

Company Registration No. 02852984
Charity Registration No. 1041966

**The Food and Drink Training and
Education Council Limited**
(A Company Limited by Guarantee)

**Report of the Trustees and
Unaudited Financial Statements
for the year ended 31 August 2020**

The Food and Drink Training and Education Council Limited
(registered number 02852984)

Report and financial statements for the year ended 31 August 2020

Contents	Page
Officers and professional advisers	1
Group trustees' report	2-3
Trustees' responsibilities statement	4
Independent examiner's report	5
Consolidated statement of financial activities	6
Balance sheets	7-8
Statement of cash flows and consolidated statement of cash flows	9
Notes to the financial statements	10-21

The Food and Drink Training and Education Council Limited
(registered number 02852984)

Report and financial statements for the year ended 31 August 2020

Officers and professional advisers

Names

The Food and Drink Training and Education Council
Limited

Food Training Council (Trading name)
ftc (Trading name)

Trustees

Mr J J Proctor (Chairman)
Mr A J Brodie
Mr R J Bansback – appointed 20 February 2020
Mr R J Field – appointed 20 February 2020
Mr R M Griffiths – appointed 20 February 2020
Mr D G Hall – appointed 20 February 2020
Mr R M Cracknell – resigned 27 February 2020
Mr R D Reeson – resigned 11 June 2020
Mrs F C Cheney – resigned 27 February 2020
Mr S F Roberts – resigned 20 February 2020

Secretary

Mr W J Jermey

Registered Office

4100 Park Approach
Thorpe Park
Leeds
LS15 8GB

Bankers

Lloyds TSB
Thavies Inn House
6 Holborn Circus
London
EC1N 2HP

Solicitors

Sherrards
45 Grosvenor Road
St Albans
Herts
AL1 3AW

Independent Examiner

DSC Accountants Ltd
Chartered Accountants and Registered Auditors
Tattersall House
East Parade
Harrogate
HG1 5LT

The Food and Drink Training and Education Council Limited

(registered number 02852984)

Report and financial statements for the year ended 31 August 2020

Officers and professional advisers

The trustees present their report together with the financial statements for the year ended 31 August 2020. This report is also a Directors' Report as required by the Companies Act 2006.

Structure, Governance and Management

Governing document

The Food and Drink Training and Education Council Limited is a company limited by guarantee, incorporated on 8 September 1993, and a registered charity. It is governed by its Memorandum and Articles of Association. The guarantee of each member is limited to £1.

Structure

The Food and Drink Training and Education Council has three wholly owned subsidiaries - FDQ Limited, Institute of Meat, and The Meat Training Council Limited. The latter one is a dormant company. Details appear in note 16.

The day to day management of FDQ Limited is conducted by the director, Dr Jane Downes. The day to day management of Institute of Meat is conducted by charity chief executive Keith Fisher, with both reporting to Group Chief Executive Bill Jermey. Trustees approve the budget and are involved in key decision making.

Trustees

The trustees are also directors for company law. A full list of those who served during the year and subsequently is shown within the legal and administrative information.

Trustees are appointed by the members at the Annual General Meeting of the charity after nomination by a minimum of three members as required by the charity's Memorandum and Articles of Association. All trustees receive appropriate training and induction on becoming trustees, although all the trustees are long serving, the one appointed this year having been a trustee previously, and he leads an Employer Training Provider.

Related parties

The subsidiary companies, FDQ Limited, Institute of Meat and The Meat Training Council Limited are related parties because of this relationship. Also related are the trustees and key management of the company and its subsidiaries, and any connected persons as defined in the charity SORP 2015. Some trustees are also directors of other companies.

Risk policy

The council have reviewed and implemented a formal risk management process to assess business risk and management strategies.

Objective and activities

The principal activity of the charity is to secure and promote the provision of training within the food industry. The most important way it achieves this is through promotion and development of vocational training and apprenticeships. Our subsidiary FDQ Limited is the largest Awarding Organisation in the food industry, and last year FDQ have also become an End Point Assessment Organisation for some of the new trailblazer apprentice schemes. We have worked with industry to ensure that the new apprenticeships fully meet the needs of both employer and apprentice. This year the charity has used income and reserves to fund these developments.

