development of a strategic plan, which will allow for the continued diversification of funding and activities. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the charitable company. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

Impacts of COVID-19

COVID-19 has had huge impacts across the world, and has increased risks for many charities. We have reviewed the situation regularly at Board meetings. We have taken steps to mitigate the impacts of the pandemic and have demonstrated considerable resilience and adaptability, which have put us in a good position to strengthen our impact, at a time when our work has never been more needed.

FUTURE PLANS

Looking ahead

2022 will be another critical year for food and farming, where we must all demand transformative change. There is a clear mandate for change in the food systems, an undeniable urgency to act and a growing consensus on what we need to see more of in our food systems in order to improve them. Through our work, we will bring further clarity on HOW to make a just transition happen. We will use our expertise in systemic strategy, food ethics and framing (i.e. food citizenship) to help identify HOW the transition to fair, resilient, healthy, humane and environmentally sustainable food systems will happen. We will also advocate for better recognition of how transforming food is key to unlocking social and environmental challenges, such as inequality, the climate emergency, obesity, power imbalances and restoring nature.

We will continue to target our work in particular areas, notably working with dairy farmers to help them transition to fairer and more ethical farming; and working with community food organisations to build community (food) resilience and shift away from sticking plaster food bank models. How can we leverage our expertise and reputation to explore with others what is needed for community food resilience? What can we do to ensure that dignity, decency and fairness for all are built into food justice solutions from the ground up? How can we bring racial justice more centrally to our work and our sector? We want to explore these questions and more in 2022 and beyond.

FOOD ETHICS COUNCIL

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Status

The organisation is a charitable company limited by guarantee, incorporated on 4 January 2000 and registered as a charity on 3 February 2004.

The company was established under a Memorandum of Association, which established the objectives and powers of the charitable company and is governed under its Articles of Association. Under those articles, one-third of the Trustees (those who have been longest in office since their last appointment) must retire from office at the Annual General Meeting.

The Members have guaranteed to contribute a maximum of £10 each in the event of the company being wound up.

Charity constitution

The Food Ethics Council was established in 1998. The company was previously called the Independent Council for Ethical Standards in Food and Agriculture Limited. The company name was changed to the Food Ethics Council by special resolution at a meeting on 4 November 2003. By special resolution at the same meeting the Memorandum and Articles of Association were amended.

Membership

The council consists of up to twenty members at any time, including scientists, philosophers, farmers and civil society leaders. The members elect trustees (directors) who are responsible for managing the charity. These are listed in page 7. We have operated a rotating Chair model since 2016, whereby a different trustee takes over the role of Chair for a defined period on a rotating basis. This proved successful in involving trustees even more deeply in our work, so we have continued this in 2021 and into 2022. At the end of 2021, there were 17 Council members:

Jon Alexander: Founder of the New Citizenship Project

Dr Julian Baggini: Freelance writer/ philosopher

David Croft: Global Director, Sustainability, Environment and Human Rights, Reckitt

Chloe Donovan, Founder, Hundred River Farm CIC

Dr Nigel Dower, Honorary Senior Lecturer in Philosophy, University of Aberdeen (Chair 2021)

Professor Elizabeth Dowler: Emeritus Professor of Food and Social Policy, University of Warwick

Ralph Early: Independent Food Scientist and Food Ethicist (Chair 2022)

Cathryn Higgs: Head of Food Policy at the Co-operative Food

Professor Moya Kneafsey: Professor of Human Geography, Food and Local Development at the Centre for Agroecology, Water and Resilience at Coventry University

Ruth Layton: Founder and Director, Sankalpa

Joanna Lewis: Policy and Strategy Director, Soil Association

Patrick Mulvany: Agriculturalist; Director, Kamayoq; Hon. Research Fellow, Centre for Agroecology, Water and Resilience (CAWR), Coventry University

Pete Ritchie: Director of Nourish Scotland; organic farmer

Dr Alexandra Sexton: Leverhulme Early Career Research Fellow, Department of Geography, the University of Sheffield

Albert Tucker: Independent consultant, advisor and social entrepreneur

Patti Whaley: Retired, Non-Executive Director

Deirdre (Dee) Woods: Co-founder Granville Community Kitchen; member GLA London Food Board

Two Council members resigned during the year:

Helen Browning OBE: Organic farmer; Chief Executive of the Soil Association

Geoff Tansey: Curator, Food Systems Academy

Organisational structure

The charity is run by the Board comprising the Trustees who delegate the day to day running to the Principal Officer, Dan Crossley.

