

REGISTERED COMPANY NUMBER: 03901671
REGISTERED CHARITY NUMBER: 1101885

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2018
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 2018

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FOOD ETHICS COUNCIL

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2018**

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 2018. 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 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

Governing instrument and objects

The Food Ethics Council was established in 1998. It became a company limited by guarantee on 4 January 2000 and was registered as a charity on 3 February 2004. 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 following objects were adopted, amending the Memorandum and Articles of Association:

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.

About the Food Ethics Council

The Food Ethics Council believes that we can have a better, fairer food system: where it is easy to eat 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 charity and our work is not for profit. We are not affiliated to any political party or religious organisation. Our council members - all leaders in relevant fields - are appointed as individuals. They bring a broad range of expertise to our work, from academic research through to practical knowledge of farming, business and policy.

What we do

We work as an independent think tank and advisory body, whose purpose is to bring ethics to the centre of the food system. We bring expertise together - providing ethical tools and safe space for honest, meaningful dialogue. We challenge the status quo and accepted ways of thinking. We also promote ethical approaches and considered solutions. This is all in line with our mission: to accelerate the shift towards fair food systems that respect people, animals and the planet. Our members lead this work in a voluntary capacity and our staff supports them through research, analysis and advocacy. We organise deliberative workshops and events, and develop tools for ethical decision-making. We extend our reach by publishing in-depth analysis and exploration of the ethical issues facing our food system and by working with others, including public bodies, companies, campaign groups and research institutes.

What we work on

Our work spans social justice in the food system; agriculture and climate change; public involvement in science; food and poverty; healthy, sustainable diets; transparency in the food chain and farm animal welfare. Our work is UK-focussed, but within a global context.

How we are funded

The Food Ethics Council is funded by a mixture of grant funding, selective consultancy, Business Forum membership and 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 2018

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.

FOOD ETHICS COUNCIL

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2018**

ACHIEVEMENT AND PERFORMANCE

Overview of the year

2018 was a milestone year for the Food Ethics Council, as we celebrated our 20th anniversary with a major event in the summer, including keynote speaker Olivier De Schutter, former UN Rapporteur on the Right to Food. It was another busy year, organising 15 events, publishing ten reports and four submissions in response to consultations. Team and Council members have been working in several collaborations and reaching out to our stakeholders in industry, parliament, civil society and the general public.

We welcomed a new Trustee and continued with our rotating Chair model, which is working very well. Our Council members continue to get actively involved in our work via working groups, charring Business Forums, speaking at external events and more. Staff attended high profile meetings, met with parliamentarians, business executives and representatives of other civil society groups, and worked with other organisations on a range of collaborative initiatives.

We are very grateful for the support of all funders during the year.

The remainder of this section of the annual report describes our activities and capacity-building in greater detail. All our publications are available via our website (www.foodethicscouncil.org) and can be downloaded free of charge. In late 2018, we received funding to redevelop the website and we plan to launch the new website in spring 2019.

Staff and volunteers

Our staff in 2018 consisted of an Executive Director, a part-time Communications lead, a part-time Programme Co-ordinator, and a part-time Administrative Support Officer.

ACTIVITIES

Key programmes

In late 2016, the Food Ethics Council was awarded a three-year grant from the Esmée Fairbairn Foundation to contribute to delivery of our key programmes. The ambition for our key programmes is for the UK Government and Devolved Administrations to attach high priority to ethical concerns in food and farming, with policies contributing to fair, sustainable, humane and healthy food and farming systems. We are working to ensure greater civil society focus and more coordinated effort on issues of ethical concern in food and farming. Our key programmes support policy decisions that enhance the fairness and sustainability of the UK food system - now, during the Brexit negotiations and associated redrawing of national policies, and in the run up to the next general election.