The Company also arranges a number of animal welfare and HACCP courses.

Institute of Meat (IoM) is a professional body representing its members within the meat industry. IoM are continuing to improve their engagement with industry and apprentices, and have improved the bottom line this year. This trend should continue.

The Food and Drink Training and Education Council Limited
(registered number 02852984)

Group Trustees' report (Continued)
For the year ended 31 August 2020

In setting the charity's objectives and planning its activities, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

Achievements and performance/financial review and plans for future periods

Continuing from last year, we have continued to lead on a government backed apprentice trailblazer projects, assisting a large group of employers. These projects, along with our support of training development through FDQ Limited and support of Institute of Meat, assist us in achieving our charitable objectives. We have directly been involved in getting apprentice standards approved for Butcher, Advanced Butcher, and Abattoir Workers. FDQ Limited are also undertaking End Point Assessments in other food apprenticeships.

This year has, like for many organisations and charities, been badly affected by the Covid pandemic. With restricted access to food plants, the ability of FDQ to undertake apprentice end point assessments has been severely limited. The same issue has affected Animal Welfare training and other aspects of our work. Right from the start, the trustees have been proactive in meeting virtually to monitor cash flow on a weekly basis during the worst period. Some staff were furloughed for a while. We were pleased to end the year with a fairly strong cash position and ready for the opportunities and challenges ahead.

The group had net outgoing resources for the year on unrestricted funds of £22,785 (2019: net incoming resources £56,924). At the year end, the group had total funds of £248,770 (2019: £271,555).

Public benefit

The charity provides benefit through engaging in activities that help the public at large to benefit ultimately from a better provision of trained staff in the food industry. Whilst we have made training grants in the past, we are not considering reinstating our restricted fund until the ongoing apprenticeship developments have been completed.

Reserve policy

Charity Commission guidelines require us to have reserves equivalent to three months' operating costs. Because of uncertainties that lie ahead as a result of the governments proposed post 16 Skills Plan, we believe that we are justified in maintaining a higher level of reserves. Our board are more comfortable with a higher figure, and reserves at the year end are £248,770 approximately four months' operating costs based on budget.

Investment policy and performance

In accordance with the trust deed, the trustees have the power to invest in such stocks, shares investments and property in the UK as they see fit. There were no investments during the year.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under the Companies Act 2006.

By order of the Board

Bill Jermeq

W J Jermeq
Company Secretary

25 February 2021

The Food and Drink Training and Education Council Limited

(registered number 02852984)

Trustees' responsibilities statement

For the year ended 31 August 2020

The trustees (who are also directors of The Food and Drink Training and Education Council for the purposes of company law) are responsible for preparing the Trustees' Report 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 that disclose with reasonable accuracy at any time the financial position of the charitable company and 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent examiner's report to the members and trustees of The Food and Drink Training and Education Council Limited

I report on the accounts of the company for the year ended 31 August 2020 which are set out on pages 6 to 21.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors of the company 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 part 16 of the Companies Act 2006 or section 144 (2) of the Charities Act 2011 (the 2011 Act) and that independent examination is needed.

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 independent examiner's statement

My examination was carried out in accordance with 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 statement 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 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 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.

Graham French
Fellow of the Institute of Chartered Accountants
in England and Wales
Tattersall House
East Parade
Harrogate
HG1 5LT
Date: 25 February 2021

The Food and Drink Training and Education Council Limited
(registered number 02852984)

Consolidated Statement of Financial Activities
For the year ended 31 August 2020
(Including Consolidated Income and Expenditure Account)
Summary Income and Expenditure Account

