



The Food Foundation

ANNUAL REPORT 2022

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Foreword from the Chair



**Laura Sandys CBE,
Chair**

This year has been a very busy time for The Food Foundation not least with our growing concern and focus on the impact of food inflation on the lowest income families. This has kept us all awake at night considering the very difficult decisions families up and down the country are having to make regarding food or heat – or neither. Our food inflation tracker that we started during the COVID-19 pandemic has shown how important it is to understand the depth of the food poverty in this country; having grown from 8% of families facing food insecurity before the pandemic to today's figure of 25% of families with children facing food insecurity.

We have been working with the media, leading businesses, opinion formers, MPs, Peers and civil servants to support these families through the extension of free school meals, an uplift in Universal credit and healthier eating support.

While food poverty has been a strong focus of our work, we have been very committed to our long-standing aim to increase healthier eating through our Peas Please initiative that works with all types of food businesses to increase veg consumption. Our initiative has increased veg portions included in all types of food to 771 million additional portions. Fruit and veg prescriptions have been included in new legislation and we have driven a higher uptake of Healthy Start Vouchers for young families.

We have been working with a wider range of partners from Cities like Birmingham through to running a strong youth presence at COP. These partnerships have helped us influence more policymakers to take food and nutrition seriously as part of a core metric of a healthy population.

Our work with the media has significantly developed with great partnerships with The Independent and Evening Standard and with a significant increase of broadcast coverage from Peston, Good Morning Britain, Newsnight and Today gaining us an increased profile. Parliamentary activity has increased this year with high profile events including several MPs and Peers – most notable was the large number of Parliamentarians who attended our cost-of-living event.

The team is growing with excellent leadership from our CEO Anna Taylor OBE, and the Trustees would like to applaud all the brilliant achievements of all the team from our most junior to our leadership team. They are all going beyond the call of duty and playing a crucial part in putting healthy and sustainable food on the agenda.

**Registered
Charity Number:**
1187611 (Registered;
28th January 2020)

Registered Address:
Food Foundation CIO,
7th Floor, International
House, 6 Canterbury
Crescent, Brixton, London,
SW9 7QD

Executive Director:
Anna Taylor, OBE

Board of Trustees:
Laura Sandys CBE
(Chair & Founder),

Pat Biggers

Baroness Rosie Boycott

David Edwards

Prof Sir Charles Godfray

Andrew Hobbs

Tom Lindsay

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Appointed Auditors:
Price Bailey LLP,
24 Old Bond Street,
London, W1S 4AP

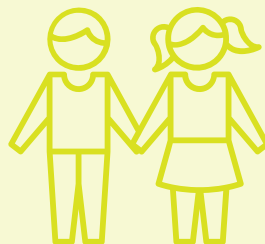
Registered Bank:
CAF Bank Limited,
25 Kings Hill Avenue,
Kings Hill, West Malling,
Kent, ME19 4JQ

The highlights

Improving children's food

WE AIM TO TACKLE childhood food insecurity, inequalities and childhood obesity. Our campaigning work has helped to secure:

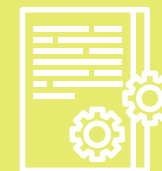
- An extension of **FREE SCHOOL MEALS** to all children without recourse to public funds.
- A three-year commitment of funding for the Holiday Activities and Food Programme (at £200m per year) for the **1.9 MILLION CHILDREN ELIGIBLE** for free school meals.
- An increase in the uptake of Healthy Start in spite of a challenging digitisation process, benefiting an additional **107,000 FAMILIES**.



Influencing Food Policy

WE AIM TO CHANGE food policy to deliver a much healthier, sustainable and more affordable diet by transforming the food system. Our policy engagement work has helped to secure:

- The Food Foundation as a go-to source of evidence on food insecurity and dietary inequalities (our food insecurity and food prices trackers and blogs had over **35,000 VIEWS** and our flagship Broken Plate 2022 report was **DOWNLOADED 4000 TIMES**).
- A commitment to implement the Food Data Transparency Partnership in the Government's Food Strategy which would pave the way for **MANDATORY REPORTING FOR FOOD COMPANIES** on the transition to healthy and sustainable diets.
- The Government's first Food Security report (a new requirement in the Agriculture Act) included a substantial focus on **HOUSEHOLD FOOD INSECURITY** as well as national-level food security.
- A comprehensive food strategy published by Birmingham City Council.



Increasing vegetable consumption

Our **PEAS PLEASE INITIATIVE AIMS** to increase veg consumption through engagement with businesses, public authorities and communities. This year we:

- Secured commitment from **110 BUSINESS PLEDGERS** (2021: 105 business pledges) delivering **771 MILLION** additional portions, up from **623 MILLION** last year.
- Funded **59 COMMUNITY-BASED PROJECTS** (this is a one off activity) led by our citizen advocates to test approaches for citizens to participate in large scale systems change
- Helped secure a commitment to the **COMMUNITY EATWELL PROGRAMME** for piloting fruit and veg prescriptions in the Levelling Up White Paper.
- Secured a commitment to a new **HORTICULTURE GROWTH STRATEGY** for England in the Government's Food Strategy.



Inspiring change in food businesses and investment

We want companies to **BE MORE ACCOUNTABLE** for the health and environmental impacts of their businesses. Our business and investor engagement has helped to secure:

- A **MAJOR SUPERMARKET** reporting data against their target for sales which come from healthy foods.
- Significant investment from retailers, particularly Iceland, Lidl and Sainsbury's in evaluating, promoting and adding **VALUE TO HEALTHY START**.
- The new Investor Coalition for Food Policy with **MEMBERSHIP FROM 23 INVESTORS**.



Our vision

A great food system which delivers the best health and wellbeing for us all and our planet.

Our mission

To change policy and business practice to ensure everyone in the UK can afford, access and enjoy healthy and sustainable food.

Why we exist

The Food Foundation was established to understand why the UK food system is failing to deliver the best outcomes for citizens and our planet, and to drive change in food policy and business practice to ensure everyone, across the UK, can afford, access and enjoy healthy and sustainable food. A great food system can help deliver equality of life expectancy, a sustainable NHS, greater school attainment and work productivity, beautiful countryside and a stable climate.

If action is not taken to tackle these food system failures, there are devastating consequences for our children and our planet. And the situation is even worse for those living on a low income.

