REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2016
FOR
FOOD ETHICS COUNCIL

Chariot House Limited
Chartered Accountants
44 Grand Parade
Brighton
East Sussex
BN2 9QA
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The Trustees are pleased to present their report together with the financial statements for the year ended 31 December 2016.

OBJECTIVES AND ACTIVITIES

Objectives and aims

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, challenging government, business and the public on ethical issues and championing better decision-making. 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

We focus on how choices are made about difficult problems and emerging controversies. Our work has spanned social justice in the food system; agriculture and climate change; public involvement in science; food poverty, transparency in the food chain and food transport. Our work starts in the UK but its scope is global.

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.
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 2016

ACHIEVEMENT AND PERFORMANCE
Overview of the year
2016 was another busy year, organising 16 events, publishing seven reports, working in a number of collaborations and reaching out to our stakeholders in industry, parliament, civil society and the general public.

We saw the publication of our report for WWF-UK and Sodexo UK & Ireland on making business cases for sustainable diets in foodservice; increased our reach on social media from 5,000 to 6,400, sent our monthly newsletters out to over 2,000 people and achieved high quality media coverage, including in the Guardian and leading trade press.

We welcomed four new Council members, three new Board members, a new Treasurer and a new Chair of the Board. During the year, our longstanding Chair Helen Browning stepped down from the Board, as well as longstanding Trustee Geoff Tansey. We are delighted that both remain on the Council.

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. This included participating in the influential Square Meal group.

The remainder of this section of the annual report describes our activities and capacity-building in greater detail. All our publications mentioned below are available via our website (www.foodethicscouncil.org) and can be downloaded free of charge.

Staff and volunteers
Our staff in 2016 consisted of an Executive Director, a part-time Head of Communications and a part-time Programme Co-ordinator. We were very grateful for the generous pro bono support of a food executive part-time for six months during 2016 and for the support of a part-time intern for a three-month period between July and October 2016.

Grant funded work stream
Our work in 2016 was funded by a combination of grants, donations and trading income. Here we report on the activities we pursued that were funded by charitable trusts and foundations and individual donations.

Esmée Fairbairn Foundation: advocacy and communications
Our advocacy and communications work has been funded by the Esmée Fairbairn Foundation (EFF) over a period of four years, and covers our core staff across a range of communication and advocacy activities. These activities have included:

- Political advocacy (building relationships with MPs, civil servants and EU decision makers)
- Communications (proactive and reactive press work, developing communications strategy, social media)
- Supporters (stakeholder engagement)

Political advocacy
The year was dominated by the EU referendum that would determine whether the UK would stay in the EU or opt out. Before the vote in June 2016, the Food Ethics Council was one of only a handful of organisations that genuinely explored both potential outcomes of the EU referendum - and arranged a programme of events to reflect that.

After the referendum, we attended a series of civil society meetings to discuss how to ensure the fair, sustainable food and farming agenda is front and centre in the minds of the UK Government in the next few months and years. During the remaining six months of the year we continued to work with NGOs to discuss our response to Brexit, and to encourage the sector to work together to deliver a powerful collective response to the issue.

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ACHIEVEMENT AND PERFORMANCE
Overview of the year

Strategic development
Programme development
During 2016 the Food Ethics Council staff and members worked together to develop a new programme of work. This includes the development of new tools, that will provide a platform to focus and accelerate civil society advocacy on fair, sustainable food and help put pressure on the UK Government and Devolved Administrations. We intend to use these to bring together key food system actors (including Parliamentarians, business and CSO leaders) to develop alternative policies and practices. We aim to promote solutions via joint advocacy, working with major NGOs with whom we have strong relationships. During the course of 2016 staff developed funding bids to secure finance for this work, and are delighted to announce that in September 2016 we were successful in our bid to the Esmée Fairburn Foundation for £182,256 over three years.

Diversifying funding
During 2016 staff worked hard to diversify our funding. We put in three bids for consultancy work, two of which were successful. We continued to build on our individual donor relationship management strategy. This was partially successful in 2016, with donations from a number of major donors and the continuation of relationships with several other potential donors.