	Note	Unrestricted fund £	2020 £	2019 £
Incoming resources				
Incoming resources from generated funds				
Activities for generating funds				
Income generated by subsidiaries		890,733	890,733	971,700
Investment Income				
Other investment income	5	362	362	31
Incoming resources from charitable activities				
Project and other income	4	17,667	17,667	65,521
Total incoming resources		<u>908,762</u>	<u>908,762</u>	<u>1,037,252</u>
Resources expended				
Costs of generating funds				
Costs incurred by subsidiaries	6	872,639	872,639	872,842
Costs of charitable activities				
Direct costs	6	13,570	13,570	51,304
Support costs	6	42,938	42,938	43,182
Governance costs	6	2,400	2,400	13,000
Total resources expended		<u>931,547</u>	<u>931,547</u>	<u>980,328</u>
Net (outgoing) / incoming resources		(22,785)	(22,785)	56,924
Total funds brought forward at 1 September		<u>271,555</u>	<u>271,555</u>	<u>214,631</u>
Total funds carried forward	15	<u>248,770</u>	<u>248,770</u>	<u>271,555</u>

The Statement of Financial Activities incorporates the income and expenditure account. The results for the year derive from continuing activities and there are no gains or losses other than those shown above.

The notes form part of these financial statements

The Food and Drink Training and Education Council Limited
(registered number 02852984)

Consolidated and Charity Balance Sheet
As at 31 August 2020

	Note	Group		Charity	
		2020 £	2019 £	2020 £	2019 £
Fixed assets					
Intangible assets	9	88,913	110,789	-	-
Tangible assets	10	20,538	9,356	-	-
Investments	11	-	-	1	1
Current assets					
Debtors	12	70,560	98,162	145,566	246,255
Prepayments and accrued income		10,573	13,723	2,852	-
Cash at bank and in hand		172,175	144,826	82,510	37,741
Total current assets		<u>253,308</u>	<u>256,711</u>	<u>230,928</u>	<u>283,996</u>
Creditors: amounts falling due within one year	13	(45,578)	(64,440)	(5,487)	(4,640)
Net current assets		<u>207,730</u>	<u>192,271</u>	<u>225,441</u>	<u>279,356</u>
Total assets less current liabilities		<u>317,181</u>	<u>312,416</u>	<u>225,442</u>	<u>279,357</u>
Accruals and deferred income	14	(68,411)	(40,861)	(1,370)	(10,339)
Net assets		<u>248,770</u>	<u>271,555</u>	<u>224,072</u>	<u>269,018</u>
Funds					
Unrestricted		248,770	276,214	224,072	269,018
Unrestricted deficit retained within non-charitable subsidiaries		-	(4,659)	-	-
Total funds	15	<u>248,770</u>	<u>271,555</u>	<u>224,072</u>	<u>269,018</u>

The notes form part of these financial statements

The Food and Drink Training and Education Council Limited
(registered number 02852984)

Consolidated and Charity Balance Sheet (Continued)
As at 31 August 2020

The members have required the company to obtain an audit of its financial statements for the year ended 31 August 2019 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 which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements of The Food and Drink Training and Education Council Limited were approved by the Board of Trustees on 25 February 2021 and were signed on its behalf by:



J J Proctor (Chairman of the Trustees)

The Food and Drink Training and Education Council Limited
(registered number 02852984)

Statement of Cash Flows and Consolidated Statement of Cash Flows
For the year ended 31 August 2020

	Note	Group		Charity	
		2020 £	2019 £	2020 £	2019 £
Cash generated from/(used in) operating activities	20	<u>57,568</u>	<u>115,807</u>	<u>44,744</u>	<u>(5,111)</u>
Cash flows from investing activities					
Interest income		362	31	25	8
Purchase of intangible assets		(12,747)	(55,342)	-	-
Purchase of tangible fixed assets		<u>(17,834)</u>	<u>(3,899)</u>	<u>-</u>	<u>-</u>
Cash provided by (used in) investing activities		<u>(30,219)</u>	<u>(59,210)</u>	<u>25</u>	<u>8</u>
Increase/(decrease) in cash and cash equivalents in the year		27,349	56,597	44,769	(5,103)
Cash and cash equivalents at the beginning of the year		<u>144,826</u>	<u>88,229</u>	<u>37,741</u>	<u>42,844</u>
Total cash and cash equivalents at the end of the year	21	<u>172,175</u>	<u>144,826</u>	<u>82,510</u>	<u>37,741</u>

The notes form part of these financial statements

The Food and Drink Training and Education Council Limited
(registered number 02852984)

Notes to the financial statements (Continued)
For the year ended 31 August 2021

1. Statutory Information

The Food and Drink Training and Education Council Limited is a private company, limited by guarantee, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page. The charity is a public benefit entity. 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 presentation currency of the financial statements is the Pound Sterling (£).

