

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

**Report of the Trustees and
Financial Statements for the Year Ended 30 September 2021
for
INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY**



INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY

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For the Year Ended 30 September 2021**

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INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY

Report of the Trustees (incorporating the Directors' Report) for the Year Ended 30 September 2021

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 2021. 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 T Bell	(Vice President)	
I M Blakemore	(Hon Treasurer & Finance Committee Chair)	
R A Frazier	(Chair, Education & Careers Forum)	Resigned 13.04.21
C R Gilbert-Wood	(Chair, Scientific Committee)	
D S T Gregory	(Immediate Past President)	
T A M Hollands	(Hon Secretary)	Resigned 13.04.21
A L Kyriakides	(Vice President)	Appointed 01.01.21
C E Leadley	(Chair, Publications Committee)	
A MacGregor	(Chair, Education Committee)	Appointed 13.04.21
W Martindale	(Hon Secretary)	Appointed 13.04.21
H S Munday	(President)	
J M O'Brien	(Chair, External Affairs Committee)	
H R Taylor	(Chair, Professional Development Committee)	

Chief Executive & Company Secretary

J W Poole

Senior Management

S French (Appointed 13.09.21)
A Gardner
D Kendale
R Ward (Resigned 17.09.21)

INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY

Report of the Trustees (incorporating the Directors' Report) for the Year Ended 30 September 2021

Auditor

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

Professional advisors

Bankers
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(s), Honorary Secretary, Honorary Treasurer and Chairs of Education & Careers, Professional Development and Publications Committees 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 (which includes the External Affairs Committee) 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 Scientific, Finance, Education, Professional Development, Publications, and External Affairs Committees; each is chaired by a Trustee who is a member of the Institute. The Board is also advised by Advisory Groups and Panels.

An Independent Assessor, responsible for assessing the effectiveness in which the Board discharges its duties, attends Board and other 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. Pay and remuneration of key management personnel including the Chief Executive is set by the Remuneration & Benefits 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.

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Risk review

The Board of Trustees taking advice from the Finance Committee 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 (September 2021) included:

- The Institute's financial security, especially relating to the income generated through its publications as the market moves to open access and other streams
- The uptake of accreditation and professional recognition schemes
- The potential impact on the Institute's reputation should there be any real or perceived lack of robustness in its accreditation or professional recognition schemes
- Increasing pension costs from the USS pension scheme
- Potential for loss of key personnel through retirement/resignation.

Impact of Covid-19

Covid-19 has again limited the ability of the Institute to deliver some plans but the majority of its business activity has continued unaffected, albeit online. Many of the lessons learned in the transition to remote working have bedded in over the last year and are now incorporated as 'business as usual'. The schedule of events, which would have relied on physical meetings in previous years, has shifted entirely online. A positive impact of this has been providing greater accessibility for larger audiences to our events and activities. An example has been our Spring Conference 2021 which attracted over 400 delegates interacting in new entirely different ways online. While this has meant event income is lower than budgeted so is the cost of running events. The IFST executive continues to work well remotely.

The Board of Trustees continues to review and update the risk register in the light of the impact of Covid-19.

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 2020-21 IFST worked towards six strategic priorities to enable it to achieve this objective.

Significant activities and achievements during 2020-2021

1) Providing and sharing evidence-based FS&T knowledge

Those needing access to relevant, reliable evidence-based FS&T knowledge actively seek out knowledge, outputs and positions provided by IFST. Information is known for being easily searchable and, generally, made available at no or low-cost.

Key indicatives and activities included:

- Increasing the uptake and utilisation of materials and resources – promoting availability and quality through social media and member communications
- Increasing the focus on curation of others' trusted resources as our own generated content
- Resolving search functionality for online resources: website search now includes results from our externally published journal and magazine and presents search results from our website more usefully
- Focusing on online open access events for a wider audience including outside UK
- Planning to bring physical events back once safe to do so and integrate with online options
- Introducing podcasts: we ran a pilot 'A conversation about food allergies' in April 2021, which is available to download.

The Institute's website directly relevant food science and technology content achieved 114,944 unique page views (2020: 84,974).

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During the year the Institute hosted at least 44 online events and webinars, significantly exceeding our target, and attracting 4,157 delegate registrations (2,050 individuals, of whom 1,531 were non-members).

Spring Conference 2021, 'Food Science and Technology – Thinking Smart, Acting Smart', was well received and attracted 425 delegates, many of whom interacted with each other online using a new platform.