Communications
We continue to develop our twitter presence, increasing followers from just over 5,000 at the end of 2015 to around 6,400 at the end of 2016. The majority of our followers are engaged with food issues, and they include MPs, Peers, senior food business executives and NGO chiefs of staff. We have increasingly found this a useful way to link up with our audiences, particularly business and other NGOs, as well as journalists. It is a useful general awareness raising tool for the Food Ethics Council and more specifically highlights new blogs or new work that we are doing.

We posted 22 blogs on the site over the year, including from staff and external expert opinion formers, which helped to attract the 150,000 visitors to our site in 2016. Most visitors were from the USA, China, Russia and France also represented. 'What is food ethics' was the most popular page (http://foodethicscouncil.org/society/what-is-food-ethics.html), followed by our publication 'From A to B - a snapshot of the UK distribution system' (http://foodethicscouncil.org/uploads/publications/Snapshot(web)_0.pdf). The page on food poverty (http://foodethicscouncil.org/society/food-poverty.html), and our publication on Farm Animal Welfare (http://foodethicscouncil.org/uploads/publications/2014%20FarmAnimalWelfare.pdf) were also visited by large numbers of people.

Partnerships
The Food Ethics Council was actively involved with a number of partnerships over the year, organising events on Brexit, food and farming, advocating to government for sustainable and healthy food systems, discussing civil society responses to food waste and food poverty and much more.

- We partnered with WWF-UK and Sodexo UK & Ireland on researching sustainable diets in foodservice.

- We were members of: the UK Food Poverty Alliance; the Eating Better alliance and the Groceries Code Action Network.

- We partnered with Kindling Trust to put on an event talking about the EU referendum, food and farming; with Food Research Collaboration and the Food Foundation for an event in Parliament on the EU referendum, food and farming; and with TARGET, a new Turkish Food Ethics initiative.

- The Food Ethics Council was also an active member of the Square Meal group, an alliance of likeminded civil society organisations including RSPB, Friends of the Earth, Food Research Collaboration (from City University, London), Soil Association, Eating Better, Wildlife Trusts, Sustain, Compassion in World Farming and ourselves. This group's aim is to advocate to politicians of all parties for a sustainable and healthy food system. Working as a member of the Square Meal group was a key plank in our advocacy and communications work in 2016.
ACHIEVEMENT AND PERFORMANCE
Overview of the year

Staff responded to a number of reactive news stories and requests for statements from a wide variety of media outlets in 2016. Media coverage in 2016 included citations in: trade, national and international magazines, newspapers, TV, radio and internet media outlets. Dan Crossley also took part in Guardian online chats, including on obesity on 24th February 2016. In total, we were cited 39 times. Our coverage included:

Farmers Weekly (14/02/16) Anti GM activists blamed for limiting crop yields
The Guardian (18/03/2016) From sugar tax to big data
Business Green (24/05/2016) Study: Sustainable diets will future proof the food service sector
The Caterer (24/05/2016) Meat free options attract young UK diners, study finds
Farmers Weekly (15/07/2016) Green groups demand subsidies are tied to the environment
Footwear News (15/10/2016) Food groups call for new GCA powers
Fresh Produce Journal (16/11/2016) Junk food advertising: top priority in tackling childhood obesity

Supporters/stakeholder engagement

As well as developing partnership working, Food Ethics Council staff and members have spoken at and attended a number of high profile conferences, seminars, roundtables and meetings. As the number of events at which staff and Council members (who represent the Food Ethics Council and other interests) is very large, we list a representative sample of their activity below:

Executive Director

- Was keynote speaker at a policy seminar on 10th Jan 2016 at Imperial College London on Why food (ethics) matters, all things considered.
- Gave a presentation on 4th Feb 2016 for Defra staff on food ethics, attended by around 20 civil servants.
- Presented a sustainable food conference at Imperial College London on 3rd August 2016, where he spoke to the 150 strong audience on Food: beyond feeding the world
- Spoke at the annual Food Matters Live event on 24th November 2016, where he tackled the big ethical questions around sustainable protein.

