

FOOD AND DRINK SECTOR SKILLS

TRUSTEES' REPORT (CONTINUED) INCLUDING DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2020

The Trustees present their report and audited financial statements for the year ended 31 March 2020.

Structure, Governance and Management

Food and Drink Sector Skills is a company limited by guarantee, not having a share capital. It is registered in Northern Ireland (registration number: NI 025853) and has obtained charitable status with Charities Commission Northern Ireland (reference number: NIC 101463). It is governed by its Memorandum and Articles of Association.

The accounts have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the companies' Memorandum and Articles of Association, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016).

Trustees

The Trustees, who are also the directors for the purpose of company law, and who served during the year were:

G Boyd	(Chairperson)
T Cander	
M Dawson	
C Devlin	
O Donnelly	(Deceased September 2019)
J Proctor	
G Ferguson	

Governing Document

The company was incorporated in Northern Ireland as the Food and Drink Industry Training Advisory Council and is governed by its Memorandum and Articles of Association. The Charity is registered as a company limited by guarantee and not having share capital.

Recruitment and Training of Trustees

The Charity is governed by its committee which consists of not more than 18 members elected by the company at a general meeting and include the following:

- a) The Chairman for the time being of the company who shall be a member ex-officio.
- b) (i) Not more than seven members nominated by employers' organisations from the food and drink industry who are members of the company.

(ii) Not more than five members for whom, currently, there are no recognised employers' organisations and who together shall be broadly representative of the food and drink industry.
- c) Not more than two members nominated by organisations involved in education, training or management development.
- d) Not more than three other members of the company, not being eligible for election under categories (b) and (c) above.

Where a Trustee of the Charity resigns their position on the board, the organisation who initially nominated them will be approached to nominate another suitable individual. Their name will then be put to the board for approval. The organisation does not provide induction or training to new members

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as it expects their nominating organisation to ensure that they have sufficient skills and experience to enable them to carry out their duties effectively.

Decision Making Structure

The Board meets four times per year (plus AGM) and is responsible for setting strategy and reviewing/amending all work carried out on behalf of the company. Additionally, the Chairman and Directors are updated on the progress of work on a regular basis, typically monthly – this is usually via face to face meetings or phone calls.

Risk Management

The board does not maintain a written risk register; however, the management committee examine the major risks that the Charity faces in its operations and have developed systems to monitor and control these risks in order to mitigate any impact that they could have on the organisation.

Objectives and Activities

Principal Activities

The principal activity of the organisation is to promote and advance the education and training of persons employed or intending to be employed in the food and drink industry in Northern Ireland.

Vision

A workforce for a world class industry.

Mission

To develop business performance by ensuring the effectiveness and efficiency of people development relevant to the industry.

Objectives

Food and Drink Sector Skills will work within the industry to achieve its people development mission by:

- Promoting a people development culture.
- Identifying people development needs.
- Facilitating the provision of a range of support services to meet the current and future people development needs.
- Provide key training services.
- Ensuring that national standards match local needs and by encouraging companies to achieve these standards.
- Promoting the industry's needs.

These objectives are achieved through close contact with the industry and through the use of experienced associate teachers in each specific program.

Achievements and Performance

During the year the company delivered the following training courses:

Food Safety Training at Level 2 was delivered to enable companies to comply with legal requirements detailed under General Food regulations 2004.

FDSS assists the National Skills Academy for Food and Drink with their work on the updating of National Occupational Standards as they apply to the Food Manufacturing Sector – part of the suite of Standards is updated annually, requiring employer input – these included Food Safety, Food Science & Technology, and Spirit Industry related Standards for the year ended.

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FDSS also has a seat on the Industry Sectoral Partnership for Food in Northern Ireland; this body is tasked with the development of suitable employer endorsed frameworks for Apprenticeships, and this year saw work completed on level 2, with level 3 to follow.

This year has seen the development of a pilot scheme which is aimed at local food companies becoming the focus of a network for local schools in a symbiotic relationship aimed at skills development and sectoral attractiveness for the industry will receive a steady pipeline of enthusiastic young people and schools will have a solid link which they can exploit for a variety of purposes.

FDSS manages and delivers the Tasty Careers programme which has proven to be an effective careers awareness tool for the local Agri-Food sector. Tasty Careers sends ambassadors into local Schools to present their stories to students; the programme also has a strong online presence.

Additionally, the company has also taken part in School careers events and is represented on a number of food skills related groups including the Ministerial Chaired Future Skills Action Group for Food.

Of note is the fact that Covid-19 restrictions saw much work reduced and likely to remain so for several months into 2020.

Financial Review

Results

Total income decreased from £35,952 in 2019, to £13,708 in 2020. The Charity generated a negative financial outcome for the period with a net decrease in funds of £76,078 (2019: £25,203).

Reserves Policy

The Committee has established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets ('the free resources') held by the Charity should be four months of the unrestricted resources exposed, which equates to £35,309. At this level, the Committee members feel that they would be able to continue the current activities of the Charity. In the event of a significant drop in funding, it would obviously be necessary to consider how the funding would be replaced or activities changed. At present the free resources are below the target level at £5,995.

The Committee has ensured that any remaining balances on restricted funds transferred to unrestricted funds will not have to be repaid and can be spent at the discretion of the charity. Reserves are to be used to fund activities, in line with the organisation's stated objectives. The utilization of reserves will be reviewed quarterly.

Note 1 to the financial statements contains the necessary disclosures relating to the Charity's ability to continue as a going concern.

Investment Policy

The Committee's policy for investments is to invest in securities that can be readily converted into cash which will provide income to supplement the organisations charitable income. Regular reviews are carried out by The Committee of the work undertaken by Cunningham Coates Stockbrokers on the Charity's behalf.

Plans for future periods

The Charity's plans for future periods will remain broadly in line with its core organisational objective which is the development of skills and people within the agri-food industry. In the short term the focus will be to continue to promote the sectoral attractiveness of the industry at secondary and tertiary level education by enlisting the help of young ambassadors from member companies; we also

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hope to develop the schools/companies partnership further and one of the objectives from this should be the employment of those younger people with less academic qualifications. This in turn will continue to help lead towards the realisation of our medium and long-term goals for the industry, being the commitment of businesses, government and stakeholders in the education sector to an aligned strategy for skills and people development, targeting increased GVA and best in class operations.

The onset of Brexit may provide opportunities as the Charity can use its resource to assist local companies through this process in terms of advice and ongoing support, particularly to the SME sector.

COVID

The onset of COVID and the lockdown meant that FDSS was faced with a dramatic potential downturn in work with cancellations of all planned face to face meetings and presentations. However, we were able to utilise the furlough scheme to see us through this. Whilst the short to middle term picture is uncertain, we are continually seeking out viable areas of work, preferably funded.

Statement of Trustees' Responsibilities

The Trustees, who are also the directors of Food and Drink Sector Skills for the purpose of company law, are responsible for preparing the Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Trustees are required to:

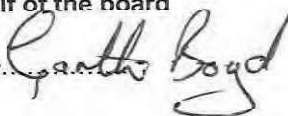
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the accounts comply with the Companies Act 2006. 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 report was approved by the Board of Trustees.

On behalf of the board

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G Boyd
Trustee



Date:

14-12-20