Unleashing the power of indexes

In our 'Unleashing the power of indexes' project, we worked to influence major food indexes to drive a 'race to the top' on food sustainability. We have particularly focused on the Food Sustainability Index ('FSI') - produced by the BCFN Foundation and the Economist Intelligence Unit - to strengthen metrics and approaches used and to ensure they have an appropriate set of measures across environment, social, health and animal welfare. In late 2018, we also did an analysis of how the UK had performed in the 2018 FSI and published our insights, successfully getting media profile on the issues raised. We have continued to work with civil society organisations to act on major food indexes, leveraging media interest and prompting political interest, culminating in tangible improvements to the UK's food system. In 2018, we did a deep-dive into farm animal welfare metrics, with funding from the Farm Animal Welfare Forum. We intend to use this to influence the FSI and other key indexes in the future.

Food policy barometer

In 2018 we continued to develop our food policy barometer, a tool to show how policies contribute to or hinder progress towards healthy, fair, sustainable, humane food and farming. This work will feed into work planned for 2019, including a series of events called 'Food policy on trial', exploring emerging policy ideas relating to food and farming. We continue to use our tools and analysis to help build an evidence base for changemakers in the food system and to conduct joint advocacy to promote fair policy solutions.

FOOD ETHICS COUNCIL

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2018**

ACHIEVEMENT AND PERFORMANCE

Overview of the year

Ethical tools

We tested our Ethical Framework in 2018, which provided us with key insights on what works, what needs adjusting and what other tools and resources key food systems players need. In 2019, we will be upgrading our ethical resources, both on our website and offline with a revised workshop and framework. More broadly, we continue using food ethics across all our programmes, promoting values of well-being, autonomy and justice.

Food Citizenship

In 2018, we embarked on a two-year programme to support the shift from consumers to food citizens. This work is funded by Joseph Rowntree Charitable Trust and major donor support. Our programme focuses around four key ingredients: (1) name the movement so the pioneers know what they are part of, (2) connect the pioneers to one another, (3) nourish them with relationships, learning resources and support, and (4) illuminate their stories as important examples of the future taking place right now. By the end of 2018, we had presented at eight different events and workshops, launched the new Food Citizenship website, published various articles inspiring people about the shift to Food Citizenship, identified nearly 100 organisations pioneering food citizenship, conducted multiple in-depth interviews with key players in the food system, and made numerous connections within the Food Citizenship movement. This process is also helping us adjust and improve our other programmes, using Food Citizenship to better engage our audiences and key stakeholders. As part of this work, we paid for a small amount of advisory support from the New Citizenship Project, of which one of our Trustees is co-Founder (see note 6). We also very grateful for pro bono support on this programme from Dr Orit Gal, Senior Lecturer for Strategy and Complexity, Regent's University London.

The future of food and farming research

In early 2018, we published an e-magazine - For whom? Questioning the food and farming research agenda. This featured contributions from over 30 experts exploring where the power lies in setting our food and farming research agenda and asking who benefits from both publicly and privately funded research. This collection of articles starts to address key questions about how the research agenda is set in food and farming, unmasking and challenging the dominant research paradigm, and highlighting inclusive alternatives to deliver public good. The report was very well received and we are planning further work in this area in 2019 and beyond.

Livestock Transition Dialogues - scoping

In the second half of the year, we did some initial scoping work, with the support of WWF-UK, to explore the appetite for work on the future of meat, dairy and livestock. We scoped out a project to bring together key stakeholders from across the sector. The purpose would be to unblock the current often polarised debates on meat and dairy and to unlock progress towards a sustainable future for meat, dairy and protein. We hope to take this work forward in 2019.

Business Forum

The Business Forum is an initiative that brings together a community of food sector executives asking the big questions in food and farming to understand how ethical issues relate to their business - through dialogue with experts, stakeholders and other companies. This has been running since 2007. The forum fosters a community of interest in food ethics, and challenges the widespread view within the food industry that 'ethics' is more a market trend than a moral responsibility.

A series of evening roundtable meetings are held every other month. Each meeting includes a talk by experts, followed by a discussion around the issue over dinner, chaired by a Council Member. Membership is by invitation and the members pay a subscription fee to take part in the meetings. Membership in 2018 remained stable.