Readership of the Institute's quarterly *Food Science & Technology* magazine remains strong: members receive the magazine as part of their membership package; other individuals, libraries and organisations may receive the magazine as a paid-for subscription. Each issue of the magazine is themed by the Editor around an area of interest agreed with the IFST's Publications Committee and the Editorial Board. In 2020-2021 the themes included: food authenticity nutrition and health; tackling food waste, and, sensory and behavioural science. For the four months to end August, the average monthly online visitors was 3,691, with 6,815 page views, an increase from the previous year where the figures were lower due to the move to the new platform and use of different reporting tools (2020: 1,709).

International Journal of Food Science & Technology, the Institute's peer-reviewed academic journal published by Wiley, has performed very strongly, achieving an impact factor of 3.713 (2020: 2.774). Developments around Open Access publishing have been identified as a risk and are being closely monitored by the Publications Committee and Board.

IFST has published 42 Information Statements, including a new ones on Biocides, Sampling for Food Analysis, and Food Allergy (2020: 31).

There are now eleven 'Food Science Fact Sheets' in IFST's consumer/public facing information series, with three recent additions on Food Waste; Sensory and Consumer Science and Food Preservation as well as an update to the Food Allergens Fact Sheet.

Through its member-led Special Interest Groups (SIGs), Branches and Working Groups, IFST hosted a total of 22 webinars during the year including: Food Fraud Prevention, Artificial Intelligence, Foodborne Viruses and Emerging Issues.

2) Influencing key stakeholders

Our invaluable resource of independent evidence-based scientific positions and our access to experienced professionals is actively sought to inform and support the work of key stakeholders including Governmental departments. IFST will demonstrate leadership over chosen key topics and projects where it is in the best place to deliver positive outcomes in pursuit of our mission.

Key initiatives and activities included:

- Consolidating and building relationships with governmental departments and agencies
- Positioning IFST as the 'must-go-to' source for key themes/areas of policy
- Demonstrating leadership by identifying key policy positions through the External Affairs Committee – informed by outputs from a horizon scanning exercise
- Identifying and developing events primarily focused on us leading and influencing our positions and debate
- Pursuing Chartership – as directed by Privy Council – and identifying and seeking to resolve any weaknesses.

Relations with Government departments have improved through the work of the External Affairs Committee and Scientific Policy Director. Regular contact with FSA/FSS/Defra is now commonplace.

Overall website traffic has increased. During the year the main IFST website attracted 154,284 visitors (2020: 136,449). The Institute's social media activity is becoming much more sensitive to profile of users on the different platforms. The number of users or followers is increasing year-on-year, and the average 'engagement rate' across all platforms is 3.6%.

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Following a survey of members and a workshop of invited guests and stakeholders, our first Horizon Scanning report was published in June 2021, which will help frame the Institute's policy work in the coming years. Meetings were arranged with Food Standards Agency (FSA), Foods Standards Scotland (FSS) and Defra to discuss the implications of the report.

The Privy Council has given the Institute permission to move on to the next phase of the process for seeking a Charter and plans are being made to call an Extraordinary General Meeting to seek the backing of the membership.

The IFST executive supported by our members has continued to hold regular meetings with FSA and FSS to share outputs and perspectives relating to the Covid-19 pandemic and its impact of the food supply chain.

We continue to support the UKRI KTN Food Sector Group with updates on IFST activities and we co-supervised an intern project to collect food education and careers resources for IFST to curate on the Love Food Love Science platform. We have helped form and host a new collaborative grouping of other professional bodies and institutes to better coordinate activities in relation to food science and technology and engineering (ProfSet).

Our Sustainability Steering Group continues to advise on our activities and outputs in relation to sustainability especially relating to the impacts of the recent COP26 climate change conference.

3) Promoting professional standards and development

Regulators, all those in the food supply chain and the general public are reassured that technical personnel at all levels within the food sector are recognised as being professionally competent and striving to remain current in their knowledge and skills through effective CPD.

Key initiatives and activities included:

- Developing campaigns to promote the value and benefits of professional recognition
- Seeking out key drivers (e.g. retailers, regulators, standards bodies) to force the speed of change for the Food Safety Register
- Embedding the Business Development Director role to boost our business development capability
- Continue to identify and pursue potential larger membership Group Schemes
- Redevelop MyCPD system to provide a valuable additional facility to be able to offer.

The Institute has been running *IFST Connect* sessions for employees of new and existing membership groups schemes, improving their understanding of potential memberships and registration options open to them. For existing members, small group and workshop 'Building professionalism' sessions have been offered to help people find the right membership or register, and help them through the application process.

Membership numbers continue to be boosted through new membership group schemes, through which employers promote professional recognition with IFST and cover the fees for their employees.

Development work to stabilise and redevelop the membership online dashboard meant that plans to redevelop the MyCPD system were put on hold. However, improving our CPD recording system remains a long-held ambition.

