

REGISTERED COMPANY NUMBER: 930776 (England and Wales)
REGISTERED CHARITY NUMBER: 1121681

**Report of the Trustees and
Financial Statements for the Year Ended 30 September 2019
for
INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY**



INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY

**Contents of the Financial Statements
For the Year Ended 30 September 2019**

	Page
Report of the Trustees (incorporating the Directors' Report)	3 to 13
Report of the Independent Auditor	14 to 16
Statement of Financial Activities	17
Balance Sheet	18
Cash Flow Statements	19
Notes to the Financial Statements	20 to 30

INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY

Report of the Trustees (incorporating the Directors' Report) for the Year Ended 30 September 2019

The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 September 2019. The Trustees have adopted the provisions of the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Report Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

REFERENCE AND ADMINISTRATIVE DETAILS

Governing document

The charity is controlled by its governing document, its memorandum and its articles of association last amended in March 2018, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Registered Company number

930776 (England and Wales)

Registered Charity number

1121681

Registered office

5 Cambridge Court
210 Shepherds Bush Road
London
W6 7NJ

Trustees

M Bell	(Vice President)	
I Blakemore	(Hon Treasurer & Finance Committee Chair)	
J M Cooper	(Chair, Scientific Committee)	
E M S Edmondson	(Past President)	Resigned 12.03.19
R Frazier	(Chair, Education & Careers Forum)	
D S T Gregory	(President)	
J M Hawronskyj	(Chair, Professional Development Forum)	
T A M Hollands	(Hon Secretary)	
H Munday	(President Elect)	Appointed 12.03.19
M F Patterson	(Chair, Publications Committee)	

Chief Executive & Company Secretary

J W Poole

Senior Management

A Gardner
J Bassett (resigned 15.03.19)
R Ward (appointed 25.03.19)

INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY

Report of the Trustees (incorporating the Directors' Report) for the Year Ended 30 September 2019

Auditor

Moore Kingston Smith LLP
Devonshire House
60 Goswell Road
London
EC1M 7AD

Professional advisors

Bankers
Lloyds TSB Bank plc
P O Box 1000
BX1 1LT

CAF Bank
25 Kings Hill Ave
Kings Hill
West Malling ME19 4JQ

Investment Managers
Cazenove Capital
12 Moorgate
London
EC2R 6DA

STRUCTURE, GOVERNANCE AND MANAGEMENT

Appointment and training of new Trustees

The President, President Elect, Vice President, Honorary Secretary, Honorary Treasurer and Chairs of Education & Careers Forum, Professional Development Forum and Publications are elected by the Fellows and Members of the Institute of Food Science and Technology (IFST). The role of Immediate Past President is automatically filled. The chairs of Standing Committees are nominated by the members of their respective Committees and their appointment as Trustees is ratified by the Board of Trustees.

Formal training is offered to new Trustees and governance training is included at the April Board meeting. Opportunities for external Trustee training are highlighted to the Trustees. Literature relating to good governance is available for Trustees to download from IFST's website. Directors' and officers' liability insurance is maintained.

PUBLIC BENEFIT STATEMENT

The Trustees have taken due regard of the Charity Commission's guidance on public benefit. The charity's objectives, its main activities and who it aims to benefit are described below. All IFST's charitable activities focus on the advancement of the science of food science and technology, its education and its application for the benefit, safety and health of the public.

Organisational Structure

The Board is advised by a Finance Committee, Forums, Standing Committees and Advisory Groups. Each Committee is chaired by a Trustee and members of Committees are members of the Institute.

An Independent Assessor, responsible for assessing the effectiveness in which the Board discharges its duties, attends Board and Standing Committee meetings as an observer but may not vote.

The Trustees have delegated to the Chief Executive the responsibility for the day to day operation of the charity. The pay and remuneration of key management personnel including the Chief Executive is set by the Remuneration Committee. An informal benchmarking exercise is carried out on a regular basis with similar organisations to ensure IFST pay and remuneration remains marketable and fair.

INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY

Report of the Trustees (incorporating the Directors' Report) for the Year Ended 30 September 2019

Risk review

The Board of Trustees maintains and monitors a register of all major strategic, business and operational risks that the charity faces and confirms that systems have been established to mitigate these risks. The key risks highlighted through this process include risks associated with:

- The Institute's financial security, its financial assets and especially relating to the income generated through its publications as the market moves to open access and other streams
- The safe-keeping and appropriate use of the Institute's various forms of data, and IT security
- The safe-keeping of the McLachlan Collection (books and documents donated to IFST by Tom McLachlan in the 1970s)
- Retaining the Institute's members and their active participation
- The uptake of accreditation and professional recognition schemes
- The protection of the Institute's name and reputation
- Human resources, pension costs and the profile and performance of the Institute's employees

REVIEW OF IFST OBJECTIVES AND ACTIVITIES

The objective for which the Institute is established is the general advancement and application of food science and technology, for the benefit, safety and health of the public. Each year the Board undertakes a strategic review; in 2018-19 IFST worked towards six strategic priorities to enable it to achieve this objective.

Significant activities and achievements during 2018-2019

1) Engagement through communications and knowledge sharing

The Institute will strive to extend the sharing of relevant, accessible food science and technology knowledge amongst its members and to its chosen stakeholder groups

Food Science & Technology magazine continues to be well-respected. The themed approach to each issue, with a proportion of articles following a core theme and other articles of more common interest has continued to grow interest and influence. In 2018-19 themes included food packaging, food safety culture, aquafarming, and food structure. The Editorial Board has supported this with guidance on topics and general article subjects. The average monthly visits to FS&T online is 4,482, another increase year-on-year (2018: 3,999).

The impact factor for the *International Journal of Food Science & Technology* remains strong at 2.281 and is expected to increase in the coming year, ranking alongside the top third of similar publications against which it is benchmarked. With significant external pressures to move peer-reviewed publishing to forms of Open Access, we are monitoring carefully the impact this might have on our journal.