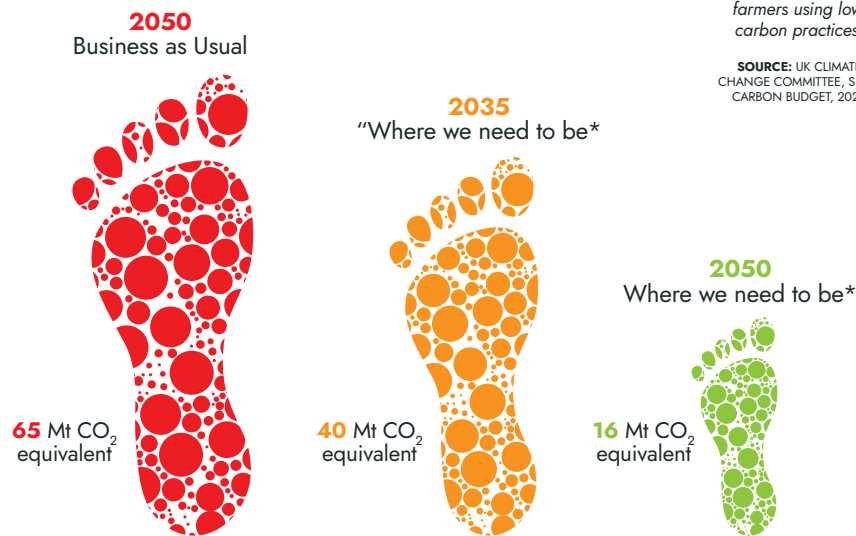
TRAJECTORY FOR 100 CHILDREN BORN IN 2022

- 👤 Overweight
- 👤 Moderate obesity
- 👤 Severe obesity
- 👤 Healthy/underweight
- 👤 Deceased



OUR PLANET'S PROSPECTS

Dietary carbon reduction needed by 2050





OUR IMPACT

Increasing veg consumption

We want to see a permanent shift in the food system in favour of higher veg consumption reflected in both business practice and government policies, with three billion additional portions of vegetables consumed.



Our **Peas Please** initiative which is due to end in 2023 is continuing to draw support from companies and organisations who want to join our collective endeavour to help people

in Britain eat more veg. This year we have welcomed 5 new pledgers to the programme, including **Ocado and Subway**, making a total of 110 pledgers committed to increasing sales of vegetables. We have continued to maintain engagement from a high proportion of our pledgers and this year we were able to host our first in-person Pledger Conference since before the pandemic attracting 45 representatives from organisations across the food system. **Together our pledgers have served or sold an additional 771 million portions of veg since 2018**, up from 623 million last year. This year we have not seen as big an increase as we hoped – this is partly a legacy of Covid and losing engagement from the out of home sector and partly, we think, an effect of the cost-of-living crisis on purchasing of veg. We are now refocusing our pledgers on what they can do this year to support their customers to maintain their veg consumption in spite of the pressures on family budgets.

This year we have also seen a big investment in our community-based work led by our citizen Veg Advocates. **We awarded 100 small grants to our Veg Advocates** supporting 59 activities across the UK aiming to boost veg consumption

within local communities, with grants tackling issues from food waste to cooking skills, promoting growing and health and nutrition, and based in settings from nurseries, schools, community gardens, cafés and shops. Ten of our Veg Advocates are now acting as “documenters”, working alongside City University to evaluate the impact the Veg Advocate programme has had and evaluating how successful we have been in delivering a participatory citizen model.

At the national level we saw a welcome commitment to a new ‘Community Eatwell’ trial in the Levelling-Up White Paper – which we have been calling for since 2017 in our publication “Eating Better for Less” – and also a commitment to a cross-cutting horticulture growth strategy for England – which we have been pushing for through our work with the Fruit and Vegetable Alliance for a number of years.

Our sister organisation Veg Power’s *Eat Them to Defeat Them* campaign entered its fourth year, with a TV ad reaching **40 MILLION PEOPLE** and the programme being activated in **3,845 SCHOOLS** (up from 1900 in 2021). **57% of parents whose children took part in the campaign said they’d eaten more vegetables as a result.** The campaign has led to an estimated £92 million in additional vegetable sales. This year Veg Power’s success has been recognised across a range of different awards, including winning the Third Sector Corporate Engagement Award 2022, being shortlisted as a finalist by the Royal Society of Public Health for their Healthier Lives Award 2022, and winning the IPA (Institute of Practitioners in Advertising) Gold Effectiveness Award 2022 and the IPA President’s Prize for Behavioural Change.





OUR IMPACT

Improving children's food

We want to see a substantial improvement in the design and delivery of policies which affect children's food and contribute to a reduction in children's food insecurity and childhood obesity.



Despite considerable policy change achieved last year, too many children continue to miss out on good quality, nutritious food. Therefore, we have continued to advocate for investment in three policies recommended in our Children's Future Food Inquiry published in 2019: an increase to Free School Meal eligibility, long-term funding the Holiday Activities and Food Programme and increased uptake and entitlement for Healthy Start.

FREE SCHOOL MEALS - TERMTIME AND HOLIDAYS

At the start of the year, we launched an online platform allowing members of the public to write to their MP.

Working with civil society partners, we coordinated a series of influential letters – including from Marcus Rashford and major food businesses – to the then-Chancellor Rishi Sunak which were published in the Sunday Times and an open letter from Russell Viner, President of the Royal College of Paediatrics and Child Health, published in the British Medical Journal. Every MP across the country was contacted by constituents and the campaign gained national media coverage (Sky News, The Mirror, Daily Mail, The Independent, The Sun, Good Morning Britain).

We supplied new evidence working with Fix Our Food, a five-year research partnership in Yorkshire, to conduct an evaluation of the impact of the Government's Holiday





Activities and Food (HAF) programme delivery over the summer holidays. This evaluation report, combined with our annual progress report on children's food policy, helped to facilitate meetings and briefings with senior officials at the Department for Education, Number 10 and the Department of Health.

We helped achieve two major policy impacts. First, the **permanent extension of Free School Meals** to families affected by No Recourse to Public Funds (NRPF). This increased entitlement ensures that children previously denied Free School Meals due to their family's immigration status will now have access. And second, a further three-years of funding for holiday food provision for low-income children, confirmed in Chancellor's 2021 Autumn Budget.

SCHOOL FOOD QUALITY

In June 2021 – together with civil society partners Bite Back 2030, Chefs in Schools and School Food Matters

and support from Impact on Urban Health – we established a new School Food Review Working Group, coordinating a coalition of 36 players from across the school food system. We have worked together on five pillars of school food reform (entitlement, procurement, accountability, uptake and funding.) Our impact was demonstrated in the **Levelling Up White Paper**, published in February 2022, which proposed new measures to improve school food accountability in the form of mandatory reporting and piloting a new quality assurance role for the Food Standards Agency.