Under license from Science Council, the Institute has 179 Chartered Scientists (2020: 179), 66 Registered Scientists (2020: 65) and two Registered Science Technicians (2020: 1). The Institute is committed to supporting the Science Council to ensure these registers remain relevant and that licensed bodies like IFST have the information and relevant collateral they need to help them promote professional registration and attract registrants.

The multi-level Register of Food Safety Professionals has continued to attract a steady flow of new registrants. The number of registrants was: 242 (2020: 232).

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There were 121 registrants on the Register of Professional Food Auditors and Mentors (2020: 128).

The *Code of Professional Conduct*, which all members agree to observe, and the Disciplinary Procedures were reviewed by the Professional Development Committee during the year and minor amendments to the procedures are under consideration. No complaints about the professional conduct of members under the *Code of Professional Conduct* and Disciplinary Procedures were received (2020: 0).

4) Utilising and growing the strength of our membership

The profile of our membership is respected for its breadth and depth of experience. Individuals are proud to join and be a part of the Institute for the opportunity to actively contribute to the achievement of the Institute's mission.

Key initiatives and activities included:

- Developing plans to grow member numbers to 4,000
- Shifting focus from quantity to quality of members by targeting key sector influencers and personnel, ensuring we appeal to their needs and the needs of the sector
- Developing online resources which enable our members to easily interact with one another
- Increasing the relevance of our networks (currently SIGs and Branches and working groups) so that they are fit for the needs of members and facilitate easy collaboration of our members in achieving goals
- Undertaking a membership survey
- Renewing our diversity and inclusion work to align to Science Council benchmarking.

The number of members is continuing to grow steadily standing at 2,983 at 30 September 2021 (2020: 2,807). Membership retention varies across the different levels of membership, with Fellows demonstrating a strong 90% retention rate. A 'leavers' membership campaign is in development to encourage people to rejoin and explore why they left. The membership comprises:

Fellows: 698 (2020: 634)
Members: 873 (2020: 868)
Associates: 811 (2020: 709)
Students: 601 (2019: 596)

A campaign to engage 'high value influencers' will be launched at the IFST Lecture in October 2021.

IFST members were asked to take part in the regular (alternate years) membership survey: 284 members participated to help the Institute gain a better understanding of their perspective on a range of subjects, from professional development, events, and publications, to feedback on how the Institute is performing against expectations.

'IFST Community', a new platform enabling members to interact with each other as individuals or as members of branch or SIG networks was launched in Spring 2021. A small working group (Project Diamond Working Group) reviewed the model for the Institute's networks in consultation with members during the year, which will be fully implemented in the course of 2021-22, with the aim of improving the relevance of the network and value of interactions.

For the first time, IFST ran an online Members' Week in March 2021: a series of 9 events and activities for members and potential members to showcase some of the great work being done by members and networks to advance food science and technology.

During the year IFST participated in the Science Council equality, diversity and inclusion benchmarking exercise and since has been developing an action plan, with the Board appointing one of its number as a 'Diversity Champion' to ensure diversity remains a core consideration in how the Institute is run.

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IFST remains hugely indebted to the 250 or more members who regularly contribute in some capacity, such as serving on a committee, helping with policy development, responding to consultations, presenting at events and writing for publications.

5) Encouraging and supporting our future talent

We are in a position to inform the sector on the current and future talent/skills needs relevant to FS&T and, where appropriate, we provide leadership in the delivery of those needs. The talent pipeline through all channels is sufficient to meet the needs of the sector.

Key initiative and activities included:

- Undertaking research so that IFST is the primary source of information relating to future talent and skills needs of the sector
- Focusing on student engagement not just activity
- Developing useful and relevant support and resources for other career paths e.g. apprenticeships, direct entry etc
- Promoting course accreditations.

Following initial research by the Food KTN looking at the technical skills needed by the sector, IFST recruited an intern to identify and map the resources available to people interested in pursuing careers in the sector. This work will be used to redevelop a careers section on the *Love Food Love Science* website. Additional research is envisaged, and a skills working group has been formed to help inform and shape a more substantive piece of research into career pathways in the sector.

In a new online format, the student LaunchPads attracted 510 registrations.

The degree accreditation scheme for undergraduate and postgraduate degree courses in food science and technology has attracted new applications, with a current total of 50 degree courses accredited (2020: 46), representing the majority of UK food science and technology degree provision.

Love Food Love Science, the website resource for young people and secondary school teachers continues to achieve strong results, with over 252,600 users (2020: 195,000).

Plans continue to be made to capitalise on the success of the site and to enhance existing and develop new resources.