Council members

- Geoff Tansey spoke at Scotland’s Foodscape conference [http://www.summerhall.co.uk/2016/scotlands-foodscape/], and contributed from the floor to the EU discussion the Food Ethics Council held with the Kindling Trust in Manchester in April 2016.
- Patrick Mulvany spoke at the Oxford Real Farming Conference in January 2016 about seeds and also to contribute to the Closing Plenary in the name of the Food Ethics Council [http://orfc.org.uk/closing-plenary]
- Professor David Pink attended the regular advisory board meetings for LEAF (Linking Environment and Farming), in his capacity as Food Ethics Council Trustee and Emeritus Professor of Crop Improvement, Harper Adams University. He also attended the inaugural meeting of the Food Justice Working Group in Bristol, convened by Tom Wakeford of the Centre for agroecology, water and resilience.
- Professor Liz Dowler attended the European Society for Agriculture & Food Ethics (EURSAFE) annual Conference in Porto in June 2016, where she spoke about UK/European food poverty, and the work of the Food Ethics Council.
ACHIEVEMENT AND PERFORMANCE

Overview of the year

- Jo Lewis spoke about Food for Life at the All Parliamentary Party Group on animal welfare in July 2016, and in September 2016 attended a Food Workshop hosted by the Big Lottery Fund to review their proposed criteria for funding future work on food.

- A number of Council members chaired and attended Food Ethics Council Business Forums throughout the year.

Other grant funded work

Food issues census 2

In the summer of 2016 we secured funding from a number of Trusts and Foundations, including The Big Lottery Fund, Esmée Fairbairn Foundation, JMG Foundation and the A Team Foundation, with support from the Environmental Funders Network, to run a second food issues census. The Food Ethics Council carried out the original census in 2011. The work involved conducting a survey of civil society capacity to reveal the spread of activity across issues and strategies relating to food and farming; providing a trusted reference point for dialogue between grant-makers and grant-seekers; and supporting advocacy by funders and NGOs to assist in securing growth in funds for food and farming activities. The majority of the work was undertaken in 2016, with publication of the final report and the launch taking place in the spring of 2017.

Consultancy funded work stream

WWF-UK: Sustainable diets in foodservice

This work was commissioned by WWF-UK and Sodexo UK & Ireland to help them to understand and promote the case for sustainable diets in the foodservice sector. The research for this work (desk research and a series of interviews with 13 senior managers across the foodservice sector) took place in the final three months of 2015. However, the report was published on 24th May 2016. A high-level workshop with senior management representatives of foodservice companies was held on the same day, to discuss the findings and start to map out a way to deliver sustainable menus in foodservice. The report assessed the current state of the industry, trends in sustainable diets, what the business cases might look like, the barriers to the business case, and what government and industry can do to support the development of sustainable diets across foodservice. We focused on contract catering and the food to go sector, and public and private sector operators.

New Citizenship Project: the Future of Food

In 2016 the New Citizenship Project (NCP) launched a collaborative innovation project on the future of food, with the core question being 'How can challenging the Consumer status quo create more value in our food system?' Food Ethics Council was commissioned by NCP to bring our food expertise to the project, which is working with six public-facing organisations of different shapes and sizes who are interested in reimagining the way they interact with citizens to open up bigger questions about the food system, over the course of three workshops. The first workshop was in September 2016 and the second in December 2016. The final workshop will be held in the first half of 2017, with a final report to be published in 2017.

Outreach

Business Forum

The Business Forum, an initiative that helps food sector executives understand how ethical issues relate to their business through dialogue with experts, stakeholders and other companies, began in 2007. The forum promotes good corporate citizenship by fostering a community of interest in food ethics, and challenging the widespread view within the food industry that 'ethics' is more a market trend than a moral responsibility.
ACHIEVEMENT AND PERFORMANCE

Overview of the year
A series of evening roundtable seminars, meetings are held every other month. Each meeting includes a talk by an expert or 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 2016 remained stable.

The forum members 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.

