

**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 Audited**

**Financial Statements for the year**

**ended 31 August 2021**

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

**Report and financial statements for the year ended 31 August 2021**

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

**Report and financial statements for the year ended 31 August 2021**

**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  
Mr R J Field  
Mr R M Griffiths  
Mr D G Hall – resigned 15 July 2021

**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

**Auditor**

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 2021**

### **Group trustees' report**

The trustees present their report together with the financial statements for the year ended 31 August 2021. 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 17.

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 Jerney. 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.

##### **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 they are well established as an end Point Assessment Organisation for many food industry apprenticeships, and this is an area for growth. 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.

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.

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

**Report and financial statements for the year ended 31 August 2021**

**Group trustees' report**

**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 assessment 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. Although restrictions on attendance in workplaces meant a slow start to the year, demand was still there and by the end of the year the budget was achieved with strong growth predicted. We were pleased to end the year with a strong cash position and ready for the opportunities and challenges ahead.

The group had net ingoing resources for the year on unrestricted funds of £71,829 (2020: £22,785 outgoing resources). At the year end, the group had total funds of £320,599 (2020: £248,770).

**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 £320,599 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.

**Statement as to disclosure of information to auditors.**

So far as the trustees are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the charity's auditors are unaware, and each trustee has taken all the steps that he ought to have taken as a trustee in order to make himself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

By order of the Board

J J Proctor  
Trustee  
24 February 2022

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

**Report and financial statements for the year ended 31 August 2021**

**Trustees' responsibilities statement**

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

## Opinion

We have audited the financial statements of The Food and Drink Training and Education Council (the 'charity') and its subsidiaries (the 'group') for the year ended 31 August 2021, which comprise the Consolidated Statement of Financial Activities, Consolidated and Charity Balance Sheet, Statement of Cash Flows and Consolidated Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In the previous accounting period, the members of the charity took advantage of audit exemption under s477 of the Companies Act. Therefore, the prior period financial statements were not subject to audit.

In our opinion the financial statements:

1. give a true and fair view of the state of the group's and of the charity's affairs as at 31 August 2021 and of the group's results for the year then ended;
2. have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
3. have been prepared in accordance with the requirements of the Companies Act 2006.

## 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's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 members 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon.

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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

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

We have nothing to report in this regard.

### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the group and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

1. adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
2. the financial statements are not in agreement with the accounting records and returns; or
3. certain disclosures of trustees remuneration specified by law are not made; or
4. we have not received all the information and explanations we require for our audit; or
5. the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 4], 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 group's and 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 group or the charity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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.

We identified areas of laws and regulations through discussion with the trustees and from the inspection of correspondence with the Charity Commission and other regulatory and legal correspondence.

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 law or regulation is removed from 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 for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

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

## **Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Graham French FCA (Senior Statutory Auditor)  
For an on behalf of DSC Accountants Ltd  
Statutory Auditors  
Tattersall House  
East Parade  
Harrogate  
HG1 5LT

Date: 24 February 2022

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

**Consolidated Statement of Financial Activities**  
**For the year ended 31 August 2021**  
**(Including Consolidated Income and Expenditure Account)**  
**Summary Income and Expenditure Account**

	Note	Unrestricted fund £	2021 £	2020 £
<b>Incoming resources</b>				
Incoming resources from generated funds				
Activities for generating funds				
Income generated by subsidiaries		1,046,563	1,046,563	890,733
Investment Income				
Other investment income	5	20	20	362
Incoming resources from charitable activities				
Project and other income	4	32,842	32,842	17,667
<b>Total incoming resources</b>		<u>1,079,425</u>	<u>1,079,425</u>	<u>908,762</u>
<b>Resources expended</b>				
Costs of generating funds				
Costs incurred by subsidiaries	6	943,639	943,639	872,639
Costs of charitable activities				
Direct costs	6	25,531	25,531	13,570
Support costs	6	34,226	34,226	42,938
Governance costs	6	4,200	4,200	2,400
<b>Total resources expended</b>		<u>1,007,596</u>	<u>1,007,596</u>	<u>931,547</u>
<b>Net (outgoing) / incoming resources</b>		71,829	71,829	(22,785)
Total funds brought forward at 1 September		<u>248,770</u>	<u>248,770</u>	<u>271,555</u>
<b>Total funds carried forward</b>	16	<u>320,599</u>	<u>320,599</u>	<u>248,770</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 2021**