IFST has 30 Information Statements published online, including 11 new or updated ones (2018: 6). Another eight Information Statements have been prioritised for development in topics such as biocides, microplastics, risk management, and laboratory testing.

The relatively new 'Food Science Fact Sheets' series, which aims to provide the general public with easily understandable and accessible explanations on food science related topics, has been supplemented with new Fact Sheets on 'Food Allergy', 'Sugars', and 'Date Labelling of Pre-Packaged Food'. 'Preservation' and 'Packaging' are in development, and others are planned.

For more than 30 years IFST's *Good Manufacturing Practice Guide* has been widely recognised as an indispensable reference work for food scientists and technologists. The 7th edition, completely revised and updated, was made available through our publisher.

INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY

Report of the Trustees (incorporating the Directors' Report) for the Year Ended 30 September 2019

Professor Michael Gibney, Institute of Food & Health, University College Dublin, delivered the IFST Lecture in July 2019 to an invited audience of members and stakeholders on 'Ultra-processed foods, the science and the policy', simultaneously streamed online to three venues around the UK hosted by branches and universities, reaching some 200+ people in person and online.

IFST Spring Conference 2019 was probably the most successful yet. It was held in Birmingham again and entitled: 'Nutritional Science over Gut Feel' and attracted 214 delegates (2018: 170).

IFST supported 15 branch-organised events, which attracted more than 303 member and non-member registrations. IFST Sensory Science Group organised meetings on 'Changing Perspectives in Sensory Science - Past, Present and Future' (March 2019) and 'Celebrating Individuality' (November 2018), and ran a workshop and hosted stand at the 13th Pangborn Sensory Science Symposium held in the UK (Edinburgh) in July 2019; IFST Food Law (now renamed 'Food Regulatory') Group organised an event, 'Asking the right questions: theory and practice' (May 2019); IFST Food Science and Nutrition Group ran events on 'Sweeteners: The next level' (July 2019) and 'What is a pinch of salt' (October 2018); IFST Food Safety Group ran an event on 'Delivering a positive food safety culture - a practical approach' (June 2019); these Special Interest Group events attracting about 250 registrations.

Northern Ireland branch spearheaded work for IFST to host the international Campylobacter and Helicobacter and Related Organisms conference in Belfast in September 2019, attracting around 320 international delegates.

Social media reach continued to grow and visitor numbers to the IFST website remained strong, averaging at around 24,000 unique visitor sessions per month (2018: 15,000).

Work has continued on cataloging the McLachlan Collection. Work has begun on exploring options for a more appropriate and permanent home for the Collection which will facilitate access for those wishing to reference its content.

2) Influencing key stakeholders

The Institute will increasingly use its unique, independent, evidence-based voice to influence key stakeholders on relevant food science and technology related topics

IFST continues to nurture productive relationships with key stakeholders such as the Food Standards Agency, Food Standards Scotland, UK Hospitality, BEIS, Defra, Food and Drink Sector Council, British Retail Consortium, Wellcome Trust, KTN Food Sector Group, Food Innovation Network, AFTP, and the Science Council. In addition, IFST has ongoing relationships with other organisations where there is opportunity to progress joint working arrangements that are in pursuit of our charitable object. These include Campden BRI, Leatherhead Food Research, Food & Drink Federation, FERA, SOFHT, EHEDG, IGD, FDQ and the National Skills Academy for Food & Drink, REHIS and CIEH. IFST meets routinely at various levels with Nutrition Society, Association for Nutrition, British Nutrition Foundation, and British Dietetic Association. Recognising the need to develop relationships in a strategic way, the Board established an External Affairs Working Group to advise it. This group has been actively advising on our links with Defra, FSA, and major UK research programmes on food system resilience, food security and digital technologies; and has created a proposed list of IFST policy positions and campaigns.

IFST has a Sustainability Steering Group to identify existing UK advice, guidance and support available on sustainability; identify and recommend pertinent key opinion forming publications, reviews, reports to provide insights; and generate a suite of materials relating to food waste (as first priority topic).

IFST's Food Risk Management Project aims to develop communications on risk management principles for the food industry and is working with Government departments to share its expertise and input to government thinking in these areas.

IFST is maintaining a watching brief on the FSA's Regulating Our Future and on Brexit developments.

INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY

Report of the Trustees (incorporating the Directors' Report) for the Year Ended 30 September 2019

IFST continues to nurture its international influence, guided by its International Advisory Group. Our relationship with IUFoST has been under review due to leadership issues within IUFoST. We subsequently resigned as members at the end of the year. However relationships with EFFoST, Food-STA EU, ISEKI and ILSI Europe continue to progress.

With guidance from our International Advisory Group, IFST continues to work with IFT counterparts to support a joint membership package and we continue to explore other forms of collaboration to share resources and experiences. This included a joint presentation with the IFSTI and IFT British Section at IFT19 in June in New Orleans, USA, attracting around 60 attendees. IFST also sponsored a delegate (Jonathan Wilkin, joint chair of Scotland Branch) on the IFT Emerging Leaders' Programme. IFST also supported IFT British Section's Binsted Lecture (December 2018) delivered by Dr Michele Perchonok, President of IFT and former manager of the NASA Human Research Programme at the NASA/Johnson Space Centre in Houston, Texas, USA, on 'How to feed the missions to Mars'.

3) Professional standards and development

The Institute will continue to grow its critical role in setting and accrediting professional standards for food scientists and technologists.

Under license through the Science Council, IFST has 180 Chartered Scientists (2018: 187), 79 Registered Scientists (2018: 79) and 4 Registered Science Technicians (2018: 8). Registrant numbers are thought to have fallen because of the fee increases applied by the Science Council. IFST's license was reviewed by the Science Council in June 2019 and renewed for a further five years.

The Register of Sensory Professionals has 18 registrants (2018: 20). This Register is linked to Chartered Scientist.