2. Accounting policies

Basis of Preparation

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

The Food and Drink Training and Education Council Limited 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 note(s). The financial statements have been prepared under the historical cost convention.

Basis of Consolidation

These financial statements consolidate the results of the charity and its wholly owned subsidiaries, FDQ Limited, Institute of Meat and The Meat Training Council Limited on a line by line basis. A separate Statement of Financial Activities, or income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by Section 408 of the Companies Act 2006.

The Meat Training Council Limited has not traded during this financial year.

Going concern

The trustees believe that the company will be able to maintain positive cash flows for the foreseeable future, and there is no reliance on external financing. As a consequence, the trustees believe the charity is well placed to manage its business risks successfully despite the current uncertain economic outlook.

After making enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and that there are no material uncertainties about the charity's ability to continue. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

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.

Designated funds comprise unrestricted funds that have been set aside by the trustees for a particular purpose. The aim and use of each designated fund is set out in the notes to the financial statements.

The Food and Drink Training and Education Council Limited
(registered number 02852984)

Notes to the financial statements (Continued)
For the year ended 31 August 2020

2. Accounting policies (continued)

Incoming resources

Income is the amount derived from the provision of goods and services, and stated after trade discounts, other sales taxes and VAT.

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Grants and donations receivable

Income from donations and grants is included in incoming resources when these are receivable, except as follows:

- When donors specify that donations and grants given to the charity must be used in future accounting periods, the income is deferred until those periods; and
- When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met.

When donors specify that donations and grants, including capital grants, are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with use of resources.

Charitable expenditure relates to expenditure directly relating to the objects of the charity.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out on the premises.

Governance costs are those included in connection with the administration of the charity and compliance with constitutional and statutory requirements.

The council sets aside reserves into a designated fund to be distributed as grants to other businesses within the meat and poultry industry. Grants are awarded on receipt of applications that suitably satisfy the councils grant making criteria.

Tangible fixed assets and depreciation

All tangible assets are capitalised at cost.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost over their expected useful economic lives as follows:

Fixtures, fittings and equipment 25% straight line

Assets below a value of £5,000 are not considered material to the charity and so are not capitalised in the charity accounts. Assets above a value of £500 are capitalised in the subsidiary accounts. Impairment reviews occur when there is an indication that the assets may be impaired.

Fixed asset investments

Fixed asset investments are in the balance sheet at cost less any provision made for impairment in value. Such investments are classified as current assets when regarded as available for sale.

The Food and Drink Training and Education Council Limited
(registered number 02852984)

Notes to the financial statements (Continued)

For the year ended 31 August 2020

2. Accounting policies (continued)

Development costs

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

The development costs have been capitalised as they relate to the development of end point assessment for apprenticeship standards. The costs relate to developing assessment plans and assessor training which the benefit will be seen over 5 years.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Pension costs

The pension costs charged to the SOFA represent the amount of the contribution payable to certain employees' personal pension schemes in respect of the accounting period.

The contributions made for the accounting period are treated as an expense and were £28,868 (2018 - £15,425).

The contributions are split between costs incurred by the subsidiaries and support costs in the charity. They form part of the unrestricted funds of the group.

Leased assets

Assets held under finance leases and hire purchase contracts are capitalised in the Balance Sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the SOFA over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the SOFA on a straight line basis over the lease terms.

Related parties

As the company prepares publicly available consolidated financial statements, the company has taken advantage of the exemption contained in FRS 102 and has therefore not disclosed transactions or balances with its wholly owned subsidiaries.