FOOD ETHICS COUNCIL

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2018**

ACHIEVEMENT AND PERFORMANCE

Overview of the year

Members of the Business Forum include household brands, industry associations and smaller food and farming organisations. By taking part, they gain a more thorough grasp of ethical issues that are becoming core business concerns within the food sector. The five meetings we held in 2018 focused on:

- Lessons from France: world leader on sustainable food and farming? An opportunity to learn from the country leading the way on the Food Sustainability Index (March 2018)
- Meat tax: does tax have to be taxing? How can we fairly respond to the meat challenge? (May 2018)
- Ethical consumerism: an oxymoron? How can we grow people's influence beyond the point of purchase? (July 2018)
- Brexit Breakfast event: How can we get the best outcomes for UK food & farming systems in the 200 days remaining until Brexit? (September 2018)
- In good food we trust - How can we build trust in the food system in a rapidly changing world? (November 2018)

Food Talks

We continued to run the quarterly Food Talks series of public events in collaboration with Impact Hub Kings Cross, Think.Eat.Drink, Organico and London Food Links, part of Sustain: The alliance for better food and farming. We explored a range of food issues with expert speakers, followed by a delicious buffet dinner. We held four meetings that were all very well received and well attended, and we will continue this series into 2019. The events held in 2018 were:

- GROW IT: How to deliver a growing food revolution (March 2018)
- FISH IT: How to get people hooked on sustainable fish (June 2018)
- MAKE IT: How to make food and drink that tastes good and does good (September 2018)
- FEED THE CITY: How can everyone take action and create better urban food systems? (November 2018)

Publications and events

Our publications during 2018 included:

- Snapshot: UK sustainable food system in the spotlight
- For whom? Questioning the food and farming research agenda
- Submission to the Welsh government consultation 'Brexit and the land'
- Response to Regulatory Reform Committee inquiry into the Government's deregulation agenda
- Submission to APPG on Infant Feeding and Inequalities consultation on infant formula cost
- Shaping Brexit outcomes: how can we get the best post-Brexit outcomes for the UK food and farming systems? (Business Forum write-up)
- Ethical consumerism: an oxymoron? (Business Forum write-up)
- Farm animal welfare metrics briefing 2018
- Meat tax: does tax have to be taxing? How can we fairly respond to the meat challenge? (Business Forum write-up)
- Fairness in the food system - poll
- Submission to DEFRA's 'health and harmony' consultation
- Lessons from France: sustainable food & farming? (Business Forum write-up)
- Trust, technology and beyond certification (Business Forum write-up)
- Food, farming and climate change: from culprit to champion? (Business Forum write-up)

We also organised and took part in a number of events involving food system influencers, including Business Forums, Food Talks and Food Citizenship workshops.

FOOD ETHICS COUNCIL

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2018**

ACHIEVEMENT AND PERFORMANCE

Overview of the year

Communications and media

We continue to develop our twitter presence, increasing followers from around 8,000 at the end of 2017 to c. 9,500 at the end of 2018. The majority of our followers are actively engaged with food issues, and they include MPs, peers, senior food business executives and NGO leaders.

We posted 24 blogs on the site over the year, including from staff and external expert opinion formers, which helped to attract over 34,000 visits or sessions to our site in 2018, including over 25,000 new users (15% increase on the previous year). Most visitors were from UK, with readers from the USA, Australia, Canada and India also represented. 'What is food ethics' remained the most popular page, followed by pages on food & poverty, farm animal welfare, the food & farming research agenda and food citizenship.

Staff responded to a number of reactive news stories and requests for statements from a wide variety of media outlets in 2018. Media coverage in 2018 included citations in trade, national and international magazines, newspapers, TV, radio and internet media outlets. This included our Executive Director Dan Crossley being interviewed on BBC Radio 5 Live, plus coverage of our work in the Guardian, the Evening Standard, the Grocer, Food Spark, Foodservice Footprint and ChiefExec.Com.