Understandably, IFST's outreach and engagement activities aimed at school-age students to encourage the next generation of food scientists and technologists into the sector were curtailed due to Covid-19.

In collaboration with Campden BRI, IFST continues to support 'Ecotrophelia', an EU-wide 'dragons den'-type competition for teams of university students. The 2021 UK competition attracted 11 teams from 6 universities (2020: 10 and 6). The UK heat was conducted online with teams presenting high quality products to a high-profile panel of 'dragons'. The winners (a team from the University of Nottingham) represented the UK in the European online final in October 2021 where they received a special award for marketing.

The 2020-21 POST Fellow was Nicole Kennard who has been looking at pesticides, their impact on human health, and regulation post-Brexit. Her POSTnote was published in 2021 and marks the culmination of three months' research while working at the Parliamentary Office of Science and Technology (POST), supported by a grant from IFST.

Although university student activities were curtailed, through its Student Group and network of university student representatives IFST continued to promote food science and technology as an exciting and rewarding career choice to young people.

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6) Financial stability, effective governance and sustainability

We have sustainable income streams by commitment to priorities 1 to 5 above and continue to review and develop products/services that meet the changing needs of members and the sector generally. These are all underpinned by effective cost control, sound financial and risk management and robust governance followed by the Board and the Executive.

The Board, supported by the IFST executive, the Finance, Scientific, Education, Professional Development, Publications and External Affairs Committees, as well as advisory groups and panels, continues to plan activity, monitor and review performance, and manage risks in line with the strategic priorities.

Key initiatives and activities included:

- Working with our publishers, Wiley, to actively manage the transition of IJFST to Open Access
- Developing project plan and start delivery of Project 4000 and explore other alternative income streams to offset any income shortfall
- Conducting a team climate survey
- Undertaking governance review as part of Project Diamond.

Developments in publishing are closely monitored by the Publications Committee and the Institute is adapting its strategy towards Open Access publishing.

Project 4000 Working Group has been exploring options and developing plans to grow the membership beyond 4000, e.g. a 'refer a friend campaign' was launched in October 2021.

The IFST team has been surveyed about every 6 months to ensure adequate support is in place, especially as a result of Covid-19, and that roles are sufficiently fulfilling.

The Institute's governance structure and main committee terms of reference were reviewed during the year to ensure they remained fit for purpose. Branch and Special Interest Group terms of reference have been updated as part of the new member networking model brought about through Project Diamond.

Redecoration of the office has largely been completed while employees continued to work remotely due to Covid-19. Work to rehouse the McLachlan Collection in the Cambridge Court premises is also well under way. Increasing use of the office is anticipated in the coming months as the public health situation allows, mainly for face-to-face meetings and collaboration but there is no expectation that routine office working will return to how it was pre-Covid-19.

Diversity, equity and inclusion

The Institute is a signatory to the Science Council Declaration on Diversity, Equality and Inclusion. The Board has appointed a 'diversity champion' for these matters. IFST continues to work with the Science Council to improve representation, equity and inclusivity.

Environmental Impact

Although the Institute is an organisation of just 12 employees working out of a modest office space - and does not trigger the threshold for SECR reporting - it does recognise the need to manage and, where relevant, report on its environmental impact. Indeed, as the professional body for those engaged in food science and technology, with the food sector contributing so significantly to carbon emissions and other environmental impacts, IFST recognises the leadership it must show.

- Carbon: limited to employee travel, heating premises (11kWh) and electricity for light office equipment.
- Greenhouse Gas Emissions: limited to typical household emissions.
- Water: very low; limited to WC, drinks making facilities and dish washing.
- Waste: low; typical small office. Separate recyclable waste stream handled by local authority.
- Resource efficacy and materials: low; typical small office.
- Emissions to Air, Land and Water: low; typical small office.
- Biodiversity and Ecosystems: limited to typical small office.

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FINANCIAL REVIEW

Principal funding sources

The major income streams were publications £390,954 (2020: £427,704) followed by membership subscription £242,331 (2020: £195,123). Significant income was also generated from education and accreditation activities.

Reserves Policy

At the year end, the charity's reserves stood at £1,736,121 (2020: £1,615,639), within which the Trustees identified two areas (where designated reserves totaling £265,146 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 reviewed the reserves in 2021 and agreed it would be prudent to hold a minimum reserve of £510,000 in any one year and that, in addition, a further £1,200,000 should be held for longer term exceptional risks as identified in the risk register. 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 management of the portfolio to investment managers Cazenove Capital. The Trustees have also determined the investment will be held in a Responsible Multi-Asset Fund, which seeks to avoid harm (integrating ESG factors), benefit people and the planet, and supports Sustainable Development Goals, and therefore excludes investments in assets like fossil fuels.