We held six meetings in 2016. These focused on:

- Fat at five: the new norm? How can business help reduce childhood obesity? (19th January 2016)
- The EU referendum: should we stay or should we go? How can we make the most of either outcome for the future of food and farming? (22nd March 2016)
- Embracing science? How can food and farming businesses engage with science to tackle global food challenges? (18th May 2016)
- From hydroponics to underground farms. How can urban farming best contribute to long-term food security? (5th July 2016)
- Brexit food ethics: Beyond migrant labour. How can businesses tackle ethical issues relating to the food and farming workforce post-Brexit? (27th September 2016)
- Brexit food ethics: trade deals and trade-offs. How can we ensure terms of trade in food and agricultural products are fair for all concerned? (22nd November 2016)

Food Talks

After a successful launch in 2015, we continued to run the quarterly Food Talks series of public events in collaboration with Impact Hub Kings Cross, Think.Eat.Drink, and Organico exploring 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 2017.

Turkish Food Ethics

The Turkish Bioethics Association began an EU-funded project in 2016 entitled "Promoting Agricultural and Food Ethics in Turkey and Improving the Ethical Decision-making Capacity of the Stakeholders in Agriculture" (or TARGET). The first Turkish NGO on agricultural and food ethics has just been launched. As an associate to the project, we have hosted them in London, and Geoff Tansey (representing the Food Ethics Council) visited Turkey in June 2016. He is due to go again in 2017 for the first Agricultural and Food Ethics Congress of Turkey. The project website is www.target-prj.org

Publications

The following publications were written by staff or associates and published by the Food Ethics Council:

- Fat at five: the new norm? How can business help reduce childhood obesity? A report of the January 2016 Business Forum
- The EU referendum: should we stay or should we go? A report of the March 2016 Business Forum
- Embracing science? How can food and farming businesses engage with science to tackle global food challenges? A report of the May 2016 Business Forum
ACHIEVEMENT AND PERFORMANCE
Overview of the year
- Catering for sustainability: Making the case for sustainable diets in foodservice. A report by the Food Ethics Council on behalf of WWF-UK and Sodexo UK & Ireland (24th May 2016)
- From hydroponics to underground farms. How can urban farming best contribute to long-term food security? A report of the July 2016 Business Forum
- Brexit food ethics: Beyond migrant labour. A report of the September 2016 Business Forum
- Brexit food ethics: trade deals and trade-offs. A report of the November 2016 Business Forum

Consultation responses
- The Committee of Advertising Practice (CAP) consultation on food and soft drink advertising to children, July 2016.

Events
- How a sustainable food system could help tackle climate change: an event in Westminster organised as part of the Square Meal group and chaired by Professor Tim Benton (1st March 2016)
- Brexit, food and farming: An event in Manchester organised jointly with the Kindling Trust with a number of expert speakers exploring the implications of either outcome of the EU referendum for food and farming (19th April 2016)
- Brexit, food and farming: an event organised jointly with the Food Foundation and Food Research Collaboration in Westminster with a panel of MPs questioning three expert speakers (25th April 2016)
- A roundtable to discuss findings on our report 'Catering for sustainability' with senior foodservice business and supplier executives (24th May 2016)
- Two high level workshops with six organisations as part of a collaborative innovation project on the future of food, with the New Citizenship Project, tackling the core question of 'How can organisations create more value in the food system by moving from a consumer to a citizen mindset?'
- Four Food Talks events in collaboration with Impact Hub Kings Cross, Think.Eat.Drink, and Organico: 'Waste not, want not' (March 2016), 'Fishy Business' (June 2016), 'Food fights and food rights' (October 2016), and 'the psychology of food' (December 2016)
- Six Business Forum meetings (detailed above)

FINANCIAL REVIEW
Financial position
The net incoming resources for the year amounted to £51,245 (2015: outgoing: £2,695). Net outgoings of £5,062 (2015: outgoings £693) were used on restricted projects which now total £6,511 (2015: £11,573). There is a net surplus for the year of £56,307 (2015: deficit £2,002) on general reserves which now stand at £86,679 (2015: £30,372), of which £nil (2015: £2,571) is designated for specific projects.
FINANCIAL REVIEW
Reserves policy
It is the policy of the charity to have adequate resources in place to undertake its planned charitable activities for the foreseeable future and to meet all obligations to staff and creditors if, at any time during the period, it becomes apparent that the charity's objects are no longer achievable or appropriate.