HEALTHY START

Another area of focus has been uptake of Healthy Start and to ensure the digitisation of the scheme does not create barriers to access for eligible families. Following last year's increase to the value of Healthy Start, this year we developed a hugely successful online eligibility calculator and have continued to work with retailers to promote Healthy Start to their customers. We've kept the issue of Healthy Start uptake in the press, such as by coordinating an open letter from Marcus Rashford to health professionals, and also on social media, **with support from key influencers and retailers.**



When issues were reported by service users during the digitisation of the scheme, we fed back problems directly to civil servants in order to overcome barriers to access quickly. It was **encouraging to learn** that by April 2022, **345,000 successful applications had been made to the digitisation scheme, with over 107,000 of these new to Healthy Start.** We continue to work closely with the Department of Health and Social Care to ensure the remaining enrolled households move over to the digital system and to advocate for wider promotion of the scheme to reach eligible families not yet signed up.

We helped to achieve major policy impacts such as the extension of Free school Meals to families affected by No Recourse to Public Funds and further funding for holiday food provision for low income children.

These above measures indicate positive steps for children's food access and diets, and our successes are in large part due to the tireless campaigning of our Young Food Ambassadors who continue to be **powerful agents for change.** We were delighted to have our campaigning efforts recognised through the Third Sector Excellence Awards winning the 'Big Impact Award' and the Special Contribution to Public Sector Catering Award for the achievements of our End Child Food Poverty coalition.



OUR IMPACT

Influencing food policy

We want to see the case for food systems change strengthened, including for bolder government intervention, in turn inspiring new leadership to emerge at city, national and international levels. And we want to see a stronger legislative framework for coherent future food policy.

This year, in the context of the ongoing impact of the COVID-19 pandemic and the growing cost-of-living crisis, we have substantially increased our focus on dietary inequalities and food insecurity. We have continued to **monitor food insecurity rates** via a series of nationally representative surveys and have also stepped up our work on monitoring food prices – both via the Consumer Price Index and by launching our own **‘Basic Basket’ tracker** in April 2022. Through this work we have played an important role in raising the profile of rising food insecurity levels in policy circles, helping to make the case for stronger support mechanisms for low-income families – including increased investment in the household support fund, cost-of-living support payments for those on benefits, fuel bill support payments, and the council tax rebate. We were also pleased to see the Government’s first *Food Security* report (a new requirement in the *Agriculture Act*) include a substantial **focus on household food insecurity** as well as national level food security. Our annual ***Broken Plate* report** more explicitly focussed on inequalities this year and continues



to be hugely well-received by policymakers and a wide variety of other stakeholders – with a total of **4000 downloads** from our website. It clearly makes the case that our food environment does not make it easy to eat healthily and sustainably, particularly if you are living on a low income, and is a key educational tool in our policy engagement work.

Our second major policy focus has been advocating for the adoption of the recommendations which were made by Henry Dimbleby in his independent review of the food system, the **National Food Strategy**, which was published in July 2021. Following the publication of the report, we helped to convene a large group of NGOs to campaign for the Government to adopt the recommendations. We particularly focussed on the need for a **Good Food Bill**, which we argued should set a long-term vision and series of targets for food system change, establish independent mechanisms for monitoring progress, introduce mandatory requirements for food business to report on a range of sales-weighted



We were very pleased to see commitments to a new Food Data Transparency Partnership, which we hope in time will lead to a more solid commitment on the introduction of mandatory food business reporting requirements.

We helped to support the evidence base, draw in experience from around the country on local food partnerships and help identify leading actors within the city who could be mobilised to support.

At the international level, we have continued to work with Global Alliance for Improved Nutrition (GAIN) to develop a vision for a global youth movement focused on food systems transformation. This is based on the Actions4Change which were developed with young people around the world and were based on **103,937 youth votes from 98 countries**. We have helped to create a number of international opportunities for young people to campaign, including when we co-hosted a pre-COP26 event in Italy and also during COP26 when we took 12 youth leaders to Glasgow where we hosted three events in the green and blue zones.

health and sustainability metrics (to drive greater transparency in the food industry), and ensure that Government led by example by putting in place legally enforceable standards for public procurement of food. We successfully leveraged our relationships with food businesses and investors to influence policymakers, **convening 110 civil society organisations, businesses, academics, farmers and local authorities to sign a joint statement** calling for bold new food legislation and a comprehensive cross-Government approach to food.

In June 2022 the Government responded to the National Food Strategy with its own *Government Food Strategy*. We were very pleased to see **commitments to a new Food Data** Transparency Partnership, which we hope in time will lead to a more solid commitment on the introduction of mandatory food business reporting requirements. Though the Government did not commit

to a new Food Bill, we also feel that we have made major headway in making the case for the need for a better system of governance on food policy. The Food Standards Agency have since published a new organisational strategy, in which they have committed to work more broadly to ensure that it is easier for consumers to eat a healthy and sustainable diet, to consider the impact of food insecurity on their work, and to publish a **'state of the nation's food standards'** report each year.

At the city level, through our partnership with Birmingham City Council we helped the Council's Food Team to publish a comprehensive food strategy for the city for consultation.





OUR IMPACT

Inspiring business and investor action

We want to see all retailers, caterers and high street food chains routinely reporting on key metrics, demonstrating their support for healthy diets from sustainable food systems so that government, investors and citizens can use the new data to inform policy, investment and behaviour.



PLATING UP PROGRESS

Building on the work of **Peas Please** and our **Plating up Progress**

dashboard we are helping to drive up commitments from food companies to be transparent in setting targets and monitoring whether their sales are supporting people to eat more healthily and sustainably. This year we have seen Aldi reporting the percentage of food sales which came from healthier products.

As described above, we have in parallel been campaigning for the introduction of mandatory business reporting requirements by the government. Our relationships with food businesses and investors meant that we could add their voices to our campaign, thereby making it substantially stronger. Building on our first investor letter in July 2021, we partnered with Rathbone Greenbank to publish an official response to the Government's Food Strategy, welcoming the commitment to the **Food Data Transparency Partnership** but cautioning against the broader weakness in the strategy. We then coordinated letters to Government from investors (representing more than £6trn in assets under management) and from **16 major food businesses** in support of the inclusion of mandatory reporting in the Government's response to the National Food Strategy Independent

Review. This grouping of investors has developed into an **Investor Coalition on Food Policy**, members of which subsequently met with Victoria Prentis (Minster of State, Defra) in February 2022 – a meeting which we helped to catalyse. We have since aided the coalition to maintain a dialogue with Defra on their future role in helping shape food business reporting requirements.