Investment Performance

During the year the value of the investments increased by £230,288, this included unrealised gains of £184,890.

Fundraising

On occasion, IFST receives voluntary funds from trusts, foundations and individuals as income that helps us to fulfil our charitable objectives.

The executive team administers any voluntary income received in this way but does not actively fundraise. IFST does not engage external professional fundraisers or commercial participators to carry out fundraising activity nor engage in face-to-face or telephone fundraising. In developing the approach to fundraising IFST has 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.

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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 an outline business plan for the three years to 2024 and a detailed plan for the period October 2021-September 2022 focused on the six strategic priorities:-

Providing and sharing evidence-based FS&T knowledge

- Continued focus on curation of others' trusted resources as well as generating own content (continued from 2020/21)
- Develop a model for generation of some resources through paid writers rather than relying on volunteer-generated material.
- Develop a model for delivery of more hybrid events/conferences (continued from 2020/21)
- Develop model for creation of podcasts
- Continue to grow quality and attendance at key events such as Spring Conference and Lecture
- Improve promotion/availability of all above resources (online, events etc)
- Make the most of non-member registrations to events

Influencing and supporting key stakeholders

- Continue to develop relationships with Government departments and funding bodies - especially those with science and policy leads in FSA, FSS, Defra, Office for Health Promotion, DoEd., Welsh Assembly, NI, UKRI, ARIA
- Define and embed role of Branches representing the four Nations
- If Scottish devolution looks probable - then develop contingency plans for registering as charity in Scotland (OSCR)
- Develop key policy positions (guided by External Affairs Committee and informed by outputs from horizon scanning)
- Identify and develop relevant events/themes, primarily focused where IFST leading and influencing e.g. COP 26 and FS&T impact on food supply chain
- Governance guide for Directors on food safety and food risk management
- Set out provisional path for formal Charter Petition

Promoting professional standards and development

- Project 4000 campaigns to promote membership and professional recognition
- Seek key drivers (e.g. retailers, regulators, standards bodies) to force the speed of change for the Food Safety Register
- Continue to pursue larger membership Group Schemes – identify and pursue prime targets (continued from 2020/21)
- Assessment of status of registers to align/simplify
- Plan to move all to standardised competency format
- Complete the review of the Code of Professional Conduct

Utilising and growing the strength of our membership

- Delivery of actions against the Project 4000 delivery plan
- Identify key opinion formers in FS&T research, industry and policy to target for membership
- Enact transition plan for networks - one year to move to new model
- Develop more coherent and relevant member/industry awards (incorporating better alignment of Honorary Fellowship)

Encouraging and supporting our future food sector

- Develop Love Food Love Science site following joint research carried out in 2021 by KTN and IFST
- Develop new training provider accreditation (subject to market research confirming viability)

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- Start to work as a professional body with STEM and promote STEM Ambassador scheme to IFST members
- Develop resource packs and publish career profiles on Love Food Love Science
- Start to document progression
- Support a rationalised list of competitions with impact on 'Future talent'
- Reconfigure LaunchPads and mentoring for Students
- Continue to support HEI lecturers (via 'Faculty meetups')
- Continue to operate degree accreditation scheme
- Establish baseline data for different educational routes and pathways into the sector

Financial stability, effective governance and sustainability

- Develop a plan to manage effectively the transition of IJFST to Open Access with minimal impact on financial prospects
- Start process for tender for IJFST publishing
- Explore other alternative income streams to offset any income shortfall (continued from 2020/21)
- Embedding governance changes from Project Diamond in line with governance committee updated terms of reference
- Design and deliver new office operating model based on limited return to office
- Put in place foundations for monitoring and EDI targets
- Start planning for 2024 Diamond (60th) Jubilee
- Review and update website navigation using the existing platform
- Complete options appraisal for web platform (Drupal 9 or other)
- Improve internal systems (move away from virtualised remote desktops to IFST laptops using SharePoint)

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.

GOING CONCERN – IMPACT OF COVID-19

The Institute has been affected by lockdowns and other restrictions. As noted above, a significant proportion of IFST's income comes from publishing and membership activity, which have continued to hold up well since the early stages of Covid-19 and are expected to continue to be insulated from any significant impacts, whether directly or because of a wider economic downturn. Accreditation activities still may be affected in the medium term as the HE sector adjusts to the loss of international students and any further fallout from Covid-19 on student numbers and operating costs, and the trustees will monitor and plan for this. As noted above, income generating event activity has been limited but so has the cost of running physical meetings.

Noting the apparent security of the Institute's income streams and stability of expenditure in light of recent (and potential future) shocks and the levels of reserves, the trustees plan an ambitious programme of work and continue to operate IFST as a going concern.