FOOD ETHICS COUNCIL

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03901671 (England and Wales)

Registered Charity number

1101885

Registered office

Kings Cross Hub
34b York Way
London
N1 9AB

Trustees

Ms R Layton
Ms J Lewis
Ms P Whaley
Mr R Early
Dr N Dower
Ms C Donovan
Dr J Baggini (appointed 14/10/2021)

Company Secretary

Mr D Crossley

Independent Examiner

P J Thacker FCA DChA
Chariot House Limited
Chartered Accountants
44 Grand Parade
Brighton
East Sussex
BN2 9QA

Bankers

Triodos Bank
Deanery Road
Bristol
BS1 5AS

FOOD ETHICS COUNCIL

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2021**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Food Ethics Council for the purposes of company law) are responsible for preparing the Report of the Trustees 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Approved by order of the board of trustees on 4th May 2022 and signed on its behalf by:

R Early - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
FOOD ETHICS COUNCIL**

Independent examiner's report to the trustees of Food Ethics Council ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31st December 2021.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

P J Thacker FCA DChA
Chariot House Limited
Chartered Accountants
44 Grand Parade
Brighton
East Sussex
BN2 9QA

Date: 13th July 2022

FOOD ETHICS COUNCIL**STATEMENT OF FINANCIAL ACTIVITIES**
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST DECEMBER 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities	3				
Subscriptions and other primary purpose trading		32,443	-	32,443	27,761
Charitable Grant		52,050	65,000	117,050	132,750
Investment income	2	<u>39</u>	<u>-</u>	<u>39</u>	<u>15</u>
Total		84,532	65,000	149,532	160,526
EXPENDITURE ON					
Charitable activities	4				
Charitable activities		<u>101,824</u>	<u>29,139</u>	<u>130,963</u>	<u>120,779</u>
NET INCOME/(EXPENDITURE)		(17,292)	35,861	18,569	39,747
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>39,221</u>	<u>13,269</u>	<u>52,490</u>	<u>12,743</u>
TOTAL FUNDS CARRIED FORWARD		<u>21,929</u>	<u>49,130</u>	<u>71,059</u>	<u>52,490</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

FOOD ETHICS COUNCIL (REGISTERED NUMBER: 03901671)**BALANCE SHEET**
31ST DECEMBER 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
CURRENT ASSETS					
Debtors	10	2,956	-	2,956	2,968
Cash at bank		<u>24,290</u>	<u>49,130</u>	<u>73,420</u>	<u>54,083</u>
		27,246	49,130	76,376	57,051
CREDITORS					
Amounts falling due within one year	11	(5,317)	-	(5,317)	(4,561)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
NET CURRENT ASSETS		<u>21,929</u>	<u>49,130</u>	<u>71,059</u>	<u>52,490</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>21,929</u>	<u>49,130</u>	<u>71,059</u>	<u>52,490</u>
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
NET ASSETS		<u>21,929</u>	<u>49,130</u>	<u>71,059</u>	<u>52,490</u>
FUNDS	12				
Unrestricted funds:					
General fund				19,495	38,500
JRCT Unleashing Food Citizenship				<u>2,434</u>	<u>721</u>
				<u>21,929</u>	<u>39,221</u>
Restricted funds				<u>49,130</u>	<u>13,269</u>
TOTAL FUNDS				<u>71,059</u>	<u>52,490</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st December 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31st December 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The notes form part of these financial statements

BALANCE SHEET - continued
31ST DECEMBER 2021

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 4th May 2022 and were signed on its behalf by:

R Early - Trustee

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Accounting basis and standards

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future, including taking into account any potential impact of the Covid-19 pandemic, and on that basis the charity is considered to be a going concern.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation Tax purposes. Accordingly the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Funds

Unrestricted Funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Designated Funds are unrestricted funds of the charity which have been set aside by the Trustees to fund particular future activities.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Fixed assets

Recognition and measurement

Fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

FOOD ETHICS COUNCIL**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31ST DECEMBER 2021**1. ACCOUNTING POLICIES - continued****Fixed assets**

Depreciation is calculated on a straight line method. Depreciation is provided to write down the cost less estimated residual values of tangible fixed assets over their estimated lives at annual rates of:

Fixtures, Fittings and Equipment 25% per annum

The company capitalises fixed assets with a value in excess of £500.