As a result of a review of key drivers and promotional activity for the multi-level Register of Food Safety Professionals in 2017-18, IFST was assured of the importance and relevance of the register and, based on the review recommendations, continues to promote the Register to sector employers. There are 159 registrants (2018: 138).

There were 111 registrants on the Register of Professional Food Auditors and Mentors (2018: 104).

In collaboration with the Safe and Local Supplier Approval Scheme (SALSA) certification scheme, 54 SALSA HACCP (level 2) certificates were awarded (2018: 73).

290 certificates of food sensory training were issued across seven registered centres (2018: 334).

The degree accreditation scheme for undergraduate and postgraduate degree courses in food science and technology has attracted new applications, with a current total of 43 degree courses accredited from 20 providers (2018: 36 and 18) and a number in the process of assessment.

MyCPD, IFST's Continuing Professional Development (CPD) recording system allowing registrants to record their CPD online, launched in 2017, was used by more than 125 people to record and submit their CPD for review to satisfy continuing registration requirements.

In March 2019, representatives from across the sector attended the first of the new IFST Professional Development Forums to look at 'Shaping the Profession'.

No complaints about the professional conduct of members under the *Code of Professional Conduct* and Disciplinary Procedures were received (2018: 0).

INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY

Report of the Trustees (incorporating the Directors' Report) for the Year Ended 30 September 2019

4) Membership enrolment, participation and retention

The Institute is committed to increasing the number of its members in a balanced way across all categories of membership and encouraging members' active participation in its activities to further their own career development and contribute to the Institute's activities.

The number of members is continuing to grow and stands at 2,858 (2018: 2,427). As in previous years there has been movement between member categories, as Associates upgrade to Member, and Member to Fellow but also growth in the number of Student and Associate members. The membership comprises:

Fellows: 622 (2018: 582)
Members: 902 (2018: 929)
Associates: 764 (2018: 438)
Students: 570 (2018: 478)

IFST has continued to develop schemes where organisations fund individual employee's memberships on a group basis.

Members were asked to take part in a survey in December 2018, and the results from that have been used to inform and update the executive team and the Board about the composition and nature of membership, their concern and priorities, and perceptions about IFST.

IFST is grateful to the 250 or more members who have volunteered in some capacity, such as serving on a committee, helping with policy development, responding to consultations, presenting at events, and writing for publications. IFST ran a Volunteers' Assembly before its AGM in Birmingham in March, which attracted delegates from IFST branches, committees, trustees and Special Interest Groups. As well as an opportunity to update and share best practice, the meeting was a great opportunity to recognise the contribution made by volunteers with the presentation of IFST's Impact Award this year going to the Student Group for their University Food Challenge.

5) Careers and education support and promotion

The Institute will strive to ensure that a stream of new talent enters the food profession and that students, together with their learning institutions, are actively engaged with and supported by the Institute. We will also promote food science and technology as an excellent career option

Love Food Love Science, the website resource for secondary school teachers launched in June 2017 continues to achieve strong results, with over 150,000 unique visitors. Work continues to capitalise on the success of the site and to enhance existing and develop new resources.

Outreach and engagements aimed at school-age students to encourage the next generation of food scientists and technologists into the sector have included running activities at Big Bang! Near Me and Science4U events.

IFST continued its programme of Student Career Launch Pad events aimed at food science degree students. Events were held in collaboration with Campden BRI, University of Reading, AFBI, FERA, and SSERC. Around 437 (2018: 348) university students attended to learn more about the roles available to them within the food sector.

In collaboration with Campden BRI, IFST continues to support 'Ecotrophelia', an EU-wide 'dragons den'-type competition for teams of university students. The 2019 UK competition attracted 11 teams from 7 universities (2018: 15 and 9). Once again, the UK heat was very successful with teams presenting high quality products to a high-profile panel of 'dragons'. IFST and the competition received wide exposure during Campden Day.

INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY

Report of the Trustees (incorporating the Directors' Report) for the Year Ended 30 September 2019

The 2018-19 POST Fellow was Caroline Wood who looked at plastic food packaging waste. Her POSTnote marks the culmination of three months' research while working at the Parliamentary Office of Science and Technology (POST), supported by a grant from IFST.

The student group continues to gain momentum and arranged the first University Food Challenge at the University of Coventry, attracting teams from across the UK to compete in a food science and technology themed 'University Challenge'-like competition (see Impact Award above). The new professional group is continuing to take shape.

IFST has continued to promote food science and technology as a valuable and exciting profession through its awards and competitions, including its Ambassador scheme; the Young Scientist competition (run in collaboration with the branches attracting more than 160 member and non-member registrations and, for the first time, a UK-wide final in June 2019 linked to an IFST Student Lecture delivered by Dr Hazel Gowland on, 'Eat, snog or avoid? What to do about food allergy'); two travel bursaries, open to students and post-graduates aiming to attend or present at conferences; and sponsorship of several university student awards and the IFSTAL Summer School.

6) Financial stability and sustainability

The Institute will ensure it has sustainable income streams by commitment to priorities 1 to 5 above and by continuing to develop new products/services that meet the changing needs of members and the sector generally. These will all be underpinned by effective cost control and sound financial and risk management.

The Board, Finance Committee and the Standing Committees, supported by the IFST team, continue to plan activity, monitor and review performance, and manage risk in line with the strategic priorities.

The governance changes which came into effect at the March 2018 AGM have been put into operation this year, with the Education and Careers Forum in December 2018 and the Professional Development Forum in April 2019. Future Forums are planned for December 2019 and March 2020.

In 2017 the Board agreed to make a significant investment in a wide-ranging project to improve digital systems. Since then IFST has been working on a number of web and database developments to improve user experience and streamline back office systems. As with many new IT systems, results have been mixed. A review has been triggered to ensure existing and future investment in these systems remain good value and aligned to current and future business objectives/needs.