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).

INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY

Report of the Trustees (incorporating the Directors' Report) for the Year Ended 30 September 2021

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.

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

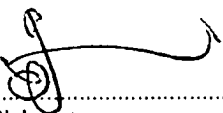
Auditor

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


..... 3 Feb 2022
Ian Blakemore
Trustee
Approved by the Trustees on

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 the Institute of Food Science and Technology for the year ended 30 September 2021 which comprise the Statement of Financial Activities, the Balance Sheet the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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

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

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

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

Other information

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

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

We have nothing to report in this regard.

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 of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual 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:

- 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;
- we have not received all the information and explanations we require for our audit.
- 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, 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY

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

- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 company's members 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 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.

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

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 2021

	Notes	2021 Unrestricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM:				
Charitable activities:	3			
Publishing		390,954	390,954	427,704
Education		24,855	24,855	22,393
Accreditation		74,368	74,368	64,178
Membership subscription		242,331	242,331	195,123
Sponsorship		8,700	8,700	8,700
Investments:				
Investment income	2	49,730	49,730	26,460
Total income		790,938	790,938	744,558
EXPENDITURE ON				
Raising funds:				
Investment management costs	4	4,314	4,314	9,315
Charitable activities:	5			
Publishing		62,353	62,353	51,362
Education		266,091	266,091	252,759
Accreditation		117,512	117,512	113,684
Membership administration		332,394	332,394	242,952
Other		69,595	69,595	64,993
Total expenditure		852,259	852,259	735,065
Net operating (expenditure)/income		(61,321)	(61,321)	9,493
Net gains/(losses) on investments		184,890	184,890	(417)
Net income for the year		123,569	123,569	9,076
Other recognised gains/(losses):				
Actuarial gains/(losses) on defined benefit pension schemes		2,709	2,709	(14,872)
Net movement in funds		126,278	126,278	(5,796)
RECONCILIATION OF FUNDS				
Total funds brought forward		1,609,843	1,609,843	1,615,639
TOTAL FUNDS CARRIED FORWARD		1,736,121	1,736,121	1,609,843

All amounts relate to continuing activities.

All income and expenditure in 2020 and 2021 related to unrestricted activities.

The notes on pages 22 – 32 form part of these financial statements.

INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY

Balance Sheet as at 30 September 2021

	Notes	2021 Total funds £	2020 Total funds £
FIXED ASSETS			
Intangible assets	10	33,750	66,594
Tangible assets	11	181,396	185,033
Investments	12	1,575,877	1,345,589
		<u>1,791,023</u>	<u>1,597,216</u>
CURRENT ASSETS			
Debtors	13	29,554	28,639
Cash at bank		152,587	245,325
		<u>182,141</u>	<u>273,964</u>
CREDITORS			
Amounts falling due within one year	14	(188,943)	(203,517)
NET CURRENT (LIABILITIES)/ASSETS		<u>(6,802)</u>	<u>70,447</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,784,221</u>	<u>1,667,663</u>
Defined benefit pension scheme liability	15	(48,100)	(57,820)
NET ASSETS		<u>1,736,121</u>	<u>1,609,843</u>
FUNDS			
Unrestricted funds	17	1,736,121	1,609,843
TOTAL FUNDS		<u>1,736,121</u>	<u>1,609,843</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 and were signed on its behalf by:



 3 Feb 2022

Ian Blakemore
Trustee

The notes on pages 22 – 32 form part of these financial statements.

INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY

Cash flow Statement

For the Year Ended 30 September 2021

	Total funds £	Prior year funds £
Cash flows from operating activities:		
Net cash provided by operating activities	(92,034)	179,751
Cash flows provided by/(used in) investing activities:		
Investments, dividends and interest income	49,730	26,460
Purchase of tangible fixed assets	(5,036)	(13,839)
Proceeds from the sale of investments	-	1,436,055
Purchase of investments	(49,712)	(1,397,989)
Movement in cash held by investment manager	4,314	(55,141)
Net cash (used in)/provided by investing activities	(704)	(4,454)
Change in cash and cash equivalents in the reporting period	(92,738)	175,297
Cash and cash equivalents at the beginning of the reporting period	245,325	70,028
Cash and cash equivalents at the end of the reporting period	152,587	245,325

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)	126,278	(5,796)
Adjustments for:		
Depreciation and amortisation	41,513	40,806
Losses/(gains) on investments	(184,890)	417
Investments, dividends and interest income	(49,730)	(26,460)
(Increase)/decrease in debtors	(915)	75,631
(Decrease) in creditors	(21,585)	80,281
Movement in pension liability	(2,709)	14,872
Net cash used in operating activities	(92,034)	179,751

Analysis of cash and cash equivalents

	Current Year £	Prior Year £
Cash in hand	152,587	245,325
Total cash and cash equivalents	152,587	245,325

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.