At a meeting of the Directors on 14 October 2004, the following policy on reserves was agreed:

1. Excluding those funds represented by Fixed Assets, general reserves should not exceed more than 8 months forecasted expenditure.

2. There are adequate funds to ensure that the charity is able to meet all current and known future liabilities.

The Treasurer of the Food Ethics Council is responsible for monitoring reserves at least quarterly.

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.

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.
STRUCTURE, GOVERNANCE AND MANAGEMENT

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 11. At the end of 2016, there were 16 council members:

Professor David Pink (Chair from October 2016): Emeritus Professor of Crop Improvement at Harper Adams University

Helen Browning OBE: (Chair until October 2016) Organic farmer; Chief Executive of the Soil Association

Jon Alexander: Founder of the New Citizenship Project

Julian Baggini, Founding Editor, The Philosopher's Magazine (appointed February 2016)

David Croft: Global Sustainable Development Director, Diageo

Dr Nigel Dower, Honorary Senior Lecturer in Philosophy, University of Aberdeen (appointed March 2016)

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

Professor Ralph Early: Professor of Food Industry, Head of the Department of Food Science & Agri-Food Supply Chain Management, Harper Adams University

Jane Harris, Associate Senior Consultant, Cordis Bright (appointed April 2016)

Cathryn Higgs: Food Policy Manager at the Co-operative Food

Ruth Layton: Director of Food Animal Initiative (FAI) and a founder member of Benchmark Holdings Plc

Joanna Lewis, Strategy & Policy Director, Food for Life/ Soil Association (appointed March 2016)

Patrick Mulvany: Agriculturist; Trustee of Sustain; director of Kamayoq (a consultancy company) and member of FAO's Technical Advisory Group for the State of the World's Biodiversity for Food and Agriculture

Dr Kate Rawles: Outdoor philosopher, author and activist

Pete Ritchie: Director of Nourish Scotland and organic farmer.

Geoff Tansey: Joseph Rowntree Visionary for Just and Peaceful World 2006-2010; Freelance writer and consultant

Two Council members resigned during 2016 (both in October 2016):

Professor Richard Norman: Emeritus Professor of Moral Philosophy at the University of Kent

Professor Christopher Ritsos: Emeritus Professor of Agricultural Marketing: University of Newcastle upon Tyne

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.
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
Ms H M Browning - resigned 12/10/2016
Mr D Croft
Ms R Layton
Professor D Pink
Mr G W Tansey - resigned 12/10/2016
Ms J Harris - appointed 12/4/2016
- resigned 23/1/2017
Mr P Ritchie - appointed 12/10/2016
Ms J Lewis - appointed 12/10/2016
Ms P Whaley - appointed 23/1/2017

Company Secretary
Mr D Crossley

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

Bankers
Triodos Bank
Deanery Road
Bristol
BS1 5AS
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 19th April 2017 and signed on its behalf by:

[Signature]

Professor D Pink - Trustee
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF FOOD ETHICS COUNCIL

I report on the accounts for the year ended 31st December 2016 set out on pages fourteen to twenty one.