The restructuring of the central IFST team last year was followed by a period of stability and improving performance. Since then, however, a number of the central IFST team have decided to move on. The senior team has again reviewed the central team structure to ensure that roles remain rewarding, coherent and closely fit the needs of the business. Indeed, the central team has been boosted with the addition of Digital Content Creator and Internship posts.

Improvements to the office premises and facilities have been made during the year, including a new telephone system, refitting the WCs and installing aircon.

FINANCIAL REVIEW

Principal funding sources

The major income streams were publications £400,093 (2018: £398,018) followed by membership administration £208,708 (2018: £164,897). Significant income was also generated from education and accreditation activities.

Reserves Policy

At the year end, the charity's reserves stood at £1,615,639 (2018: £1,557,358), within which the Trustees identified two areas (where designated reserves totalling £328,594 have been established for specific purposes) in addition to the general reserve which supports the overall running of the charity (see note 17). The premises renovation & equipment reserve is held for repairs and renovations to the office and meeting space at 5 Cambridge Court. The Trustees undertook a review of the reserves in 2019, examining the sensitivity of the charity to changes of income and expenditure and the volatility of income and expenditure, as well as any exceptional risks. The Trustees agreed it would be prudent to hold a minimum reserve of £876,000 in any one year and that, in addition, a further £960,000 should be held for longer term exceptional risks. The reserves policy takes account of risks and opportunities faced by the charity, the number and sources of income, security of income, level of expenditure commitment and other liabilities to ensure reserves continue to represent sufficient mitigation to foreseeable risks and are not excessive.

Investment Policy

The Trustees wish to invest those monies not immediately required for the benefit of the charity's activities in such a manner that annual interest on the investment, after such taxes as may be levied on charities, will be CPI plus 3.5% over a 3 to 5 year period.

The Board of Trustees believes that a medium risk investment policy is appropriate. Medium risk is described as being prepared to accept risk of some short-term volatility in pursuit of returns over the medium- to long-term in line with this investment target.

The Trustees recognise that they are not in a position to trade on a frequent basis and have delegated discretionary management of the portfolio to investment managers Cazenove Capital who will invest in a balanced medium risk portfolio. The Trustees have issued detailed investment policy guidance to the investment managers.

Investment Performance

During the year the value of the investments increased by £49,107, this includes realised losses of £6,134 and unrealised gains of £42,585.

Fundraising

On occasion, we are lucky enough to receive voluntary funds from trusts, foundations and individuals as income that helps us to fulfil our charitable objectives.

INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY

Report of the Trustees (incorporating the Directors' Report) for the Year Ended 30 September 2019

Our internal staff team administers any voluntary income received in this way but we do not actively fundraise. We do not engage external professional fundraisers or commercial participators to carry out fundraising activity nor do we engage in face-to-face or telephone fundraising. In developing our approach to fundraising we have taken account of the Code of Fundraising Practice issued by the Fundraising Regulator. The charity has received no complaints about its fundraising activities either during the financial year or subsequently.

The charity periodically reviews its policies and procedures in relation to the General Data Protection Regulation. This Privacy Policy, published on our website, clearly states what personal data we will hold in relation to members, stakeholders and related contacts and how this data will be used. It sets out how individuals can raise concerns or complaints.

PLANS FOR FUTURE PERIODS

The Board of Trustees has agreed a business plan for the period October 2019-September 2020 focused on the six strategic priorities:-

Engagement through knowledge sharing, communication and amplification

- Hosting events, including branch and SIG events
- Publishing – hard copy and online
- Producing content for audiences beyond IFST members
- Amplifying our impact with better insight into our audiences
- Furthering IFST's messaging and communication through the media
- Enhancing our capability for horizon scanning using an External Affairs Working Group

Engagement with and influencing key stakeholders

- Policy development and campaigns
- External representation
- Pursuing alternative forms of incorporation through Chartership
- International engagement
- Engaging with and providing input to governmental departments
- Raising profile and sharing knowledge

Professional standards and development

- Promoting and maintaining the registers, including implementing changes recommended as part of the review of the Register of Food Safety Professionals
- Promoting continuing professional development
- Assuring quality
- Providing support to and quality control of the SALSA scheme
- Monitoring professional standards and promoting professional development

Membership enrolment, participation and retention

- Promoting membership
- Running a campaign to achieve 4,000 members over three years; recruiting new and retaining a greater proportion of members
- Encouraging participation

Careers and education support and promotion

- Supporting students and young professionals
- Running student and early career competitions
- Accrediting education programmes
- Developing Love Food Love Science
- Delivering Student Career LaunchPads
- Promoting food science and technology careers

INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY

Report of the Trustees (incorporating the Directors' Report) for the Year Ended 30 September 2019

- Continue to act as custodian of McLachlan Collection until a new permanent home can be found

Financial stability and sustainability

- Preparing business case/budgets
- Researching markets
- Further reviewing governance around branches, regions and SIGs
- Having appropriate people, systems, premises and facilities in place

RELATED PARTIES

The only related party transactions in the year are shown in note 18. There are no related parties outside the normal course of business.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating a Directors' 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. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the result of the charitable company for that year. In preparing these statements the trustees are required to:

- select suitable accounting policies and 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 financial statements;
- 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY

Report of the Trustees (incorporating the Directors' Report) for the Year Ended 30 September 2019

In approving the Trustees' Report, the Trustees are also approving the Directors' Report in their capacity as company directors.

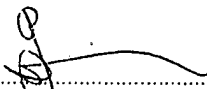
Auditor

Moore Kingston Smith LLP is deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Signed on behalf of the Trustees


.....

Ian Blakemore
Trustee

Approved by the Trustees on 23/01/2020

INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY

Independent auditor's report to the members of Institute of Food Science and Technology

Opinion

We have audited the financial statements of Institute of Food Science and Technology (the 'charitable company') for the Year Ended 30 September 2019 which comprise the Statement of Financial Activities, the Charitable Company Balance Sheet, the Charitable Company Cash Flow Statements 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 applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2019 and of the entity's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the 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 charitable company 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

We have nothing to report in this regard.

INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY

Independent auditor's report to the members of Institute of Food Science and Technology

Opinions 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' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a Strategic Report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 12, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY

Independent auditor's report to the members of Institute of Food Science and Technology

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's members, 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 charitable company's members those matters which we are required to state to them in an auditor's report addressed to them and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

.....
Luke Holt (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

11 March 2020

Date:

Devonshire House
60 Goswell Road
London
EC1M 7AD

INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY

Statement of Financial Activities (Incorporating an Income and Expenditure Account) for the Year Ended 30 September 2019

		2019 Unrestricted funds £	2019 Total funds £	Restated 2018 Total funds £
	Notes			
INCOME AND ENDOWMENTS FROM:				
Donations:				
Fundraising		2,000	2,000	2,502
Charitable activities:				
Publishing	3	400,093	400,093	398,018
Education		36,239	36,239	36,945
Accreditation		86,067	86,067	51,678
Membership subscription		208,708	208,708	164,897
Sponsorship		8,700	8,700	8,700
Investments:				
Investment income	2	23,237	23,237	22,442
Total income		<u>765,044</u>	<u>765,044</u>	<u>685,182</u>
EXPENDITURE ON				
Raising funds:				
Investment management costs	4	10,577	10,577	10,661
Charitable activities:				
Publishing	5	49,853	49,853	49,418
Education		269,970	269,970	271,019
Accreditation		105,659	105,659	106,973
Membership administration		242,185	242,185	248,565
Other		57,314	57,314	57,702
Total expenditure		<u>735,558</u>	<u>735,558</u>	<u>744,338</u>
Net operating income/(expenditure)		29,486	29,486	(59,156)
Net gains on investments		36,451	36,451	45,755
Net income/(expenditure) for the year		<u>65,937</u>	<u>65,937</u>	<u>(13,401)</u>
Other recognised gains/(losses):				
Actuarial (losses)/gains on defined benefit pension schemes		(7,656)	(7,656)	779
Net movement in funds		58,281	58,281	(12,622)
RECONCILIATION OF FUNDS				
Total funds brought forward		<u>1,557,358</u>	<u>1,557,358</u>	<u>1,569,980</u>
TOTAL FUNDS CARRIED FORWARD		<u>1,615,639</u>	<u>1,615,639</u>	<u>1,557,358</u>

All amounts relate to continuing activities.

All income and expenditure in 2019 and 2018 related to unrestricted activities.

The notes on pages 19 – 30 form part of these financial statements.

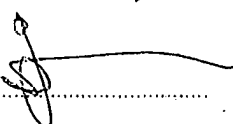
INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY

Balance Sheet as at 30 September 2019

	Notes	2019 Total funds £	2018 Total funds £
FIXED ASSETS			
Intangible assets	10	99,528	75,761
Tangible assets	11	179,066	166,703
Investments	12	1,328,931	1,279,824
		<u>1,607,525</u>	<u>1,522,288</u>
CURRENT ASSETS			
Debtors	13	104,270	26,220
Cash at bank		70,028	151,583
		<u>174,298</u>	<u>177,803</u>
CREDITORS			
Amounts falling due within one year	14	(123,094)	(108,946)
NET CURRENT ASSETS		<u>51,204</u>	<u>68,857</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,658,729</u>	<u>1,591,145</u>
Defined benefit pension scheme liability	15	(43,090)	(33,787)
NET ASSETS		<u>1,615,639</u>	<u>1,557,358</u>
FUNDS			
Unrestricted funds	17	1,615,639	1,557,358
TOTAL FUNDS		<u>1,615,639</u>	<u>1,557,358</u>

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 were approved by the Board of Trustees on 23/01/2020 and were signed on its behalf by:


 Ian Blakemore
 Trustee

The notes on pages 19 – 30 form part of these financial statements.

INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY

Cash flow Statement

For the Year Ended 30 September 2019

	Total funds	Prior year funds
	£	£
Cash flows from operating activities:		
Net cash provided by operating activities	<u>(49,227)</u>	<u>(38,255)</u>
Cash flows from investing activities:		
Investments, dividends and interest income	23,237	22,442
Purchase of intangible fixed assets	(23,767)	(75,761)
Purchase of tangible fixed assets	(19,142)	-
Proceeds from the sale of investments	267,943	531,450
Purchase of investments	(272,904)	(687,404)
Movement in cash held by investment manager	<u>(7,695)</u>	<u>244,380</u>
Net cash (used in)/provided by investing activities	<u>(32,329)</u>	<u>35,107</u>
Change in cash and cash equivalents in the reporting period	<u>(81,556)</u>	<u>(3,148)</u>
Cash and cash equivalents at the beginning of the reporting period	<u>151,583</u>	<u>154,731</u>
Cash and cash equivalents at the end of the reporting period	<u>70,028</u>	<u>151,583</u>

Reconciliation of net income/(expenditure) to net cash flow from operating activities

	Current Year	Prior Year
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	58,281	(12,622)
Adjustments for:		
Depreciation and amortisation	6,779	6,981
Gains on investments	(36,451)	(45,755)
Investments, dividends and interest income	(23,237)	(22,442)
Accrued investment interest	-	(203)
(Decrease)/increase in debtors	(78,050)	90,436
Decrease/(increase) in creditors	15,795	(53,871)
Movement in pension liability	<u>7,656</u>	<u>(779)</u>
Net cash used in operating activities	<u>(49,227)</u>	<u>(38,255)</u>

Analysis of cash and cash equivalents

	Current Year	Prior Year
	£	£
Cash in hand	<u>70,028</u>	<u>151,583</u>
Total cash and cash equivalents	<u>70,028</u>	<u>151,583</u>

INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY

Notes to the Financial Statements for the Year Ended 30 September 2019

1. ACCOUNTING POLICIES

Company information

The Institute of Food Science And Technology is a private company limited by guarantee, incorporated in England and Wales. The registered office is 5 Cambridge Court, 210 Shepherds Bush Road, London, W6 7NJ.