Going concern

The financial statements are prepared on a going concern basis which assumes that the charitable company will continue in operational existence for the foreseeable future. The Trustees have prepared forecasts for a period of at least twelve months from the date of approval of these financial statements which demonstrate that IFST will continue to meet its liabilities as they fall due for that period. Like every business, the Institute has been affected by the lockdown and other restrictions. A significant proportion of IFST's income comes from publishing and membership activity, which have held up very well since the early stages of COVID-19 and are expected to continue to be insulated from any significant impacts, whether directly or because of a wider economic downturn. Accreditation activities may be affected in the medium term as the HE sector adjusts to the loss of international students and any further fallout from COVID-19 on student numbers and operating costs, and the trustees will monitor and plan for this. Income generating event activity has been limited but so has the cost of running physical meetings.

Noting the apparent security of the Institute's income streams and stability of expenditure in light of recent (and potential future) shocks and the level of reserves, the trustees plan an ambitious programme of work and continue to operate IFST as a going concern.

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. The capitalisation threshold for intangible fixed assets is £1,000.

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

The capitalisation threshold for tangible fixed assets is £1,000. 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	-10-33% on cost

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.

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 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.

INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY

Notes to the Financial Statements for the Year Ended 30 September 2021

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		2021	2020
		£	£
UK Investments, dividends and interest		49,730	26,460
3. INCOME FROM CHARITABLE ACTIVITIES		2021	2020
Activity		£	£
IJFST	Publishing	355,016	393,868
IJFST for members	Publishing	2,806	2,114
Food Science & Technology	Publishing	2,695	19,009
Other publications sales	Publishing	22,907	9,431
Advertising	Publishing	7,530	3,282
Events	Education	8,646	8,186
Awards	Education	-	1,750
MyCPD & employer schemes	Accreditation	1,103	7,561
SALSA	Accreditation	23,730	22,450
Other accreditation schemes	Accreditation	40,524	14,057
Science Council Registers	Accreditation	8,803	15,668
IFT/IFST	Accreditation	208	2,692
IFST Registers	Accreditation	16,209	14,207
Membership subscriptions	Membership subscription	242,331	195,123
Corporate sponsorship	Sponsorship	8,700	8,700
		741,208	718,098
4. INVESTMENT MANAGEMENT COSTS		2021	2020
		£	£
Investment management fees		4,314	9,315

5. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs (See note 6)	Totals 2021	Totals 2020
	£	£	£	£
Publishing	27,555	34,798	62,353	51,362
Education	15,548	250,543	266,091	252,759
Accreditation	6,159	111,353	117,512	113,684
Membership administration	102,729	229,665	332,394	242,952
Other	-	69,595	69,595	64,993
Total 2021	151,991	695,954	847,945	725,750
Total 2020	75,821	649,929	725,750	

6. SUPPORT COSTS

Support costs are attributed as follows:

Basis of allocation

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

	2021 Total activities £	2020 Total activities £
Support costs comprise:		
Employment costs	538,076	494,405
Legal expenses	15,562	11,803
Other costs	100,800	102,915
Depreciation of tangible assets	8,672	7,872
Amortisation of intangible assets	32,844	32,934
	695,954	649,929

7. NET INCOME

Net income is stated after charging:

	2021 £	2020 £
Auditor's remuneration - audit	7,100	6,900
Auditor's remuneration - non audit	2,800	2,000
Depreciation - owned assets	8,672	7,872
Amortisation - owned assets	32,844	32,934

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 September 2021 nor for the year ended 30 September 2020.

INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY

Notes to the Financial Statements for the Year Ended 30 September 2021

Trustees' Expenses

Expenses of the trustees are reimbursed if they submit a claim. The total expenses for travel and subsistence reimbursed to fourteen trustees (2020: five) during the year were £1,698 (2020: £1,949).

9. STAFF COSTS

	2021 £	2020 £
Wages and salaries	451,443	418,520
Social security costs	46,800	39,210
Pension	31,601	31,571
	<u>529,844</u>	<u>489,301</u>

	2021	2020
Average number of employees during the year	14	13

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

	2021	2020
£70,000 - £80,000	-	1

Pension contributions in relation to the individual above totalled £nil (2020: £14,527).

Key management personnel comprise of three members of senior management (2020: 3) and the Chief Executive. The total benefits received by key management personnel in the year amounted to £231,836 (2020: £200,448).