The Food and Drink Training and Education Council Limited
(registered number 02852984)

Notes to the financial statements (Continued)
For the year ended 31 August 2020

3. Financial performance of the charity

The consolidated statement of financial activities includes the results of the charity's wholly owned subsidiaries. The summary financial performance of the charity is detailed below.

	2020	2019
	£	£
Income	17,667	65,521
Donation from subsidiary companies	12,919	96,175
Investment income	25	8
	<u>30,611</u>	<u>161,704</u>
Expenditure on charitable activities	(13,570)	(51,304)
Grant paid to subsidiary company	(10,000)	-
Support costs	(49,587)	(49,182)
Governance costs	(2,400)	(13,000)
	<u>(75,557)</u>	<u>(113,486)</u>
Net income	(44,946)	48,218
Fund balances brought forward	269,018	220,801
Fund balances carried forward	<u>224,072</u>	<u>269,018</u>
Represented by:		
Unrestricted income funds	<u>224,072</u>	<u>269,018</u>

4. Project and other income

	2020	2019
	£	£
Project and other income:		
NVQ's, courses and examination fees	<u>17,667</u>	<u>65,521</u>
No grants received in the year (2019: nil).		

5. Investment income

	2020	2019
	£	£
Bank interest received	<u>362</u>	<u>31</u>

The Food and Drink Training and Education Council Limited
(registered number 02852984)

Notes to the financial statements (Continued)
For the year ended 31 August 2020

6. Total resources expended

	Charitable activities				Total 2020 £	Total 2019 £
	Direct	Support	Costs of	Governance		
	costs 2020 £	costs 2020 £	generating funds 2020 £	costs 2020 £		
Project expenditure	13,570	-	201,239	-	214,809	281,199
Staff costs and expenses	-	12,143	482,634	-	494,777	426,382
Training and development	-	-	2,988	-	2,988	18,186
Premises and office costs	-	1,438	55,897	-	57,335	65,531
Travelling and motor expenses	-	4,349	35,292	-	39,641	63,784
Audit fees	-	-	-	-	-	13,000
Independent examiner's fees	-	-	-	2,400	2,400	-
Accountancy and professional fees	-	1,289	19,871	-	21,160	31,015
Depreciation and amortisation	-	-	41,275	-	41,275	34,106
Bank charges	-	1,129	121	-	1,250	2,057
Insurance	-	981	981	-	1,962	2,715
Advertising and exhibitions	-	16,512	14,325	-	30,837	25,833
Computer expenses	-	4,732	9,189	-	13,921	5,865
Other costs	-	365	8,827	-	9,192	10,655
	<u>13,570</u>	<u>42,938</u>	<u>872,639</u>	<u>2,400</u>	<u>931,547</u>	<u>980,328</u>

7. Net incoming resources for the year

Is stated after charging:	2020 £	2019 £
Fees payable to the charity's independent examiner for the independent examination of the accounts (2019: auditor)	2,400	13,000
Fees payable to the charity's independent examiner for tax advisory services	1,200	1,200
Fees payable to the charity's independent examiner for other financial services	6,344	11,220
Depreciation of tangible assets	6,652	3,616
Amortisation of intangible assets	<u>34,623</u>	<u>30,490</u>

The Food and Drink Training and Education Council Limited
(registered number 02852984)

Notes to the financial statements (Continued)
For the year ended 31 August 2020

8. Staff costs

	2020	2019
	£	£
Gross wages and salaries	421,398	364,084
Other staff costs	2,978	2,986
Employer's national insurance	35,377	30,444
Pension costs	35,024	28,868
	<u>494,777</u>	<u>426,382</u>

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

	2020	2019
	No.	No.
Administration	<u>13</u>	<u>11</u>

All trustees are non-executive and other than noted below, none of them received any remuneration in the year (2019: £nil). Three trustees claimed £802 (2019, 2 trustees: £1,035) in travelling expenses in the year.

The key management personnel of the parent charity comprise the trustees and Company Secretary. These also comprise the key management personnel of the group. The total employee benefits of the key management personnel were £3,500 (2019: £12,000).