Partnerships and outreach

The Food Ethics Council was actively involved with a number of partnerships over the year. These included being members of the UK Food Poverty Alliance (involved with the End Hunger UK campaign), the Eating Better alliance and the Groceries Code Action Network; as well as observers of both Sustain: The alliance for better food and farming and the UK Food Group. As noted above, we also worked with the New Citizenship Project and with Dr Orit Gal, Regent's University, London on our Food Citizenship programme.

As well as developing partnership working, Food Ethics Council staff and members have spoken at and attended a large number of high-profile conferences, seminars, roundtables and meetings throughout the year. Examples of this include Dan Crossley speaking at a Food Law Group event in London, Anna Cura speaking about Food Citizenship at the influential We Feed the World event; and Council members speaking at a variety of domestic and international events, ranging from the 2018 Oxford Real Farming Conference to the WHO International Healthy Cities conference in Belfast, and from the World Economic Forum's Annual Gathering of Young Global Leaders in San Francisco to the Global Seedbank Summit in Svalbard.

FINANCIAL REVIEW

Financial position

The total net incoming resources for the year amounted to £2,173 (2017: outgoings: £29,492). Net outgoings of £202 (2017: incomings £2,591) were used on restricted projects which now total £8,900 (2017: £9,102). There is a net surplus for the year of £2,375 (2017: net deficit £32,083) on unrestricted general reserves which now stand at £56,971 (2017: £54,596).

Reserves policy

The Food Ethics Council's reserves policy is that the unrestricted reserve level at the balance sheet date 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 2018 did fall within the terms of the policy. 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 conducted 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 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.

FOOD ETHICS COUNCIL

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2018**

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.

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 on page 8. 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 2018 and into 2019. At the end of 2018, there were 16 council members:

Jon Alexander (Chair from October 2017 to October 2018): Founder of the New Citizenship Project

Julian Baggini, Freelance writer/ philosopher

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

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

Dr Nigel Dower, Honorary Senior Lecturer in Philosophy, University of Aberdeen

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

Ralph Early: Independent Food Scientist and Food Ethicist

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

Ruth Layton: Group Sustainability Director, Benchmark Holdings Plc

Joanna Lewis, Policy and Strategy Director, Soil Association (appointed Chair in October 2018)

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

Professor David Pink: Emeritus Professor of Crop Improvement at Harper Adams University

Dr Kate Rawles: Outdoor philosopher, author and activist

Pete Ritchie: Director of Nourish Scotland and organic farmer.

Geoff Tansey: Curator, Food Systems Academy

Patti Whaley: Chair ActionAid UK

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 2018

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03901671

Registered Charity number

1101885

Registered office

Kings Cross Hub
34b York Way
London
N1 9AB

Trustees

Mr J Alexander

Mr D Croft

Ms R Layton

Professor D Pink

- resigned 10/10/2018

Mr P Ritchie

Ms J Lewis

Ms P Whaley

Mr R Early

- appointed 10/10/2018

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 2018

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 8 May 2019 and signed on its behalf by:



Ms J Lewis - Chair

**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 2018.

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: 20 May 2019

FOOD ETHICS COUNCIL**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST DECEMBER 2018**

	Notes	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	31,000	-	31,000	1,058
Charitable activities					
Subscriptions and other primary purpose trading		14,537	9,700	24,237	16,845
Charitable Grant		48,053	52,500	100,553	72,415
Investment income	3	<u>35</u>	<u>-</u>	<u>35</u>	<u>41</u>
Total		93,625	62,200	155,825	90,359
EXPENDITURE ON					
Charitable activities	4	<u>91,250</u>	<u>62,402</u>	<u>153,652</u>	<u>119,851</u>
NET INCOME/(EXPENDITURE)		2,375	(202)	2,173	(29,492)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>54,596</u>	<u>9,102</u>	<u>63,698</u>	<u>93,190</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>56,971</u></u>	<u><u>8,900</u></u>	<u><u>65,871</u></u>	<u><u>63,698</u></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
AT 31ST DECEMBER 2018