2. INVESTMENT INCOME

	2021	2020
	£	£
Interest receivable - trading	<u>39</u>	<u>15</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	2021	2020
	£	£
Grants		
Joseph Rowntree Charitable Trust	35,000	39,950
Arnold Clark	1,000	-
Charities Aid Foundation	550	-
Esmee Fairbairn Foundation	50,000	52,800
The A Team Foundation	15,500	15,000
Polden Puckham Charitable Foundation	-	10,000
Oursankalpa CIC	<u>15,000</u>	<u>15,000</u>
	<u>117,050</u>	<u>132,750</u>

4. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021	2020
	£	£
Staff costs	110,523	100,612
Recruitment	1,630	-
Other Costs	2,815	1,105
Activity Costs	8,907	9,266
Premises Costs	6,746	8,196
Accountancy	<u>342</u>	<u>1,600</u>
	<u>130,963</u>	<u>120,779</u>

FOOD ETHICS COUNCIL**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31ST DECEMBER 2021

5. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Independent Examiner's fee	<u>1,296</u>	<u>1,272</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st December 2021 nor for the year ended 31st December 2020.

Trustees' expenses

Travel and subsistence costs amounting to £148 (2020: £nil) were reimbursed to 2 Trustees (2020: No Trustees)

7. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	103,923	94,446
Social security costs	4,139	4,084
Other pension costs	<u>2,461</u>	<u>2,082</u>
	<u>110,523</u>	<u>100,612</u>

The Average Number of Employees on a Full Time Equivalent basis is 3.0 (2020: 2.7)

The average monthly number of employees during the year was as follows:

	2021	2020
Total	<u>5</u>	<u>4</u>

No employees received emoluments in excess of £60,000.

Key Management emoluments amounted to £41,229 (2020: £44,948)

FOOD ETHICS COUNCIL**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31ST DECEMBER 2021**8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Subscriptions and other primary purpose trading	17,661	10,100	27,761
Charitable Grant	100,000	32,750	132,750
Investment income	<u>15</u>	<u>-</u>	<u>15</u>
Total	117,676	42,850	160,526
 EXPENDITURE ON			
Charitable activities			
Charitable activities	<u>84,828</u>	<u>35,951</u>	<u>120,779</u>
 NET INCOME	32,848	6,899	39,747
 RECONCILIATION OF FUNDS			
Total funds brought forward	<u>6,373</u>	<u>6,370</u>	<u>12,743</u>
 TOTAL FUNDS CARRIED FORWARD	<u><u>39,221</u></u>	<u><u>13,269</u></u>	<u><u>52,490</u></u>

9. TANGIBLE FIXED ASSETS

	Fixtures and fittings £
COST	
At 1st January 2021 and 31st December 2021	<u>10,910</u>
DEPRECIATION	
At 1st January 2021 and 31st December 2021	<u>10,910</u>
NET BOOK VALUE	
At 31st December 2021	<u><u>-</u></u>
At 31st December 2020	<u><u>-</u></u>

FOOD ETHICS COUNCIL**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31ST DECEMBER 2021**10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021	2020
	£	£
Trade debtors	<u>2,956</u>	<u>2,968</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Social security and other taxes	2,561	2,879
Accruals and deferred income	<u>2,756</u>	<u>1,682</u>
	<u>5,317</u>	<u>4,561</u>