The number of employees of the trading subsidiaries whose emoluments as defined for taxation purposes amounted to over £60,000 in the year was as follows:

	2020	2019
	No.	No.
£60,001 - £70,000	-	1
£70,001 - £80,000	<u>1</u>	<u>-</u>

Pension contributions in the year for staff earning more than £70,000 were £6,417 (2019, £60,000: £5,850).

The Food and Drink Training and Education Council Limited
(registered number 02852984)

Notes to the financial statements (Continued)
For the year ended 31 August 2020

9. Intangible assets

	Group development costs £	Charity development costs £
Cost		
At 1 September 2019	166,411	-
Additions	12,747	-
	<hr/>	<hr/>
At 31 August 2020	179,158	-
	<hr/>	<hr/>
Depreciation		
At 1 September 2019	55,622	-
Charge for the year	34,623	-
	<hr/>	<hr/>
At 31 August 2020	90,245	-
	<hr/>	<hr/>
Net book value		
At 31 August 2020	88,913	-
	<hr/>	<hr/>
At 31 August 2019	110,789	-
	<hr/>	<hr/>

The Food and Drink Training and Education Council Limited
(registered number 02852984)

Notes to the financial statements (Continued)
For the year ended 31 August 2020

10. Tangible assets

	Group fixtures, fittings and equipment £	Charity fixtures, fittings and equipment £
Cost		
At 1 September 2019	22,315	5,999
Additions	17,834	-
	<hr/>	<hr/>
At 31 August 2020	40,149	5,999
	<hr/>	<hr/>
Depreciation		
At 1 September 2019	12,959	5,999
Charge for the year	6,652	-
	<hr/>	<hr/>
At 31 August 2020	19,611	5,999
	<hr/>	<hr/>
Net book value		
At 31 August 2020	20,538	-
	<hr/> <hr/>	<hr/> <hr/>
At 31 August 2019	9,356	-
	<hr/> <hr/>	<hr/> <hr/>

11. Fixed asset investments

	Shares in group under takings £
Cost	
At 1 September 2019	1
	<hr/>
At 31 August 2020	1
	<hr/>
Net book value	
At 31 August 2020	1
	<hr/> <hr/>
At 31 August 2019	1
	<hr/> <hr/>

The charity holds 100% of the ordinary share capital of The Meat Training Council Limited, a company incorporated in the UK. The Meat Training Council Limited is a dormant company.

The Food and Drink Training and Education Council Limited
(registered number 02852984)

Notes to the financial statements (Continued)
For the year ended 31 August 2020

12. Debtors

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Trade debtors	68,515	96,117	2,150	4,590
Amounts owed by subsidiary undertakings	-	-	143,416	241,665
Other debtors	2,045	2,045	-	-
	<u>70,560</u>	<u>98,162</u>	<u>145,566</u>	<u>246,255</u>

13. Creditors: Amounts falling due within one year

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Trade creditors	32,539	31,302	4,780	3,841
Taxation and social security costs	10,919	9,574	706	798
Other creditors	2,120	23,564	1	1
	<u>45,578</u>	<u>64,440</u>	<u>5,487</u>	<u>4,640</u>

14. Accruals and deferred income

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Accruals and deferred income	<u>68,411</u>	<u>40,861</u>	<u>1,370</u>	<u>10,339</u>

Deferred income comprises membership subscriptions which run from April 2020 to March 2021 and income from end point assessments which had not been performed by the balance sheet date.