	Notes	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
CURRENT ASSETS					
Debtors	10	7,301	-	7,301	5,966
Cash at bank		<u>53,451</u>	<u>8,900</u>	<u>62,351</u>	<u>61,107</u>
		60,752	8,900	69,652	67,073
CREDITORS					
Amounts falling due within one year	11	<u>(3,781)</u>	-	<u>(3,781)</u>	<u>(3,375)</u>
NET CURRENT ASSETS		<u>56,971</u>	<u>8,900</u>	<u>65,871</u>	<u>63,698</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>56,971</u>	<u>8,900</u>	<u>65,871</u>	<u>63,698</u>
NET ASSETS		<u>56,971</u>	<u>8,900</u>	<u>65,871</u>	<u>63,698</u>
FUNDS					
Unrestricted funds:	12				
General fund				56,971	54,596
Restricted funds				<u>8,900</u>	<u>9,102</u>
TOTAL FUNDS				<u>65,871</u>	<u>63,698</u>

The notes form part of these financial statements

BALANCE SHEET - CONTINUED
AT 31ST DECEMBER 2018

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st December 2018.

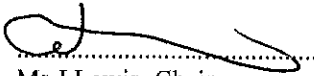
The members have not required the company to obtain an audit of its financial statements for the year ended 31st December 2018 in accordance with Section 476 of the Companies Act 2006.

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.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Trustees on 8 May 2019 and were signed on its behalf by:


.....
Ms J Lewis -Chair

FOOD ETHICS COUNCIL

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31ST DECEMBER 2018**

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 2015)', 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.

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.

Depreciation

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.

FOOD ETHICS COUNCIL

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST DECEMBER 2018

2. DONATIONS AND LEGACIES

	2018	2017
	£	£
Donations	31,000	-
Donated services and facilities	<u>-</u>	<u>1,058</u>
	<u>31,000</u>	<u>1,058</u>

	2018	2017
	£	£
Donations		
Jam Today	15,000	-
Trustee (including Gift Aid)	15,000	-
Council Member	<u>1,000</u>	<u>-</u>
	<u>31,000</u>	<u>-</u>

Donated Resources - Volunteer Time

Donated services being time spent by volunteers, not including time spent by members of the council, engaged in research work, is measured by actual hours worked and valued at either entry level salary to Food Ethics Council or a commercial rate commensurate with the services provided.

The total number of hours donated in the period was zero (2017: 93.75) by zero (2017:1) volunteers amounting to the equivalent of zero (2017: .05) full time employees.

3. INVESTMENT INCOME

	2018	2017
	£	£
Interest receivable - trading	<u>35</u>	<u>41</u>

4. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2018	2017
	£	£
Staff costs	97,127	87,355
Other Costs	2,024	1,060
Activity Costs	33,941	17,789
Premises Costs	18,931	10,479
Accountancy	1,629	1,548
Depreciation	<u>-</u>	<u>1,620</u>
	<u>153,652</u>	<u>119,851</u>

FOOD ETHICS COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST DECEMBER 2018**

5. NET INCOME/(EXPENDITURE)

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

	2018	2017
	£	£
Depreciation - owned assets	-	1,620
Independent Examiner's fee	<u>1,248</u>	<u>1,248</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

During the year, the charity paid £2,000 to Orbell and Company Limited, (New Citizenship Project) of which J Alexander, a Trustee, is a director. The transaction was fully discussed and approved in a Trustees' meeting, and the transaction was contractually agreed.