Respective responsibilities of trustees and examiner
The charity's trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

Basis of the independent examiner's report
My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

Independent examiner's statement
In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that, in any material respect, the requirements

- to keep accounting records in accordance with Section 386 and 387 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the 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)

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

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

Date: 2 May 2017
## STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST DECEMBER 2016

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<td>Charitable activities</td>
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<td>56,307</td>
<td>(5,062)</td>
<td>51,245</td>
<td>(2,695)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>RECONCILIATION OF FUNDS</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total funds brought forward</td>
<td>30,372</td>
<td>11,573</td>
<td>41,945</td>
<td>44,640</td>
<td></td>
</tr>
<tr>
<td></td>
<td>TOTAL FUNDS CARRIED FORWARD</td>
<td>86,679</td>
<td>6,511</td>
<td>93,190</td>
<td>41,945</td>
<td></td>
</tr>
</tbody>
</table>

**CONTINUING OPERATIONS**
All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements
### BALANCE SHEET
#### AT 31ST DECEMBER 2016

<table>
<thead>
<tr>
<th>Fixed Assets</th>
<th>Unrestricted funds £</th>
<th>Restricted funds £</th>
<th>Total funds £</th>
<th>2015 Total funds £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tangible assets</td>
<td>10 1,620</td>
<td>-</td>
<td>1,620</td>
<td>3,240</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Current Assets</th>
<th>Unrestricted funds £</th>
<th>Restricted funds £</th>
<th>Total funds £</th>
<th>2015 Total funds £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debtors</td>
<td>11 6,475</td>
<td>-</td>
<td>6,475</td>
<td>11,794</td>
</tr>
<tr>
<td>Cash at bank</td>
<td>81,975</td>
<td>6,511</td>
<td>88,486</td>
<td>29,993</td>
</tr>
</tbody>
</table>

88,450 6,511 94,961 41,787

<table>
<thead>
<tr>
<th>Creditors</th>
<th>Unrestricted funds £</th>
<th>Restricted funds £</th>
<th>Total funds £</th>
<th>2015 Total funds £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amounts falling due within one year</td>
<td>12 (3,391)</td>
<td>-</td>
<td>(3,391)</td>
<td>(3,082)</td>
</tr>
</tbody>
</table>

85,059 6,511 91,570 38,705

<table>
<thead>
<tr>
<th>Total Assets Less Current Liabilities</th>
<th>Unrestricted funds £</th>
<th>Restricted funds £</th>
<th>Total funds £</th>
<th>2015 Total funds £</th>
</tr>
</thead>
<tbody>
<tr>
<td>86,679</td>
<td>6,511</td>
<td>93,190</td>
<td>41,945</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net Assets</th>
<th>Unrestricted funds £</th>
<th>Restricted funds £</th>
<th>Total funds £</th>
<th>2015 Total funds £</th>
</tr>
</thead>
<tbody>
<tr>
<td>86,679</td>
<td>6,511</td>
<td>93,190</td>
<td>41,945</td>
<td></td>
</tr>
</tbody>
</table>

**FUNDS**

<table>
<thead>
<tr>
<th>Unrestricted funds:</th>
<th>General fund</th>
<th>Designated - The Tubney Charitable Trust -</th>
<th>Food Issues Forum</th>
<th>Unrestricted Trading</th>
<th>Esmée Fairbairn Key Programmes</th>
</tr>
</thead>
<tbody>
<tr>
<td>10,180</td>
<td></td>
<td></td>
<td>13,078</td>
<td>63,421</td>
<td>86,679</td>
</tr>
</tbody>
</table>

86,679 6,511 93,190 41,945

The notes form part of these financial statements.
The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st December 2016.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31st December 2016 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 financial statements were approved by the Board of Trustees on 19th April 2017 and were signed on its behalf by:

[Signature]

Professor D Pink -Trustee
FOOD ETHICS COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2016

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 £100.
2. DONATIONS AND LEGACIES

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donations</td>
<td>£17,631</td>
<td>£19,150</td>
</tr>
<tr>
<td>Donated services and facilities</td>
<td>£5,900</td>
<td>£1,169</td>
</tr>
<tr>
<td></td>
<td>£23,531</td>
<td>£20,319</td>
</tr>
</tbody>
</table>

Donated Resources - Volunteer Time

Donated services being time spent by volunteers engaged in research, communication, design and development 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 390 (2015: 120) by 2 (2015:1) volunteers amounting to the equivalent of .19 (2015: .06) full time employees.