	Group	Charity
	£	£
Balance as at 1 September 2019	20,160	-
Amount released to income from activities for generating funds	(20,160)	-
Amount deferred in year	54,061	-
Balance as at 31 August 2020	<u>54,061</u>	<u>-</u>

The Food and Drink Training and Education Council Limited
(registered number 02852984)

Notes to the financial statements (Continued)
For the year ended 31 August 2020

15. Statement of funds - Group
Analysis of movements in unrestricted funds

	At 1 September 2019	Income £	Expenditure £	Transfers £	At 31 August 2020 £
Unrestricted	271,555	908,762	(931,547)	-	248,770
Total funds	<u>271,555</u>	<u>908,762</u>	<u>(931,547)</u>	<u>-</u>	<u>248,770</u>

Analysis of movement in unrestricted funds – previous year

	At 1 September 2018	Income £	Expenditure £	Transfers £	At 31 August 2019 £
Unrestricted	214,631	1,037,252	(980,328)	-	271,555
Total funds	<u>233,971</u>	<u>1,037,252</u>	<u>(980,328)</u>	<u>-</u>	<u>271,555</u>

The Food and Drink Training and Education Council Limited

(registered number 02852984)

Notes to the financial statements (Continued)

For the year ended 31 August 2020

16. Subsidiary companies

The charity is the sole member of FDQ Limited (registered number 05508318) and Institute of Meat (registered number 07400471). All are companies registered in England and Wales and are limited by guarantee. The charity also owns 100% of the share capital of The Meat Training Council Limited (registered number 08843003). The Meat Training Council Limited is a dormant company and incorporated in England and Wales. The registered office of all the companies is the same as the parent, and can be found on the Company Information page.

All activities have been consolidated on a line by line basis in the SOFA. The majority of any net profit is gifted to the charity. A summary of the results of the subsidiaries is shown below.

	Institute of Meat		FDQ Limited	
	2020	2019	2020	2019
	£	£	£	£
Turnover and costs contribution	66,067	58,883	791,535	918,817
Cost of sales	(17,148)	(4,790)	(184,091)	(225,105)
	48,919	54,093	607,444	693,712
Government grants received	-	-	39,781	-
Administrative expenses	(34,436)	(45,583)	(635,815)	(597,364)
Interest receivable	292	-	45	23
Charitable donation	(9,159)	-	(3,760)	(96,175)
Net profit	5,616	8,510	7,695	196
Tax	-	-	-	-
Net profit after tax	5,616	8,510	7,695	196
Members' surplus/(deficit)	957	(4,659)	14,891	7,196

FDQ Limited provides training and education services within the food industry. Institute of Meat acts as a professional body within the food industry.

17. Taxation

The charitable activities are exempt from taxation under Chapter 3 of Part 11 of the Corporation Tax Act 2010.

18. Ultimate controlling party

The company is limited by guarantee.

The liability of each member is limited. A member is defined as a person or entity entered as such in the statutory records of the company.

Every member of the company undertakes to contribute £1 to the assets of the company, in the event of being wound up while he is a member, or within one year after he ceases to be a member.

As a result no individual member has overall control.

As at 31 August 2020, there were 16 members (2019: 16) of the company.

The Food and Drink Training and Education Council Limited
(registered number 02852984)

Notes to the financial statements (Continued)
For the year ended 31 August 2020

19. Related party disclosures

There were no related party transactions for the year ended 31 August 2020.

20. Reconciliation of net movements in funds to net cash flow from operating activities

	Group		Charity	
	2020 £	2019 £	2020 £	2019 £
Surplus/(Deficit) before taxation	(22,785)	56,924	(44,947)	48,218
Depreciation charges	41,276	34,106	-	-
Interest income	(362)	(31)	(25)	(8)
	<u>18,129</u>	<u>90,999</u>	<u>(44,972)</u>	<u>48,210</u>
Decrease/(increase) in trade and other debtors	30,752	(6,094)	97,837	(54,582)
(Decrease)/increase in trade and other creditors	8,687	30,902	(8,121)	1,261
Cash generated from operations	<u>57,568</u>	<u>115,807</u>	<u>44,744</u>	<u>(5,111)</u>

21. Cash and cash equivalents

Year ended 31 August 2020	Group		Charity	
	31/08/2020 £	01/09/2019 £	31/08/2020 £	01/09/2019 £
Cash and cash equivalents	172,175	144,826	82,510	37,741

Year ended 31 August 2019	Group		Charity	
	31/08/2019 £	01/09/2018 £	31/08/2019 £	01/09/2018 £
Cash and cash equivalents	144,826	88,229	37,741	42,844