Trustees' expenses

Travel and subsistence costs amounting to £439 (2017: £601) were reimbursed to 3 Trustees (2017: 3 Trustees)

7. STAFF COSTS

	2018	2017
	£	£
Wages and salaries	90,589	81,493
Social security costs	5,205	4,840
Other pension costs	<u>1,333</u>	<u>1,022</u>
	<u>97,127</u>	<u>87,355</u>

The Average Number of Employees on a Full Time Equivalent basis is 2.6 (2017: 2.2)

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

	2018	2017
Total	<u>4</u>	<u>3</u>

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

Key Management emoluments amounted to £51,632 (2017: £52,037)

FOOD ETHICS COUNCIL**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST DECEMBER 2018****8. PRIOR YEAR COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	1,058	-	1,058
Charitable activities			
Subscriptions and other primary purpose trading	16,845	-	16,845
Charitable Grant	55,978	16,437	72,415
Investment income	<u>41</u>	<u>-</u>	<u>41</u>
Total	73,922	16,437	90,359
EXPENDITURE ON			
Charitable activities	<u>106,005</u>	<u>13,846</u>	<u>119,851</u>
Total	106,005	13,846	119,851
NET INCOME/(EXPENDITURE)	(32,083)	2,591	(29,492)
RECONCILIATION OF FUNDS			
Total funds brought forward	86,679	6,511	93,190
TOTAL FUNDS CARRIED FORWARD	<u>54,596</u>	<u>9,102</u>	<u>63,698</u>

9. TANGIBLE FIXED ASSETS

	Fixtures and fittings £
COST	
At 1st January 2018 and 31st December 2018	<u>10,910</u>
DEPRECIATION	
At 1st January 2018 and 31st December 2018	<u>10,910</u>
NET BOOK VALUE	
At 31st December 2018	<u>-</u>
At 31st December 2017	<u>-</u>

FOOD ETHICS COUNCIL**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST DECEMBER 2018****10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2018 £	2017 £
Trade debtors	<u>7,301</u>	<u>5,966</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Social security and other taxes	2,319	2,038
Accruals and deferred income	<u>1,462</u>	<u>1,337</u>
	<u>3,781</u>	<u>3,375</u>

12. MOVEMENT IN FUNDS

	At 1/1/18 £	Net movement in funds £	At 31/12/18 £
Unrestricted funds			
General fund	54,596	2,375	56,971
Restricted funds			
Farm Animal Welfare Forum	9,102	(8,921)	181
WWF Livestock Dialogues 2 Scoping	-	244	244
Polden Puckham Charitable Foundation	-	7,075	7,075
JRCT Food Citizenship	-	<u>1,400</u>	<u>1,400</u>
	9,102	(202)	8,900
TOTAL FUNDS	<u>63,698</u>	<u>2,173</u>	<u>65,871</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	93,625	(91,250)	2,375
Restricted funds			
Farm Animal Welfare Forum	10,000	(18,921)	(8,921)
WWF Livestock Dialogues 2 Scoping	9,700	(9,456)	244
Polden Puckham Charitable Foundation	7,500	(425)	7,075
JRCT Food Citizenship	<u>35,000</u>	<u>(33,600)</u>	<u>1,400</u>
	62,200	(62,402)	(202)
TOTAL FUNDS	<u>155,825</u>	<u>(153,652)</u>	<u>2,173</u>

FOOD ETHICS COUNCIL**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST DECEMBER 2018****12. MOVEMENT IN FUNDS - continued****Comparatives for movement in funds**

	At 1/1/17 £	Net movement in funds £	At 31/12/17 £
Unrestricted Funds			
General fund	86,679	(32,083)	54,596
Restricted Funds			
Food Issues Census	6,511	(6,511)	-
Farm Animal Welfare Forum	-	9,102	9,102
	6,511	2,591	9,102
TOTAL FUNDS	<u>93,190</u>	<u>(29,492)</u>	<u>63,698</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	73,922	(106,005)	(32,083)
Restricted funds			
Food Issues Census	6,437	(12,948)	(6,511)
Farm Animal Welfare Forum	10,000	(898)	9,102
	16,437	(13,846)	2,591
TOTAL FUNDS	<u>90,359</u>	<u>(119,851)</u>	<u>(29,492)</u>

13. RELATED PARTY DISCLOSURES

In addition to the payment to a company of which a Trustee is a Director as shown in Note 6, a Donation of £12,000 (on which Gift Aid has been claimed) was received from a Trustee.