Accounting convention

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. They are in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards 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) and the Companies Act 2006.

The functional currency is sterling and the financial statements are rounded to the nearest pound. The Charity constitutes a public benefit entity as defined by FRS 102.

Income recognition

All income is included on the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy and there is probability of receipt.

International Journal of Food Science Technology

The *International Journal of Food Science Technology* included within publishing income, is accounted for by bringing into the Statement of Financial Activities its share of profit earned under its agreement with its publisher, who runs to a 31st December year end.

Expenditure recognition

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category.

The cost of raising funds comprises the costs of managing the investment portfolio.

Charitable activities expenditure comprises those costs incurred by the Institute in the delivery of its objectives. It includes both costs that can be allocated directly to such activities and an allocation of the indirect support costs incurred by the Institute.

Support costs represent indirect expenditure incurred in support of the Institute's primary objectives and allocated on the basis as detailed in note 6.

Intangible fixed assets

Intangible fixed assets comprise of website costs. They are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation commences once the asset is completed and brought into use and is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Website development costs	-3 years straight line
---------------------------	------------------------

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property (excluding land)	-2% on cost
Improvements to property	-10% on cost
Office equipment	-20-33% on cost

INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY

Notes to the Financial Statements for the Year Ended 30 September 2019

Gains/losses on investment assets

All gains and losses are taken to the Statement of Financial Activities as they arise. Unrealised gains and losses on investment assets represent the difference between their fair value at the end of the year and their fair value at the beginning of the year, or transaction value if acquired during the year. Realised gains and losses on disposal of investment assets represent the difference between the sale proceeds and the fair value at the beginning of the year, or transaction value if acquired during the year.

Financial instruments

The company has chosen to apply the provisions of Section 12 "Basic Financial Instruments" and Section 12 "Other Financial Instruments" of FRS102 to all of its financial instruments. Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instruments. Financial assets and liabilities are offset, with the net amount presented in the financial statements, when there is a legally enforceable right set off the recognised amounts and there is an intention to settle on a net basis or by realising the asset and settling the liability simultaneously.

With the exceptions of prepayments and accrued income, the social security and other taxes and VAT creditors, all other debtors and creditor balances are considered to be basic financial instruments under FRS102.

See notes 13 to 15 for the debtor and creditor notes.

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using their closing quoted market price. Realised and unrealised gains and losses are shown in the statement of financial activities together as net gains on revaluation and disposals of investment assets. The Institute does not directly acquire put options, derivatives or other complex financial instruments.

Debtors

Debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Creditors

Creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Taxation

The charity is exempt from corporation tax on its income applied for charitable activities.

Funds

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. A premises renovation & equipment designated reserve is maintained for periodic renovation of 5 Cambridge Court.

Restricted funds are used for the specific purposes laid down by the donor. Expenditure which meets their criteria is charged to the fund.

Defined benefit pension scheme

The Institute participates in the Universities Superannuation Scheme (USS). The scheme is a hybrid pension scheme providing defined benefit (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Due to the mutual nature of the scheme, the scheme's assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The Institute is therefore exposed to actuarial risks associated with other institutions' employees

INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY

Notes to the Financial Statements for the Year Ended 30 September 2019

and is unable to identify its share of the underlying assets and liabilities of the Employee scheme on a consistent and reasonable basis. As required by FRS 102 Section 28 "Employee benefits", the Institute therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and therefore an expense is recognised.

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents an industry wide scheme such as USS. The accounting for a multi-employer scheme where the employer typically has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in profit or loss in accordance with Section 28 of FRS 102. The directors are satisfied that the scheme provided by USS meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving the financial statements.

Critical accounting estimates and areas of judgement

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and application of judgements are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

The USS pension scheme is a multi-employer scheme for which a deficit reduction plan is recognised. The determination of the provision is dependent on the assumptions in relation to the length of term of the plan arrangement, contribution rates assessed, actuarial assumptions and future changes to underlying interest rates. These assumptions may vary over time and impact on the provision value in future periods accordingly.

Heritage assets

The Institute owns a collection of books and papers on food science and technology and other related subjects. These are known as the 'McLachlan Collection' as the majority of the collection was donated to the Institute by the, now, late Prof Tom McLachlan, Past IFST President in or around 1978. Over the years, further books were added or donated to the collection by various parties but the collection has since remained in storage for more than 20 years. Following a thorough assessment of this collection we now feel it appropriate to consider these as a 'Heritage Asset' under Financial Reporting Standard 102 and the Charities SORP. We are not in a position, nor do we feel it appropriate at this time, to place a value on the collection which would be a costly exercise and would serve little purpose due to the unique nature of the collection. Our primary focus is to establish a safe repository for the collection which will enable free access for those who request to use it. Further information on the McLachlan Collection is provided in the Trustees Annual Report.