3. INVESTMENT INCOME

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest receivable - trading</td>
<td>£53</td>
<td>£80</td>
</tr>
</tbody>
</table>

4. CHARITABLE ACTIVITIES COSTS

<table>
<thead>
<tr>
<th></th>
<th>Direct costs (See note 5)</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenditure on charitable activities</td>
<td>£106,377</td>
<td>£106,377</td>
</tr>
</tbody>
</table>

5. DIRECT COSTS OF CHARITABLE ACTIVITIES

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff costs</td>
<td>£82,779</td>
<td>£73,478</td>
</tr>
<tr>
<td>Other Costs</td>
<td>£460</td>
<td>£409</td>
</tr>
<tr>
<td>Activity Costs</td>
<td>£9,666</td>
<td>£7,485</td>
</tr>
<tr>
<td>Premises Costs</td>
<td>£10,390</td>
<td>£11,429</td>
</tr>
<tr>
<td>Accountancy</td>
<td>£1,462</td>
<td>£1,860</td>
</tr>
<tr>
<td>Depreciation</td>
<td>£1,620</td>
<td>£2,569</td>
</tr>
<tr>
<td></td>
<td>£106,377</td>
<td>£97,230</td>
</tr>
</tbody>
</table>

6. NET INCOME/(EXPENDITURE)

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

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depreciation - owned assets</td>
<td>£1,620</td>
<td>£2,569</td>
</tr>
<tr>
<td>Independent Examiner's fee</td>
<td>£1,224</td>
<td>£1,380</td>
</tr>
</tbody>
</table>
7. TRUSTEES’ REMUNERATION AND BENEFITS

In the year to 31 December 2015, a payment of £630 was made to one Trustee for the provision of accommodation and food for attendees of a Council meeting, at a pub owned by that Trustee.

Trustees' expenses

Travel and subsistence costs amounting to £376 (2015: £476) were reimbursed to 2 Trustees (2015: 2 Trustees)

8. STAFF COSTS

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages and salaries</td>
<td>78,666</td>
<td>69,310</td>
</tr>
<tr>
<td>Social security costs</td>
<td>3,684</td>
<td>4,168</td>
</tr>
<tr>
<td>Other pension costs</td>
<td>429</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td><strong>82,779</strong></td>
<td><strong>73,478</strong></td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full time equivalent basis</td>
<td><strong>2</strong></td>
<td><strong>2</strong></td>
</tr>
</tbody>
</table>

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

Key management emoluments amounted to £45,508.


<table>
<thead>
<tr>
<th></th>
<th>Unrestricted funds</th>
<th>Restricted funds</th>
<th>Total funds</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td><strong>INCOME AND ENDOWMENTS FROM</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Donations and legacies</td>
<td>20,319</td>
<td>-</td>
<td>20,319</td>
</tr>
<tr>
<td>Charitable activities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subscriptions and other primary purpose trading</td>
<td>24,922</td>
<td>18,714</td>
<td>43,636</td>
</tr>
<tr>
<td>Charitable Grant</td>
<td>-</td>
<td>30,500</td>
<td>30,500</td>
</tr>
<tr>
<td>Investment income</td>
<td><strong>80</strong></td>
<td>-</td>
<td><strong>80</strong></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>45,321</td>
<td>49,214</td>
<td>94,535</td>
</tr>
</tbody>
</table>

| **EXPENDITURE ON**                    |                    |                  |             |
| Charitable activities                 |                    |                  |             |
| Expenditure on charitable activities  | 47,323             | 49,907           | 97,230      |
| **Total**                             | 47,323             | 49,907           | 97,230      |

**NET INCOME/(EXPENDITURE)**

(2,002) (693) (2,695)
9. **COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - CONTINUED**

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted funds</th>
<th>Restricted funds</th>
<th>Total funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>RECONCILIATION OF FUNDS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total funds brought forward</td>
<td>32,374</td>
<td>12,266</td>
<td>44,640</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL FUNDS CARRIED FORWARD</td>
<td>30,372</td>
<td>11,573</td>
<td>41,945</td>
</tr>
</tbody>
</table>