12. MOVEMENT IN FUNDS

	At 1/1/21	Net movement in funds	At 31/12/21
	£	£	£
Unrestricted funds			
General fund	38,500	(19,005)	19,495
JRCT Unleashing Food Citizenship	<u>721</u>	<u>1,713</u>	<u>2,434</u>
	39,221	(17,292)	21,929
Restricted funds			
Polden Puckham Charitable Foundation	9,300	(9,300)	-
The A Team Foundation	3,969	2,504	6,473
Esmee Fairbairn Foundation	<u>-</u>	<u>42,657</u>	<u>42,657</u>
	<u>13,269</u>	<u>35,861</u>	<u>49,130</u>
TOTAL FUNDS	<u>52,490</u>	<u>18,569</u>	<u>71,059</u>

FOOD ETHICS COUNCIL**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31ST DECEMBER 2021**12. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	49,532	(68,537)	(19,005)
JRCT Unleashing Food Citizenship	<u>35,000</u>	<u>(33,287)</u>	<u>1,713</u>
	84,532	(101,824)	(17,292)
Restricted funds			
Polden Puckham Charitable Foundation	-	(9,300)	(9,300)
The A Team Foundation	15,000	(12,496)	2,504
Esmee Fairbairn Foundation	<u>50,000</u>	<u>(7,343)</u>	<u>42,657</u>
	<u>65,000</u>	<u>(29,139)</u>	<u>35,861</u>
TOTAL FUNDS	<u>149,532</u>	<u>(130,963)</u>	<u>18,569</u>

Comparatives for movement in funds

	At 1/1/20 £	Net movement in funds £	At 31/12/20 £
Unrestricted funds			
General fund	6,373	32,127	38,500
JRCT Unleashing Food Citizenship	<u>-</u>	<u>721</u>	<u>721</u>
	6,373	32,848	39,221
Restricted funds			
Polden Puckham Charitable Foundation	6,370	2,930	9,300
The A Team Foundation	<u>-</u>	<u>3,969</u>	<u>3,969</u>
	<u>6,370</u>	<u>6,899</u>	<u>13,269</u>
TOTAL FUNDS	<u>12,743</u>	<u>39,747</u>	<u>52,490</u>

FOOD ETHICS COUNCIL

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE YEAR ENDED 31ST DECEMBER 2021**

12. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	82,676	(50,549)	32,127
JRCT Unleashing Food Citizenship	<u>35,000</u>	<u>(34,279)</u>	<u>721</u>
	117,676	(84,828)	32,848
Restricted funds			
Polden Puckham Charitable Foundation	10,000	(7,070)	2,930
National Food Strategy- Public Dialogue - HVM	10,100	(10,100)	-
JRCT Food Justice	4,950	(4,950)	-
The A Team Foundation	15,000	(11,031)	3,969
Esmée Fairbairn Foundation	<u>2,800</u>	<u>(2,800)</u>	<u>-</u>
	<u>42,850</u>	<u>(35,951)</u>	<u>6,899</u>
TOTAL FUNDS	<u>160,526</u>	<u>(120,779)</u>	<u>39,747</u>

2021 - restricted grants

- Polden Puckham Charitable Foundation is supporting our successful Food Policy on Trial series, putting important contentious food-related policy issues 'in the dock' at a critical time
- The A Team Foundation grant is for work to reframe poverty using food citizenship and to establish what community food organisations can do to build community food resilience
- Esmée Fairbairn Foundation grant is to help us initiate a farmer-led transition to fairer, more ethical dairy systems.

2020 – restricted grants

- Polden Puckham Charitable Foundation – This funding supported our successful Food Policy on Trial series, putting important contentious food-related policy issues 'in the dock' at a critical time
- National Food Strategy- Public Dialogue – HVM – This is income received from Hopkins Van Mil for support with the public dialogue part of the National Food Strategy
- JRCT Food Justice – This relates to developing a publication 'on the road to food justice' and a fairness framework, ten years on from our original Food and Fairness Inquiry
- The A Team Foundation grant – This was for work to reframe poverty using food citizenship
- Esmée Fairbairn Foundation – This funded work to support additional #FoodTalks events held online, to provide a much-needed platform for those in the sector wanting to have a positive impact during the early stages of the COVID-19 pandemic

13. RELATED PARTY DISCLOSURES

A grant of £15,000 (2020: £15,000) was received from a CIC of which Ms R Layton, a Trustee of the charity, is a director.