2. INVESTMENT INCOME	2019 £	2018 £
UK Investments, dividends and interest	<u>23,237</u>	<u>22,442</u>

INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY

Notes to the Financial Statements for the Year Ended 30 September 2019

3. INCOME FROM CHARITABLE ACTIVITIES

		2019	2018
		£	£
Activity			
IJFST	Publishing	368,170	368,797
IJFST for members	Publishing	1,789	2,667
Food Science & Technology	Publishing	19,445	18,210
Other publications sales	Publishing	2,753	3,043
Advertising	Publishing	7,936	5,301
Events	Education	29,868	31,945
Awards	Education	401	5,000
MyCPD & employer schemes	Accreditation	11,945	3,154
SALSA	Accreditation	23,000	17,230
Other accreditation schemes	Accreditation	35,875	9,745
Science Council Registers	Accreditation	12,204	11,739
IFT/IFST	Accreditation	2,642	2,653
IFST Registers	Accreditation	6,372	7,157
Membership subscriptions	Membership subscription	208,708	164,520
Sundry member services	Membership subscription	-	377
Corporate sponsorship	Sponsorship	8,700	8,700
		739,807	660,238

4. INVESTMENT MANAGEMENT COSTS

	2019	2018
	£	£
Investment management fees	10,577	10,661

5. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs	Totals	Restated
		(See note 6)	2019	2018
	£	£	£	£
Publishing	21,196	28,657	49,853	49,418
Education	63,640	206,330	269,970	271,019
Accreditation	13,957	91,702	105,659	106,973
Membership administration	53,049	189,136	242,185	248,565
Other	-	57,314	57,314	57,702
Total 2019	151,842	573,140	724,982	733,677
Total 2018	156,653	577,024	733,677	

The 2018 comparative figures have been updated line with the revised 2019 cost allocation.

INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY

Notes to the Financial Statements for the Year Ended 30 September 2019

6. SUPPORT COSTS

Support costs are attributed as follows:

Basis of allocation

Publishing 5%
Education 36%
Accreditation 16%
Membership administration 33%
Other 10%

	2019 Total activities £	2018 Total activities £
Support costs comprise:		
Employment costs	424,916	406,427
Legal expenses	8,144	12,051
Other costs	133,300	151,565
Depreciation of tangible assets	6,779	6,981
	<u>573,139</u>	<u>577,024</u>

7. NET INCOME

Net income is stated after charging:

	2019 £	2018 £
Auditor's remuneration - audit	6,700	6,500
Auditor's remuneration - non audit	1,450	1,400
Depreciation - owned assets	6,779	6,981
Amortisation - owned assets	-	-
	<u>14,929</u>	<u>14,881</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 September 2019 nor for the year ended 30 September 2018.

Trustees' Expenses

Expenses of the trustees are reimbursed if they submit a claim. The total expenses for travel and subsistence reimbursed to eight trustees (2018: eight) during the year were £9,464 (2018: £10,258).

INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY

Notes to the Financial Statements for the Year Ended 30 September 2019

9. STAFF COSTS

	2019 £	2018 £
Wages and salaries	356,587	331,111
Social security costs	34,262	35,085
Pension	28,652	27,004
Redundancy costs	-	4,120
	<u>419,501</u>	<u>397,320</u>

	2019	2018
Average number of employees during the year	11	10

The number of employees whose emoluments excluding employers' pensions contributions amount to over £60,000 in the year was as follows:

	2019	2018
£70,000 - £80,000	1	-
£60,000 - £70,000	-	1

Pension contributions in relation to the individuals above totalled £12,656 (2018: £11,802).

Key management personnel comprise of two members of senior management and the Chief Executive. The total benefits received by key management personnel in the year amounted to £158,894 (2018: £182,262).

10. INTANGIBLE FIXED ASSETS

	Website development costs £	Total £
COST		
At 1 October 2018	75,761	75,761
Additions	23,767	23,767
	<u>99,528</u>	<u>99,528</u>
At 30 September 2019		
AMORTISATION		
At 1 October 2018 and 30 September 2019	-	-
	<u>-</u>	<u>-</u>
NET BOOK VALUE		
At 30 September 2019	<u>99,528</u>	<u>99,528</u>
At 30 September 2018	<u>75,761</u>	<u>75,761</u>

INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY

Notes to the Financial Statements for the Year Ended 30 September 2019

11. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Office equipment £	Total £
COST				
At 1 October 2018	279,267	59,028	14,500	352,795
Additions	-	10,742	8400	19,142
Disposals	-	-	(2,734)	(2,734)
At 30 September 2019	<u>279,267</u>	<u>69,770</u>	<u>20,166</u>	<u>369,203</u>
DEPRECIATION				
At 1 October 2018	113,647	59,028	13,417	186,092
Disposals	-	-	(2,734)	(2,734)
Charge for year	3,800	1,074	1,905	6,779
At 30 September 2019	<u>117,447</u>	<u>60,102</u>	<u>12,588</u>	<u>190,137</u>
NET BOOK VALUE				
At 30 September 2019	<u>161,820</u>	<u>9,668</u>	<u>7,578</u>	<u>179,066</u>
At 30 September 2018	<u>165,620</u>	<u>-</u>	<u>1,083</u>	<u>166,703</u>

12. FIXED ASSET INVESTMENTS

Listed investments	2019	2018
	£	£
MARKET VALUE		
At 1 October 2018	1,279,824	1,322,292
Additions at cost	272,904	687,404
Disposal proceeds	(267,943)	(531,450)
Realised gains on disposals	(6,134)	11,472
Unrealised gains on revaluation	42,585	34,283
Movement in investment broker's cash	7,695	(244,177)
At 30 September 2019	<u>1,328,931</u>	1,279,824
Historical cost		
Historical cost	1,156,182	1,129,698

The following investments comprise in excess of 5% of the value of the portfolio:

Investment Name	Holding (in units)	Value £
Threadneedle ICVVC UK Fund ZNA	53,426	97,423
Accumulation		
Findlay Park American Fund	987	77,009
Investments consist of:	2019	2018
	£	£
Equity	1,273,488	1,233,607
Cash	55,443	46,217
	<u>1,328,931</u>	<u>1,279,824</u>

INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY

Notes to the Financial Statements for the Year Ended 30 September 2019

12. FIXED ASSET INVESTMENTS (continued)

Geographical Analysis

	2019 £	2018 £
United Kingdom investments	276,058	428,278
Overseas investments	<u>1,052,873</u>	<u>851,546</u>
	1,328,931	1,279,824

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade debtors	89,017	16,623
Prepayments and accrued income	<u>15,253</u>	<u>9,597</u>
	104,270	26,220

Included in the above are financial instruments of £94,673 (2018: £16,623).