In support of our work on children's food, we have continued to work with both retailers and government to advocate for continued support of the Healthy Start scheme (Best Start in Scotland). We've hosted several meetings with UK retailers to explore the potential for adding value to the scheme in its new, digitised form. Research from the Universities of Leeds and Birmingham have separately **evaluated Sainsbury's and Lidl's value add offers** during 2020-21 as a result of our outreach efforts and have found that both materially impacted on the amount their customers spent on fruit and veg. This year, Iceland have successfully implemented several creative communication campaigns to boost awareness of the scheme; 81 million of their own-brand milk bottles will advertise the Healthy Start scheme in England, and a further 9 million will carry information about the **Best Start scheme in Iceland's Scottish stores**. The retailer has also created special campaign home delivery vans which will deliver in areas of low Healthy Start take-up across the UK. From September 2022, a second phase of the campaign will also see Healthy Start and Best Start Foods promoted on 100 million packs of frozen fruit and vegetables over the next two years – a partnership with Del Monte will also see the **Healthy Start scheme on 4.6 million packs** of the brand's frozen fruit products.





OUR IMPACT

Reaching and influencing our audiences

MPS / PEERS

Our work continues to receive significant attention in Parliament. 47 references were made to us and our work on the floor of the house (equalling numbers from 2020/21, despite that being an unusually busy year due to the Marcus Rashford campaign). Mentions came from parliamentarians representing all major political parties.

We have contributed to parliamentary committee inquiries on topics including **Food Security, the Children and Families Act, Impact of Body Image on Physical and Mental Health, Sustainable Timber and Deforestation, and the Cost-of-Living**. Our Executive Director, Anna Taylor, has given oral evidence to the Environment, Food and Rural Affairs Committee, and to the Scottish Parliament's scrutiny process for the Good Food Nation bill.

We have met regularly with MPs, Peers and parliamentary staff, presenting our work to the APPG on Food and Health, and the Westminster Food and Nutrition Forum, and running dedicated events in parliament on the National Food Strategy and the food and fuel price crisis.



LOCAL AUTHORITIES

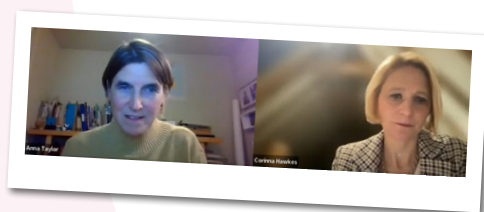
This year we deepened our engagement with Birmingham City Council and worked with the city to convene a major event in the margins of the Commonwealth Games in July. This event was convened in partnership with Birmingham City Council, Birmingham Commonwealth Association and the Department for International Trade. It attracted **delegates from 8 countries and 20 cities**. This event followed several webinar series' on food policy development at the city level which **involved representatives from 22 cities**.



GOVERNMENT AND CIVIL SERVANTS

We have continued a regular programme of meetings with Ministers and officials in a number of different Government departments – most notably the **Department for Environment, Food and Rural Affairs, the Department for Education, the Department for Health and Social Care, the Department for Work and Pensions, the Food Standards Agency, and the Office for National Statistics**. We respond regularly to relevant Government consultations and informal stakeholder engagement exercises, and we regularly write letter to Ministers on topical issues.

We regularly run webinars which attract a strong policy audience and our new Quick Bites webinar format reached 558 attendees allowing us to provide timely snap analysis on major policy developments of relevance to the food agenda.



BUSINESSES

This year we have grown our **Peas Please** community of pledgers to 110 organisations operating within the food system, with retailers responsible for over 93% of the UK's retail market share now committed to increasing sales of vegetables through Peas Please.

For the first time we had a dedicated business engagement resource, working across both our **Plating Up Progress** and Peas Please projects to deepen our engagement with food retailers and the out of home sector. This provided the inspiration for our first State of the Nation Food Industry report, due to be published in October, which will set out what good business practice in supporting the transition towards healthy and sustainable diets ought to look like for the retail and food service sectors.



INVESTORS

The investor coalition has grown to £6 trillion in assets under management, with 23 investors this year. Using the data from our Plating Up Progress work, we have produced three investor briefings which:

1. **make the case for investor engagement on food policy and mandatory reporting**
2. **highlight the data gaps in the food industry and the risks and opportunities related to investors' investments in the food and agriculture sector**
3. **examine the effectiveness of food business net zero commitments and explore the role of investors in pushing for incentives and regulations to reduce businesses emissions.**

We are now formalising the governance and goals of the Investor Coalition on Food Policy, with The Food Foundation acting as the secretariat and part of the advisory board with three key investors.

WIDER AUDIENCES

Overall, our audiences have grown considerably on our website and through our social media channels.

Our website visitors are up by 55%, our **newsletter reach has grown by 5%** and with a **56% uplift in the "open rate" of our newsletter**. Our followings on **Twitter**, **Facebook** and **Instagram** have **grown** and for **LinkedIn** we have seen a **1,666% increase** in visitors to our profile. This year we were **cited 2,983 times** in the media (a decrease of 25% on last year, but that was an exceptionally busy year due to the campaign with Marcus Rashford). It is 31% up on the 2019-2020 figures, which do not include broadcast media hits.

Our event programme has reached a wide cross section of our audiences across various event opportunities including in person panel events at **COP26** and online at the **Nutrition 4 Growth conference** (global policy makers and global youth); **UK Veg advocate meetings** (citizens); the **Peas Please Pledger conference** (businesses) and our **Commonwealth Food Futures Summit event** at the Commonwealth Games (cities; local and national government.)



OUR IMPACT

What's next?

In the coming year, as we enter the final period of the current government and face a deepening cost-of-living crisis, we have identified 5 impact objectives which we will pursue.

supporting and demonstrating leadership at a sub-national level in Birmingham city and in the University of Kent as well as fostering leadership on access to nutritious food within two government departments – DWP and Defra.

Our fifth objective focuses on the work we will do to continue to influence the wider public narrative and policy discourse on healthy and sustainable diets with a view to influencing priorities within political manifestos in advance of the next election. As part of this work, we will be helping to amplify the voices of investors who are increasingly engaged on food macro stewardship and who we convene as part of the Investor Coalition on Food Policy.

In addition, we are focusing on the following areas of organisational development:

We have developed and defined our staff structure and pay grades further to enable transparency, and retention and attraction of talent. In parallel to this we are developing our senior management team, initially by expanding it to include more specialist skills and capacity through the recruitment of a Head of Finance and Operations (completed this year) and a Head of Policy and Advocacy.

We will develop and implement a staggered Equality, Diversity and Inclusion (EDI) strategy that will complement our EDI strategy for citizens and young people engagement, focusing on demographics that are affected by food insecurity with underrepresentation in society. This will support our recruitment and staff development processes and help to create a diverse team.

Two objectives focus on actions from policy makers and the business sector on easing the impact of the cost-of-living crisis on public health. The first of these is focused on extending free school meals to more children living in poverty in England and the second focuses on securing business commitments to make it easier for people to eat well during the cost-of-living crisis including by promoting Healthy Start.