	Note	Group		Charity	
		2021 £	2020 £	2021 £	2020 £
<b>Fixed assets</b>					
Intangible assets	9	60,409	88,913	-	-
Tangible assets	10	45,437	20,538	-	-
Investments	11	-	-	1	1
<b>Current assets</b>					
Debtors	12	187,651	70,560	157,079	145,566
Prepayments and accrued income		23,365	10,573	9,103	2,852
Cash at bank and in hand		226,289	172,175	108,608	82,510
<b>Total current assets</b>		<u>437,305</u>	<u>253,308</u>	<u>274,790</u>	<u>230,928</u>
<b>Creditors: amounts falling due within one year</b>	13	<u>(70,875)</u>	<u>(45,578)</u>	<u>(3,243)</u>	<u>(5,487)</u>
<b>Net current assets</b>		<u>366,430</u>	<u>207,730</u>	<u>271,547</u>	<u>225,441</u>
<b>Total assets less current liabilities</b>		<u>472,276</u>	<u>317,181</u>	<u>271,548</u>	<u>225,442</u>
<b>Creditors: amounts falling due after more than one year</b>	14	(40,703)	-	-	-
<b>Accruals and deferred income</b>	15	<u>(110,974)</u>	<u>(68,411)</u>	<u>(5,998)</u>	<u>(1,370)</u>
<b>Net assets</b>		<u>320,599</u>	<u>248,770</u>	<u>265,550</u>	<u>224,072</u>
<b>Funds</b>					
Unrestricted		320,599	248,770	265,550	224,072
Unrestricted deficit retained within non-charitable subsidiaries		-	-	-	-
<b>Total funds</b>	16	<u>320,599</u>	<u>248,770</u>	<u>265,550</u>	<u>224,072</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 2021**

The members have required the company to obtain an audit of its financial statements for the year ended 31 August 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for:

- (a) ensuring that the charitable company keeps accounting records 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 24 February 2022 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 2021**

	Note	Group		Charity	
		2021 £	2020 £	2021 £	2020 £
<b>Cash generated from/(used in) operating activities</b>	21	<u>99,565</u>	<u>57,568</u>	<u>26,089</u>	<u>44,744</u>
<b>Cash flows from investing activities</b>					
Interest income		20	362	9	25
Purchase of intangible assets		(8,435)	(12,747)	-	-
Purchase of tangible fixed assets		<u>(37,036)</u>	<u>(17,834)</u>	<u>-</u>	<u>-</u>
<b>Cash provided by (used in) investing activities</b>		<u>(45,451)</u>	<u>(30,219)</u>	<u>9</u>	<u>25</u>
Increase/(decrease) in cash and cash equivalents in the year		54,114	27,349	26,098	44,769
Cash and cash equivalents at the beginning of the year		<u>172,175</u>	<u>144,826</u>	<u>82,510</u>	<u>37,741</u>
<b>Total cash and cash equivalents at the end of the year</b>	22	<u><u>226,289</u></u>	<u><u>172,175</u></u>	<u><u>108,608</u></u>	<u><u>82,510</u></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 2021**

**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 2021**

**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 £41,512 (2020 - £35,024).

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 2021**

**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.

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Income	32,842	17,667
Donation from subsidiary companies	90,160	12,919
Investment income	9	25
	<u>123,011</u>	<u>30,611</u>
Expenditure on charitable activities	(25,531)	(13,570)
Grant paid to subsidiary company	(10,000)	(10,000)
Support costs	(41,801)	(49,587)
Governance costs	(4,200)	(2,400)
	<u>(81,532)</u>	<u>(75,557)</u>
<b>Net income</b>	41,479	(44,946)
Fund balances brought forward	224,072	269,018
<b>Fund balances carried forward</b>	<u>265,551</u>	<u>224,072</u>
<b>Represented by:</b>		
Unrestricted income funds	<u>265,551</u>	<u>224,072</u>

**4. Project and other income**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Project and other income:</b>		
NVQ's, courses and examination fees	<u>32,842</u>	<u>17,667</u>
No grants received in the year (2020: nil).		

**5. Investment income**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Bank interest received	<u>20</u>	<u>362</u>

**The Food and Drink Training and Education Council Limited**  
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**Notes to the financial statements (Continued)**  
**For the year ended 31 August 2021**