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade creditors	12,763	14,456
Social security and other taxes	9,202	8,552
VAT creditors	14,803	14,262
Accruals and deferred income	86,035	69,455
Defined benefit pension liability	291	1,938
Other creditors	<u>-</u>	<u>283</u>
	123,094	108,946

Included in the above are financial instruments of £27,570 (2018: £26,327).

Included in the above is deferred income totalling £71,519 (2018: £59,805). The 2018 amount was fully released in the 2019 year.

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019 £	2018 £
Defined benefit pension liability	<u>43,090</u>	<u>33,787</u>

INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY

Notes to the Financial Statements for the Year Ended 30 September 2019

16. PENSION COMMITMENTS

Universities Superannuation Scheme (USS)

The total cost charged to the statement of financial activity was £28,652 (2018: £27,004) as shown in note 10. There was neither a prepayment nor an accrual at the end of the financial year in respect of these contributions.

However, due to the adoption of FRS 102 there is now a liability in the accounts for the contributions payable that arise from the agreed future deficit contributions, this has been discounted to present value at each year end. This has been split between creditors falling due within one year and creditors falling due after more than one year. The movement in this liability from year to year is posted to the statement of financial activities and the element of unwinding the discount on the liability is recorded as finance costs in the statement of financial activities.

	2019	2018
	£	£
DB pension liability falling due within one year	291	1,938
DB pension liability falling due after more than one year	43,090	33,787
Movement in DB pension liability in SOFA	7,656	(799)

The latest available complete actuarial valuation of the Retirement Income Builder is at 31 March 2017 ("the valuation date"), which was carried out using the projected unit method. A valuation as at 31 March 2018 is underway but not yet complete.

Since the institution cannot identify its share of USS Retirement Income Builder assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2017 valuation was the fourth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £60.0 billion and the value of the scheme's technical provisions was £67.5 billion indicating a shortfall of £7.5 billion.

The key financial assumptions used in the 2017 valuation are described below:

Pension increases (CPI)	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.3% p.a.
Discount rate (forward rate)	Years 1-10: CPI – 0.53% reducing linearly to CPI – 1.32% Years 11-20: CPI + 2.56% reducing linearly to CPI + 1.7% by year 21 Years 21+: CPI + 1.7%

INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY

Notes to the Financial Statements for the Year Ended 30 September 2019

16. PENSION COMMITMENTS (continued)

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2017 actuarial valuation. The mortality assumptions used in these figures are as follows:

Mortality base table	Valuation
	Pre retirement:
	71% of AMCOO (duration 0) for males and 112% of AFC00 (duration 0) for females.
	Post retirement:
	96.5% of SAPS S1NMA "light" for males and 101.3% of RFV00 for females

Future improvements to mortality	CMI_2016 with a smoothing parameter of 8.5 and a long term Improvement rate of 1.8% p.a. for males and 1.6% p.a. for females
----------------------------------	---

Use of these mortality tables reasonably reflects the actual USS experience. To allow for further improvements in mortality rates the CMI 2014 projections with a 1.5% pa long term rate were also adopted.

The current life expectancies on retirement at age 65 are:

	2019	2018
Males currently aged 65 (years)	24.6	24.5
Females currently aged 65 (years)	26.1	26.0
Males currently aged 45 (years)	26.6	26.5
Females currently aged 45 (years)	27.9	27.8

A new deficit recovery plan was put in place as part of the 2017 valuation which requires payment of 5% of salaries over the period 1 April 2020 to 30 June 2034. The 2019 pension liability reflects this plan. The provision figures have been produced using the following assumptions as at 31 March 2018 and 2019:

	2019	2018
Discount rate	2.44%	2.64%
Pensionable salary growth	n/a	n/a
Pension increases (CPI)	2.11%	2.02%

INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY

Notes to the Financial Statements for the Year Ended 30 September 2019

17. MOVEMENT IN FUNDS

	At 1.10.18	Income	Expenditure	Net investment gains	Actuarial gain on pension	Transfers	At 30.09.19
	£	£	£	£		£	£
Unrestricted funds							
General fund	1,264,894	765,044	(735,558)	36,451	(7,656)	(36,130)	1,287,045
Fixed asset reserve	242,464	-	-	-	-	36,130	278,594
Premises renovation & equipment reserve	50,000	-	-	-	-	-	50,000
TOTAL FUNDS	1,557,358	765,044	(735,558)	36,451	(7,656)	-	1,615,639

	At 1.10.17	Income	Expenditure	Net investment gains	Actuarial gain on pension	Transfers	At 30.09.18
	£	£	£	£		£	£
Unrestricted funds							
General fund	1,346,296	685,182	(744,338)	45,755	779	(68,780)	1,264,894
Fixed asset reserve	184,503	-	-	-	-	68,780	242,464
Premises renovation & equipment reserve	50,000	-	-	-	-	-	50,000
TOTAL FUNDS	1,569,980	685,182	(744,338)	45,755	779	-	1,557,358

Unrestricted funds

The "Fixed Asset Reserve" is to fund the cost of the Charity's fixed assets, primarily the provision of an office for the Charity and associated activities. During the year a transfer of £36,130 was made from the General Fund to align the value of the reserve with the book value of fixed assets as set out in note 11.

The "Premises Renovation & Equipment Reserve" is to fund the cost of renovation and improvement of the charity's head office and office equipment, consisting of internal and external redecoration normally every two years with the option of more substantial work if needed every five-to-ten years.

18. RELATED PARTY TRANSACTIONS

The charity received £23,166 (2018: £20,676) for the provision of accreditation services to Safe And Local Supplier Approval (SALSA). A balance of £5,650 was due at as at 30 September 2019 (2018: £6,768). This entity has one director in common with Institute of Food Science and Technology.

The entity received £2,250 (2018: £1,777) from 11 trustees (2018: 11) in the form of membership fees. There were no fees outstanding as at 30 September 2019 (2018: £Nil).