10. **TANGIBLE FIXED ASSETS**

<table>
<thead>
<tr>
<th></th>
<th>Fixtures and fittings £</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>COST</strong></td>
<td></td>
</tr>
<tr>
<td>At 1st January 2016 and 31st December 2016</td>
<td>10,910</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DEPRECIATION</strong></td>
<td></td>
</tr>
<tr>
<td>At 1st January 2016</td>
<td>7,670</td>
</tr>
<tr>
<td>Charge for year</td>
<td>1,620</td>
</tr>
<tr>
<td>At 31st December 2016</td>
<td>9,290</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NET BOOK VALUE</strong></td>
<td></td>
</tr>
<tr>
<td>At 31st December 2016</td>
<td>1,620</td>
</tr>
<tr>
<td>At 31st December 2015</td>
<td>3,240</td>
</tr>
</tbody>
</table>

11. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

<table>
<thead>
<tr>
<th></th>
<th>£ 2016</th>
<th>£ 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade debtors, prepayments and accrued income</td>
<td>6,475</td>
<td>11,794</td>
</tr>
</tbody>
</table>

12. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

<table>
<thead>
<tr>
<th></th>
<th>£ 2016</th>
<th>£ 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social security and other taxes</td>
<td>1,853</td>
<td>1,639</td>
</tr>
<tr>
<td>Accruals and deferred income</td>
<td>1,538</td>
<td>1,443</td>
</tr>
<tr>
<td></td>
<td>3,391</td>
<td>3,082</td>
</tr>
</tbody>
</table>
13. MOVEMENT IN FUNDS

<table>
<thead>
<tr>
<th></th>
<th>At 1/1/16</th>
<th>Net movement in funds</th>
<th>At 31/12/16</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Unrestricted funds</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General fund</td>
<td>27,801</td>
<td>58,878</td>
<td>86,679</td>
</tr>
<tr>
<td>Designated – The Tubney Charitable Trust – Food Issues Forum</td>
<td>2,571</td>
<td>(2,571)</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>30,372</td>
<td>56,307</td>
<td>86,679</td>
</tr>
<tr>
<td><strong>Restricted funds</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Esmée Fairbairn Foundation - Advocacy + Food Issues Census</td>
<td>11,573</td>
<td>(11,573)</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>6,511</td>
<td></td>
<td>6,511</td>
</tr>
<tr>
<td></td>
<td>11,573</td>
<td>(5,062)</td>
<td>6,511</td>
</tr>
<tr>
<td><strong>TOTAL FUNDS</strong></td>
<td>41,945</td>
<td>51,245</td>
<td>93,190</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th></th>
<th>Incoming resources £</th>
<th>Resources expended £</th>
<th>Movement in funds £</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Unrestricted funds</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General fund</td>
<td>125,663</td>
<td>(66,785)</td>
<td>58,878</td>
</tr>
<tr>
<td>Designated - The Tubney Charitable Trust - Food Issues Forum</td>
<td>-</td>
<td>(2,571)</td>
<td>(2,571)</td>
</tr>
<tr>
<td></td>
<td>125,663</td>
<td>(69,356)</td>
<td>56,307</td>
</tr>
<tr>
<td><strong>Restricted funds</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Esmée Fairbairn Foundation - Advocacy + WWF-UK - Sustainable Diets Food Issues Census</td>
<td>-</td>
<td>(11,573)</td>
<td>(11,573)</td>
</tr>
<tr>
<td></td>
<td>9,159</td>
<td>(9,159)</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>22,800</td>
<td>(16,289)</td>
<td>6,511</td>
</tr>
<tr>
<td></td>
<td>31,959</td>
<td>(37,021)</td>
<td>(5,062)</td>
</tr>
<tr>
<td><strong>TOTAL FUNDS</strong></td>
<td>157,622</td>
<td>(106,377)</td>
<td>51,245</td>
</tr>
</tbody>
</table>

14. RELATED PARTY DISCLOSURES

During the year, unconditional donations of £12,500 were made to the charity by Trustees. There were no other related party transactions for the year ended 31st December 2016.