For the third objective, we will continue our work on progressing business transparency, target setting and reporting to ultimately mainstream business activity in support of healthy and sustainable diets within discussions of business performance. In parallel we will be working to ensure the government's plans on the Food Data Transparency Partnership are implemented and involve investors in the process.

For the fourth objective, in recognition of the limited policy space for progressing the longer term food system transformation agenda, we will focus on



Trustees' report

The Trustees present their report and financial statements for the year ending 31st August 2022 and confirm that the financial statements comply with current Charities SORP (FRS 102) – Accounting and Reporting by Charities: Statement of Recommended Practice.

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law, applicable to charities in England & Wales, requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities [SORP 2019] (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable

accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

PUBLIC BENEFIT

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's objectives and activities and in planning future activities.

It is the judgement of the Trustees that activities in pursuit of the above objectives fully meet the public benefit test, which they have kept in mind in planning programmes for the charity.

FUNDRAISING

We are extremely grateful to our funders for all their support. We only accept funding which does not compromise our independence. We review all financial engagements – assessing whether potential donations are acceptable and in line with the Foundation's aims. For



ethical reasons, we will not enter financial relationships with organisations closely linked to the active promotion of tobacco products, armaments, gambling, alcohol products or political parties. Further information can be found here: <https://foodfoundation.org.uk/who-we-are#funders>

The Food Foundation approach to fundraising has been applying to Trusts, Foundations, Academic Institutes and Government Bodies for grants and donations. The Food Foundation understands and complies to its duty to protect the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches and undue pressure to donate. We do not conduct digital marketing campaigns aimed at securing public donations. No third parties were involved in fundraising such as the use of external fundraising agencies for either telephone or face-to-face campaigns and received zero fundraising complaints during the financial year 2021/22 equalling the previous year. We have not voluntarily subscribed to any fundraising regulation schemes to date.

STRUCTURE, GOVERNANCE AND MANAGEMENT

We are governed by our Constitution and our charitable objects. The Food Foundation is managed by 10 trustees who met 4 times during the past year. One trustee resigned in March 2022 as she became an MP (Paulette Hamilton).

The Trustee Committee is chaired by Laura Sandys. The trustees have formed two sub-committees who meet between trustee meetings: the Audit, Risk and Compliance Committee chaired by Tom Lindsay and the Impact and Reputation Committee chaired by Rosie Boycott. Terms of reference for each have been agreed.

In 2023 we will conduct a board and committee performance review based on a systematic assessment of how well the board is performing its legal responsibilities and contributing to organisational success. It will consider the performance of the whole board, its committees and the contribution of individual members. We will also conduct a Charities Commission Governance Code compliance review, to identify how we are tracking against the Code. We will report on the findings and actions taken in next year's annual report.

Organisational structure and how the charity makes decisions.

Decisions on strategy and budget are made by the trustees during their quarterly meetings. The Audit, Risk and Compliance Committee and the Impact and Reputation Committee review specific areas of work and provide advice on decisions to the Trustee Committee. They delegate the day-to-day running of the charity to the Executive Director. She has a small team of senior staff who form the senior management of the organisation.

Policies and procedures for induction and training of trustees.

Any new trustee will receive a copy of the current version of our constitution; and a copy of the latest Trustees' Annual Report and statement of accounts.

Arrangements for setting pay and remuneration of key management personnel and any benchmarks, parameters or criteria used.

The remuneration set for staff is based on an assessment of market rates through identifying remuneration levels of roles with similar skill and experience requirements, and an assessment of resources available to the Food Foundation. During the final months of this year a formal benchmarking exercise was conducted using Harris Hill published comparators and a new staff grading structure was developed for implementation in the year beginning September 2022.



Relationships with related parties and any other charities and organisations with which it co-operates in the pursuit of its charitable objectives.

We are the principal relationship holder with the National Lottery Community Fund for the delivery of our Peas Please project. We provide funds for 4 partners to support the delivery of the project. These partnerships are governed by partner contracts with each of the four partner organisations, whereby the contract between the Food Foundation and The Programme Partner consists of an Agreement, the National Lottery's Grant Agreement, in addition to further appendices specific to the project agreement and other Mandatory Policies.

We cooperate with a range of other organisations in pursuit of our charitable objectives.

LEGAL STATUS

Food Foundation CIC was incorporated 5th August 2014 and registered with Companies House, with Company Number 09162855. By way of conversion, as of 28th January 2020 Food Foundation CIO was registered with the Charities Commission with Charity Number 1187611.

INCOME AND EXPENDITURE

We are still in our infancy as an organisation and continue to see year on year growth. This year we have seen our income increase by 14.6% against our records for the year ending 31st August 2021, however a substantial amount of this income relates to projects that carry across our financial year – see Balance Sheet and Reserves. This funding has allowed us to increase our ambition and subsequently increase our team to facilitate such.

Internally our expenditure is considered across three areas, project costs, employees (wage) and other non-employee operational costs. Within this reporting period, we have seen increases across all areas aligned to our funding levels and organisational growth. We have maintained our number of employees at around 17 but expect to increase the team further in the coming year to around 20. As we cannot guarantee funding levels, 4 of these roles are fixed term.

BALANCE SHEET

We have closing funds of £682,210 (£571,898 year ended 31st August 2021) with cash holdings of £459,603 (£393,169 year ended 31st August 2021).

Within our closing balance, we have restricted £ 360,453 and unrestricted £ 321,757 (£284,406 and £287,492 respectively year ended 31st August 2021) funds available to us. The unrestricted funds will predominantly contribute to next year's activities, along with some unrestricted funds designated to contribute towards our core costs.

We operate a defined contribution pension scheme which is managed by NEST. All contributions have been paid over during the year.

RESERVES

RESTRICTED - At the end of the year our restricted reserves amounted to £360,453 (£284,406 year ended 31st August 2021). These monies are committed across various projects running throughout our next financial period.

UNRESTRICTED - At the end of the year our unrestricted reserves amounted to £321,757 (£287,492 year ended 31st August 2021). £321,757 of this relates to accrued entitled and probable income attributable between £82,090 and designated to contribute towards our core costs over that period, a further £66,667 is designated to contribute towards our core costs for our next financial period, leaving an available balance of £173,000.

Reserves are needed to ensure the stability of our mission, meeting our financial obligations as and when they become due. Requirements are predominantly to assist with the peaks and troughs of cashflow; any unforeseen operational costs such as resource cover for long term sickness; to allow time to organise alternative funding should a funder(s) withdraw their funding for any reason; to be able to react to an unplanned opportunity; and for any unplanned organisational closure event in a clean and appropriate manner.