**6. Total resources expended**

	Charitable activities			Governance costs 2021 £	Total 2021 £	Total 2020 £
	Direct costs 2021 £	Support costs 2021 £	Costs of generating funds 2021 £			
Project expenditure	25,531	-	207,537	-	233,068	214,809
Staff costs and expenses	-	12,157	530,072	-	542,229	494,777
Training and development	-	-	2,748	-	2,748	2,988
Premises and office costs	-	2,689	54,583	-	57,272	57,335
Travelling and motor expenses	-	914	14,129	-	15,043	39,641
Audit fees	-	-	7,920	4,200	12,120	-
Independent examiner's fees	-	-	-	-	-	2,400
Accountancy and professional fees	-	5,085	18,478	-	23,563	21,160
Depreciation and amortisation	-	-	49,074	-	49,074	41,275
Bank charges and interest	-	992	1,886	-	2,878	1,250
Insurance	-	930	1,861	-	2,791	1,962
Advertising and exhibitions	-	7,575	12,505	-	20,080	30,837
Product development	-	-	14,607	-	14,607	-
Computer expenses	-	3,446	21,500	-	24,946	13,921
Other costs	-	438	6,046	-	6,484	9,192
Corporation Tax	-	-	693	-	693	-
	<u>25,531</u>	<u>34,226</u>	<u>943,639</u>	<u>4,200</u>	<u>1,007,596</u>	<u>931,547</u>

**7. Net incoming resources for the year**

Is stated after charging:	2021 £	2020 £
Fees payable to the charity's auditor for the audit of the accounts (2020: independent examination)	12,120	2,400
Fees payable to the charity's auditor for tax advisory services	1,200	1,200
Fees payable to the charity's auditor for other financial services	7,920	6,344
Depreciation of tangible assets	12,136	6,652
Amortisation of intangible assets	36,938	34,623
Rents	31,219	31,219
	<u>101,533</u>	<u>82,438</u>

**The Food and Drink Training and Education Council Limited**  
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**Notes to the financial statements (Continued)**  
**For the year ended 31 August 2021**

**8. Staff costs**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Gross wages and salaries	461,882	421,398
Other staff costs	3,332	2,978
Employer's national insurance	35,503	35,377
Pension costs	41,512	35,024
	<u>542,229</u>	<u>494,777</u>

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

	<b>2021</b>	<b>2020</b>
	<b>No.</b>	<b>No.</b>
Administration	<u>16</u>	<u>13</u>

All trustees are non-executive and other than noted below, none of them received any remuneration in the year (2020: £nil). The trustees claimed £nil (2020, 3 trustees: £802) 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 £6,000 (2020: £3,500).

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:

	<b>2021</b>	<b>2020</b>
	<b>No.</b>	<b>No.</b>
£60,001 - £70,000	-	-
£70,001 - £80,000	<u>1</u>	<u>1</u>

Pension contributions in the year for staff earning more than £70,000 were £6,545 (2020: £6,417).

**The Food and Drink Training and Education Council Limited**  
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**Notes to the financial statements (Continued)**  
**For the year ended 31 August 2021**

9. **Intangible assets**

	<b>Group development costs £</b>	<b>Charity development costs £</b>
<b>Cost</b>		
At 1 September 2020	179,158	-
Additions	8,435	-
	<hr/>	<hr/>
At 31 August 2021	187,593	-
	<hr/>	<hr/>
<b>Depreciation</b>		
At 1 September 2020	90,245	-
Charge for the year	36,939	-
	<hr/>	<hr/>
At 31 August 2021	127,184	-
	<hr/>	<hr/>
<b>Net book value</b>		
At 31 August 2021	60,409	-
	<hr/> <hr/>	<hr/> <hr/>
At 31 August 2020	88,913	-
	<hr/> <hr/>	<hr/> <hr/>

**The Food and Drink Training and Education Council Limited**  
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**Notes to the financial statements (Continued)**  
**For the year ended 31 August 2021**

**10. Tangible assets**

	<b>Group fixtures, fittings and equipment £</b>	<b>Charity fixtures, fittings and equipment £</b>
<b>Cost</b>		
At 1 September 2020	46,148	5,999
Additions	37,035	-
	<hr/>	<hr/>
At 31 August 2021	83,183	5,999
	<hr/>	<hr/>
<b>Depreciation</b>		
At 1 September 2020	25,610	5,999
Charge for the year	12,136	-
	<hr/>	<hr/>
At 31 August 2021	37,746	5,999
	<hr/>	<hr/>
<b>Net book value</b>		
At 31 August 2021	45,437	-
	<hr/> <hr/>	<hr/> <hr/>
At 31 August 2020	20,538	-
	<hr/> <hr/>	<hr/> <hr/>

**11. Fixed asset investments**

	<b>Shares in group under takings £</b>
<b>Cost</b>	
At 1 September 2020	1
	<hr/>
At 31 August 2021	1
	<hr/>
<b>Net book value</b>	
At 31 August 2021	1
	<hr/> <hr/>
At 31 August 2020	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**  
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**Notes to the financial statements (Continued)**  
**For the year ended 31 August 2021**

**12. Debtors**

	<b>Group</b>		<b>Charity</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	185,606	68,515	3,093	2,150
Amounts owed by subsidiary undertakings	-	-	153,986	143,416
Other debtors	2,045	2,045	-	-
	<u>187,651</u>	<u>70,560</u>	<u>157,079</u>	<u>145,566</u>

**13. Creditors: Amounts falling due within one year**

	<b>Group</b>		<b>Charity</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	38,773	32,539	2,518	4,780
Taxation and social security costs	13,228	10,919	724	706
Bank loans	9,297	-	-	-
Other creditors	9,577	2,120	1	1
	<u>70,875</u>	<u>45,578</u>	<u>3,243</u>	<u>5,487</u>

**14. Creditors: Amounts falling due after one year**

	<b>Group</b>		<b>Charity</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans	<u>40,703</u>	<u>-</u>	<u>-</u>	<u>-</u>

**15. Accruals and deferred income**

	<b>Group</b>		<b>Charity</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Accruals and deferred income	<u>110,974</u>	<u>68,411</u>	<u>5,998</u>	<u>1,370</u>

**The Food and Drink Training and Education Council Limited**  
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**Notes to the financial statements (Continued)**  
**For the year ended 31 August 2021**

**15. Accruals and deferred income (continued)**

Deferred income comprises membership subscriptions which run from April 2021 to March 2022 and income from end point assessments which had not been performed by the balance sheet date.

	<b>Group</b>	<b>Charity</b>
	<b>£</b>	<b>£</b>
Balance as at 1 September 2020	54,061	-
Amount released to income from activities for generating funds	(54,061)	-
Amount deferred in year	77,069	-
	<u>77,069</u>	<u>-</u>
Balance as at 31 August 2021	<u><u>77,069</u></u>	<u><u>-</u></u>

**16. Statement of funds - Group**

**Analysis of movements in unrestricted funds**

	<b>At 1 September 2020</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfers</b>	<b>At 31 August 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Unrestricted	248,770	1,079,425	(1,007,596)	-	320,599
	<u>248,770</u>	<u>1,079,425</u>	<u>(1,007,596)</u>	<u>-</u>	<u>320,599</u>
Total funds	<u><u>248,770</u></u>	<u><u>1,079,425</u></u>	<u><u>(1,007,596)</u></u>	<u><u>-</u></u>	<u><u>320,599</u></u>

**Analysis of movement in unrestricted funds – previous year**

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

**The Food and Drink Training and Education Council Limited**  
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**Notes to the financial statements (Continued)**  
**For the year ended 31 August 2021**

**17. 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	
	2021	2020	2021	2020
	£	£	£	£
Turnover and costs contribution	60,413	66,067	992,679	791,535
Cost of sales	(1,507)	(17,148)	(206,030)	(184,091)
	<hr/>	<hr/>	<hr/>	<hr/>
	58,906	48,919	786,649	607,444
Government grants received	-	-	1,042	39,781
Administrative expenses	(38,650)	(34,436)	(687,075)	(635,815)
Interest receivable	-	292	11	45
Charitable donation	(19,019)	(9,159)	(71,141)	(3,760)
	<hr/>	<hr/>	<hr/>	<hr/>
Net profit	1,237	5,616	29,486	7,695
	<hr/>	<hr/>	<hr/>	<hr/>
Tax	(693)	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Net profit after tax	544	5,616	29,486	7,695
	<hr/>	<hr/>	<hr/>	<hr/>
Members' surplus/(deficit)	1501	957	44,377	14,891
	<hr/>	<hr/>	<hr/>	<hr/>

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

**18. Taxation**

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

**19. 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 2021, there were 14 members (2020: 16) of the company.

**The Food and Drink Training and Education Council Limited**  
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**Notes to the financial statements (Continued)**  
**For the year ended 31 August 2021**

**20. Related party disclosures**

There were no related party transactions for the year ended 31 August 2021.

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

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Surplus/(Deficit) before taxation	71,828	(22,785)	41,479	(44,947)
Depreciation charges	49,074	41,276	-	-
Interest income	(20)	(362)	(9)	(25)
	<u>120,882</u>	<u>18,129</u>	<u>41,470</u>	<u>(44,972)</u>
Decrease/(increase) in trade and other debtors	(129,881)	30,752	(17,765)	97,837
(Decrease)/increase in trade and other creditors	108,564	8,687	2,384	(8,121)
Cash generated from operations	<u>99,565</u>	<u>57,568</u>	<u>26,089</u>	<u>44,744</u>

**22. Cash and cash equivalents**

Year ended 31 August 2021	Group		Charity	
	31/08/2021 £	01/09/2020 £	31/08/2021 £	01/09/2020 £
Cash and cash equivalents	226,289	172,175	108,608	82,510

  

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