Reserves will be funded with surplus unrestricted operating funds. Our existing reserves policy is to maintain unrestricted funds of 25% of our annual operational expenditure, plus potential statutory redundancy liabilities, and prudently, being a newly formed charity, to achieve this within a three-to-five-year period from 1st September 2019. 25% of our closing operational expenditure for the reported period plus a further £25,000 (rounded up potential statutory redundancy liability) equates to £260,000. We are now three years into our maximum five-year self-imposed timeline, our reserves target deficit is £87,000. We are a young, growing organisation and envisage generating suitable funding over the remaining planned timeline to reach our target level.



We operate a simple organisational structure and have no long-term commitments.

Our reserves policy is reviewed annually by the trustees.

PRINCIPLE RISKS AND UNCERTAINTIES

The Trustees have assessed the major risks to which we may be exposed and to the best of their knowledge are satisfied that appropriate systems are in place to mitigate exposure to those risks. We maintain a risk register that is reviewed quarterly by our Audit, Risk and Compliance Committee and subsequently considered within every Trustee meeting. All risks are monitored using a traffic light system, with Low, Medium and High-risk levels. We currently have no risks calculated to be high

To mitigate and dampen any incurred difficulties from loss of major funding, the Foundation has put in place a comprehensive Reserves Policy and have strived to increase reserve funds where possible and begin to link this to funding applications.

GOING CONCERN

Our financial statements have been prepared on a going concern basis. We have checked the robustness of our forecasts and even after taking into account any reasonable downsides, it indicates we have sufficient funds to remain operational for at least the next 12 months.

We have a continual process of fundraising for our work by scanning new opportunities which align with our strategy from a wide range of charitable trusts and foundations. In 2021/22 we made approximately 7

funding applications and have been successful in three. We aim to build long term relationships with our funders so they are familiar with our strategy and understand fully what we are trying to achieve. Our founding funders – Nuffield Foundation and Esmee Fairbairn who started their support for us in 2015 are each now supporting us with a third wave of funding and are committed until 2023/4.

THANK YOU

The Food Foundation would like to gratefully acknowledge the volunteers who have worked with us over the year and have generously donated their time to give us advice or helped us to deliver our projects. We are also very grateful to FieldFisher, Hogan Lovell, Weber Shandwick and Kantar for their pro-bono services this year.



L J Sandys

Date: **6th February 2023**

Independent Auditor's Report to the Trustees of Food Foundation

OPINION

We have audited the financial statements of Food Foundation (the 'charity') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

OTHER INFORMATION

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the charity has not kept adequate and proper accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

AUDITOR RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement

when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the Charity and the sector in which it operates and considered the risk of the Charity not complying with the relevant laws and regulations including fraud in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements, including financial reporting, and tax legislation. In relation to the operations of the Charity this included compliance with the Charities Act 2011.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified.

These included the following:

- Review of legal fees incurred;
- Reviewing minutes of Trustee Board meetings;
- Agreeing the financial statement disclosures to underlying supporting documentation;

- Enquiring of management, including those charged with governance;
- Reviewing key accounting policies and estimates

To address the risk of management override of controls, we reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness. We also assessed management bias in relation to the accounting policies adopted and in determining significant accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the FRC's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Price Bailey LLP

Price Bailey LLP
Chartered Accountants
Statutory Auditors
24 Old Bond Street
London
W1S 4AP
Date: 22nd February 2023

Price Bailey LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income:					
Donations and legacies	4	3,201	1,520,657	1,523,858	1,320,150
Charitable activities	5	251,526	-	251,526	229,760
Other income	6	1,049	-	1,049	-
Total income		<u>255,776</u>	<u>1,520,657</u>	<u>1,776,433</u>	<u>1,549,910</u>
Expenditure:					
Charitable activities	7	221,511	1,444,610	1,666,121	1,648,357
Total expenditure		<u>221,511</u>	<u>1,444,610</u>	<u>1,666,121</u>	<u>1,648,357</u>
Net movement in funds		<u>34,265</u>	<u>76,047</u>	<u>110,312</u>	<u>(98,447)</u>
Reconciliation of funds:					
Total funds brought forward		287,492	284,406	571,898	670,345
Total funds carried forward		<u>321,757</u>	<u>360,453</u>	<u>682,210</u>	<u>571,898</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

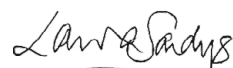
All income and expenditure has arisen from continuing activities.

The notes on pages 25 to 40 form part of these financial statements.

BALANCE SHEET AS AT 31 AUGUST 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	11	-	5,865
Current assets			
Debtors	12	338,282	300,835
Cash at bank and in hand		459,603	393,169
		<u>797,885</u>	<u>694,004</u>
Creditors: amounts falling due within one year	13	(115,675)	(127,971)
Net current assets		<u>682,210</u>	<u>566,033</u>
Total assets less current liabilities		<u>682,210</u>	<u>571,898</u>
Total net assets		<u><u>682,210</u></u>	<u><u>571,898</u></u>
Charity funds			
Restricted funds	14	360,453	284,406
Unrestricted funds	14	321,757	287,492
Total funds		<u><u>682,210</u></u>	<u><u>571,898</u></u>

The financial statements were approved and authorised for issue by the Trustees on **6th February 2023** and signed on their behalf by:



L J Sandys

The notes on pages **25** to **40** form part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2022

	2022 £	2021 £
Cash flows from operating activities		
Net cash used in operating activities	66,434	(137,964)
Cash flows from investing activities		
Purchase of tangible fixed assets	-	(3,480)
Net cash provided by/(used in) investing activities	-	(3,480)
Change in cash and cash equivalents in the year	66,434	(141,444)
Cash and cash equivalents at the beginning of the year	393,169	534,613
Cash and cash equivalents at the end of the year	459,603	393,169

The notes on pages 25-40 form part of these financial statements

The notes on pages **25** to **40** form part of these financial statements.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

GENERAL INFORMATION

Food Foundation registered as a Charitable Incorporated Organisation (CIO) on 28 January 2020 in England and Wales, within the United Kingdom. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity. The registered number is 1187611 and the registered office is 7th Floor, International House, 6 Canterbury Crescent, Brixton, London, SW9 7QD.

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Food Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are prepared in sterling, which is the functional currency of the Charity and rounded to the nearest £1.

The financial statements have been prepared to give a 'true and fair view' and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 14 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

2 ACCOUNTING POLICIES (CONTINUED)

2.2 Going concern

The financial statements have been prepared on a going concern basis which forecasts that the charity will have adequate resources to continue in operational existence for a period of at least 12 months from the date of this financial report.

A forecast has been prepared for a period of more than 12 months from the date of approval of these financial statements. The forecasts indicates that, whilst taking into account reasonable downsides, sufficient funds are expected to be generated within the charity so as to meet liabilities as they fall due.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from donations and legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Grants (including government grants) are included in the Statement of Financial Activities when the charity has entitlement to the funds, any performance related conditions attached to the grant have been met, it is probable that the income will be received and the amount can be measured reliably. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income from the supply of services is recognised with the delivery of the contracted service provided that: the stage of the completion, the costs incurred in delivering the service and the costs to complete the requirements of the contract can all be measured reliably.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets, where costs are above our de minimis threshold of £1,000 are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022**2 ACCOUNTING POLICIES (CONTINUED)****2.5 Tangible fixed assets and depreciation (continued)**

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment - 33% Straight line

2.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.7 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.9 Financial instruments

The charity only has financial assets and financial liabilities that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction

value and subsequently measured at their fair value as at the balance sheet date. Fixed assets are measured at cost less current depreciation, all other financial instruments are measured at cost, which is their fair value. Financial assets include the bank balances, trade debtors and accrued income, but excludes prepayments. Financial liabilities include trade creditors, other creditors and accruals but excludes deferred income, social security and other taxes due.

2.10 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.11 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

No significant judgements, accounting policies or assumptions have been made by management in applying the charity's accounting policies.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

4. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	3,201	-	3,201	13,700
Grants	-	1,520,657	1,520,657	1,306,450
	<u>3,201</u>	<u>1,520,657</u>	<u>1,523,858</u>	<u>1,320,150</u>

In 2022, amounts receivable from government grants amounted to £388,791 (2021: £436,551) with no unfulfilled conditions (2021: none).

In 2021, total income from grants was £1,306,450 of which £1,290,080 was restricted and £16,370 was unrestricted.

In 2021, £13,700 of donations income was unrestricted, no 2021 donations were restricted.

5. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Service income	<u>251,526</u>	<u>251,526</u>	<u>229,760</u>

In 2021, service income of £229,760 was unrestricted and there was £NIL other income.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

6. OTHER INCOMING RESOURCES

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Other income	1,049	1,049	-

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Direct costs	68,253	1,432,608	1,500,861	1,501,021
Support costs	153,258	12,002	165,260	147,336
	<u>221,511</u>	<u>1,444,610</u>	<u>1,666,121</u>	<u>1,648,357</u>

In 2021, direct costs were £1,501,021, of which £1,446,497 was restricted and £54,524 was unrestricted.

In 2021, support costs were £147,336, of which £139,782 was unrestricted and £7,574 was restricted.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES (CONTINUED)**Summary by expenditure type**

	Staff costs 2022 £	Depreciation 2022 £	Other costs 2022 £	Total 2022 £
Direct costs	679,676	-	821,185	1,500,861
Support costs	-	5,865	159,395	165,260
	<u>679,676</u>	<u>5,865</u>	<u>980,580</u>	<u>1,666,121</u>

In 2021, direct costs were £1,501,021 of which £665,810 related to staff costs and £835,211 related to other costs. In 2021, support costs were £147,336 of which £5,724 related to depreciation and £141,612 related to other costs.

Analysis of support costs

	2022 £	2021 £
Technology costs	12,517	46,871
Depreciation	5,865	5,724
Premises costs	30,323	14,838
Other costs	105,005	69,603
Governance costs	11,550	10,300
	<u>165,260</u>	<u>147,336</u>

Charity governance costs relate to audit and accountancy fees in both 2022 and 2021 financial periods.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

8. AUDITORS' REMUNERATION

	2022 £	2021 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	8,475	7,725
Fees payable to the Charity's auditor in respect of: All non-audit services not included above	1,150	1,050
	<u> </u>	<u> </u>

9. STAFF COSTS

	2022 £	2021 £
Wages and salaries	592,403	583,939
Social security costs	65,518	61,319
Pensions costs	21,755	20,552
	<u> </u>	<u> </u>
	<u>679,676</u>	<u>665,810</u>

The Charity operates a defined contribution pension scheme. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £21,755 (2021 - £20,552). Contributions totalling £Nil (2021 - £27) were payable to the fund at the balance sheet date, and are included in other creditors in note 12 to the accounts.

The average number of persons employed by the Charity during the year was as follows:

	2022 No.	2021 No.
Employees	17	16
	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

9. STAFF COSTS (CONTINUED)

The number of employees whose employee benefits (including employer NI however excluding employer pension costs) exceeded £60,000 was:

	2022 No.	2021 No.
In the band £80,001 - £90,000	2	2

The key management personnel comprise the Trustees and the Executive Management Team and a total of 14 persons (2021: 13). Total benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel in the year amounted to £184,268 (2021 - £166,966)

10. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 August 2022, no Trustee expenses have been incurred (2021 - £NIL).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

11. TANGIBLE FIXED ASSETS

	Office equipment £
Cost or valuation	
At 1 September 2021	25,558
At 31 August 2022	<u>25,558</u>
Depreciation	
At 1 September 2021	19,693
Charge for the year	5,865
At 31 August 2022	<u>25,558</u>
Net book value	
At 31 August 2022	<u>-</u>
At 31 August 2021	<u>5,865</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

12. DEBTORS

	2022 £	2021 £
Due within one year		
Trade debtors	208,562	32,686
Other debtors	-	2,254
Prepayments and accrued income	129,720	265,895
	<u>338,282</u>	<u>300,835</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade creditors	19,761	63,104
Other taxation and social security	13,777	-
Other creditors	2,225	27
Accruals and deferred income	79,912	64,840
	<u>115,675</u>	<u>127,971</u>

	2022 £	2021 £
Resources deferred as at 1 September 2021	-	-
Resources deferred during the year	42,168	-
	<u>42,168</u>	<u>-</u>

At the date of the balance sheet, £42,168 of deferred income was recognised by the Charity (2021 £Nil).
Deferred income received in the year relates to service income received in advance of entitlement.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

14. STATEMENT OF FUNDS

Statement of funds - current year

	Balance at 1 September 2021 £	Income £	Expenditure £	Balance at 31 August 2022 £
Unrestricted funds				
General Funds	287,492	255,776	(221,511)	321,757
Restricted funds				
AIM Foundation	-	25,000	-	25,000
Charity Works KickStart	-	2,302	(2,302)	-
Esmee Fairbairn Foundation	15,296	3,929	(17,474)	1,751
Foreign Commonwealth and Development Office	77,123	388,791	(439,007)	26,907
Fusion21 Foundation	10,000	25,000	(10,146)	24,854
GAIN	-	790	(790)	-
Guys & St Thomas' Charity	33,110	211,054	(70,569)	173,595
Kristian Gerhard Jebsen Foundation	28,449	100,000	(84,712)	43,737
National Lottery Community Fund	14,676	394,073	(408,749)	-
Nuffield Foundation	-	127,675	(127,675)	-
Sustain: The Alliance for Better Food & Farming	-	70,300	(33,117)	37,183
Stichting World Benchmarking Alliance	52,335	-	(52,335)	-
The Joseph Rowntree Charitable Trust	28,650	17,500	(42,066)	4,084
The Tudor Trust	24,311	40,000	(40,969)	23,342
Trust For London	-	40,000	(40,000)	-
University of Kent	-	188	(188)	-
Wellcome Trust/The London School of Hygiene and Tropical Medicine	456	74,055	(74,511)	-
	284,406	1,520,657	(1,444,610)	360,453
Total of funds	571,898	1,776,433	(1,666,121)	682,210

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

14. STATEMENT OF FUNDS (CONTINUED)

Statement of funds - prior year

	Balance at 1 September 2020 £	Income £	Expenditure £	Balance at 31 August 2021 £
Unrestricted funds				
General Funds	221,948	259,830	(194,286)	287,492
Restricted funds				
Charity Works	-	3,845	(3,845)	-
Church Action on Poverty	5,290	-	(5,290)	-
Esmee Fairbairn Foundation	100,000	-	(84,704)	15,296
Fondation de France/Daniel & Nina Carasso	34,637	1,687	(36,324)	-
Foreign Commonwealth and Development Office	30,516	436,551	(389,944)	77,123
Fusion21 Foundation	-	10,000	-	10,000
The Food People	-	15,000	(15,000)	-
Guys & St Thomas' Charity	87,775	13,284	(67,949)	33,110
The Joseph Rowntree Charitable Trust	-	33,416	(4,766)	28,650
Kristian Gerhard Jebsen Foundation	-	100,000	(71,551)	28,449
National Lottery Communication Fund	93,470	407,742	(486,536)	14,676
Nuffield Foundation	-	43,714	(43,714)	-
Rothschild Foundation	-	20,000	(20,000)	-
RSA Food, Farming and Countryside Commission	6,837	-	(6,837)	-
The Health Foundation	26,081	14,547	(40,628)	-
The Tudor Trust	23,335	42,000	(41,024)	24,311
Trust for London	40,000	-	(40,000)	-
University of Sheffield	-	1,420	(1,420)	-
University of York	-	3,000	(3,000)	-
Wellcome Trust/ The London School of Hygiene and Tropical Medicine	456	45,074	(45,074)	456
Stichting World Benchmarking Alliance	-	98,800	(46,465)	52,335
	448,397	1,290,080	(1,454,071)	284,406
Total of funds	670,345	1,549,910	(1,648,357)	571,898

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

- **15. FUNDS HELD ARE AS FOLLOWS:**

- Aim Foundation: Funds held to contribute towards the Children's Right2Food project
- Esmee Fairbairn Foundation: Funds held to contribute towards core salary and project costs for work to improve diets in the UK. Restricted funds held specifically for the National Food Strategy project.
- FusionFoundation: Funds held to contribute towards the Dietary Inequality project funding the food insecurity surveys and the affordability work for Broken Plate
- Foreign, Commonwealth and Development Office: Major transformations in the global food system are required in order to meet the 2030 Sustainable Development Goals (SDGs) to end hunger, achieve food security and improve nutrition. Funds held are contributing to the Global Food System project.
- Guys & St Thomas' Charity (Impact on Urban Health): Funds held to contribute towards The Children's Right2Food Campaign which is a nationwide initiative to ensure every child in the UK can access and afford good food, and was shaped by the findings of the Children's Future Food Inquiry. Funds also held to contribute leveraging investor support for healthier food and business policy.
- Kristian Gerhard Jebsen Foundation: Funds held to contribute towards the Children's Right2Food Campaign.
- National Lottery Community Fund: Funds held to contribute to the Peas Please project, which is a trail-blazing initiative focused specifically on veg, Peas Please brings together farmers, retailers, restaurant chains, caterers, processors and government departments with a common goal of making it easier for everyone to eat more veg.
- Nuffield Foundation: Using quantitative and qualitative evidence to re-shape the public narrative on dietary inequality, particularly relating to children, to catalyse purposeful action from policy makers and business. Funds held to contribute towards the Dietary Inequality project.
- Sustain: Funds delivery of the 'Fiscal Measures' project, which is a joint project with the Obesity Health Alliance and Sustain to build the evidence base on and advocate for fiscal measures relating to food.
- The Joseph Rowntree Charitable Trust: Funds held to contribute towards the Plating Up Progress project.
- The Tudor Trust: Funds held to contribute towards the Children's Right2Food project.
- Trust For London: Funds held to contribute towards the Children's Right2Food project.
- Wellcome Trust / The London School of Hygiene and Tropical Medicine: Funds held to support Food Foundation as it works with eight partner organisations (including the London School of Hygiene and Tropical Medicine, UCL, City University and SOAS) on Sustainable and Healthy Food Systems, (SHEFS), a Wellcome Trust-funded research project. These funds were also held to contribute towards the National Food Strategy.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Current assets	321,757	476,128	797,885
Creditors due within one year	-	(115,675)	(115,675)
Total	321,757	360,453	682,210

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	5,865	-	5,865
Current assets	281,627	412,377	694,004
Creditors due within one year	-	(127,971)	(127,971)
Total	287,492	284,406	571,898

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	110,312	(98,447)
Adjustments for:		
Depreciation charges	5,865	5,724
(Increase) in debtors	(39,028)	(84,019)
(Decrease)/Increase in creditors	(10,715)	38,778
Net cash provided by/(used in) operating activities	66,434	(137,964)

18. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2022 £	2021 £
Cash in hand	459,603	393,169

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

19. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2021	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	£ 393,169	66,434	459,603

20. PENSION COMMITMENTS

The charity operates a defined contribution pension scheme. Pension costs for the period have been charged at £21,755 (2021: £20,552). At the period end, £2,225 was owed to the scheme (2021: £2,207).

21. RELATED PARTY TRANSACTIONS

One of our trustees, Rosie Boycott also acts as a director of Veg Power CIC. Veg Power CIC received communications consultancy services from the charity totalling £8,936 during the year (2021 - £10,660). No balances were outstanding as at 31 August 2022 (2021: £nil).

One of our trustees, David Edwards, also acts as a trustee of Sustain: The Alliance for Better Food & Farming. Sustain: The Alliance for Better Food & Farming distributed grants to the charity totalling £70,300 for the period (2021: £Nil).

There were no further related party transactions to disclose (2021: none).



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