10. INTANGIBLE FIXED ASSETS

	Website development costs £	Total £
COST		
At 1 October 2020 and 30 September 2021	<u>99,528</u>	<u>99,528</u>
AMORTISATION		
At 1 October 2020	32,934	32,934
Charge for the year	<u>32,844</u>	<u>32,844</u>
At 30 September 2021	<u>65,778</u>	<u>65,788</u>
NET BOOK VALUE		
At 30 September 2021	<u>33,750</u>	<u>33,750</u>
At 30 September 2020	<u>66,594</u>	<u>66,594</u>

INSTITUTE OF FOOD SCIENCE AND TECHNOLOGY

Notes to the Financial Statements for the Year Ended 30 September 2021

11. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Office equipment £	Total £
COST				
At 1 October 2020	279,267	80,405	21,129	380,801
Additions	-	1,700	3,336	5,036
At 30 September 2021	279,267	82,105	24,465	385,837
DEPRECIATION				
At 1 October 2020	121,257	62,246	12,265	195,768
Charge for year	3,800	2,307	2,564	8,671
At 30 September 2021	125,057	64,553	14,829	204,439
NET BOOK VALUE				
At 30 September 2021	154,210	17,552	9,636	181,398
At 30 September 2020	158,010	18,159	8,863	185,033

12. FIXED ASSET INVESTMENTS

Listed investments	2021	2020
	£	£
MARKET VALUE		
At 1 October 2020	1,345,589	1,328,931
Additions at cost	49,712	1,397,989
Disposal proceeds	-	(1,436,055)
Realised losses on disposals	-	(49,720)
Unrealised gains on revaluation	184,890	49,303
Movement in investment broker's cash	(4,314)	55,141
At 30 September 2021	1,575,877	1,345,589
Historical cost	1,236,731	1,187,019

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

Investment Name	Holding (in units)	Value £
SUTL Cazenove Charity Responsible	2,245,000	1,470,922
Investments consist of:	2021	2020
	£	£
Equity	1,470,922	1,236,320
Cash	104,955	109,269
	1,575,877	1,345,589

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Notes to the Financial Statements for the Year Ended 30 September 2021

12. FIXED ASSET INVESTMENTS (continued)

Geographical Analysis

	2021 £	2020 £
United Kingdom investments	104,955	109,269
Overseas investments	1,470,922	1,236,320
	<u>1,575,877</u>	<u>1,345,589</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	22,119	5,201
Prepayments and accrued income	2,378	23,438
Other Debtors	5,057	-
	<u>29,554</u>	<u>28,639</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	16,014	19,949
Social security and other taxes	10,536	10,267
VAT creditors	-	542
Accruals and deferred income	154,949	172,326
Defined benefit pension liability	7,444	433
	<u>188,943</u>	<u>203,517</u>

Included in the above is deferred income totalling £140,296 (2020: £161,263) which predominantly related to publication royalties and membership subscriptions. The 2020 amount was fully released in the 2021 year.

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

	2021 £	2020 £
Defined benefit pension liability	<u>48,100</u>	<u>57,820</u>

16. PENSION COMMITMENTS

Universities Superannuation Scheme (USS)

The total cost charged to the statement of financial activity was £31,601 (2020: £31,571) as shown in note 9. 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.

	2021	2020
	£	£
DB pension liability falling due within one year	7,444	433
DB pension liability falling due after more than one year	48,100	57,820
Movement in DB pension liability in SOFA	2,709	14,872

The latest available complete actuarial valuation of the Retirement Income Builder is at 31 March 2018 ("the valuation date"), which was carried out using the projected unit method. A valuation as at 31 March 2020 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 2018 valuation was the fifth 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 £67.3 billion and the value of the scheme's technical provisions was £67.3 billion indicating a shortfall of £3.6 billion and a funding ratio of 95%.

The key financial assumptions used in the 2018 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 + 0.14% reducing linearly to CPI – 0.73% Years 11-20: CPI + 2.52% reducing linearly to CPI + 1.55% by year 21 Years 21+: CPI + 1.55%

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 2018 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: 97.6% of SAPS S1NMA "light" for males and 102.7% of RFV00 for females
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Future improvements to mortality	CMI_2017 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
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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:

	2021	2020
Males currently aged 65 (years)	24.6	24.4
Females currently aged 65 (years)	26.1	25.9
Males currently aged 45 (years)	26.6	26.3
Females currently aged 45 (years)	27.9	27.7

A new deficit recovery plan was put in place as part of the 2018 valuation which requires payment of 2% of salaries over the period 1 October 2020 to 30 September 2021 at which point the rate will increase to 6%. The 2021 deficit recover liability reflects this plan. The liability figures have been produced using the following assumptions:

	2021	2020
Discount rate	2.59%	2.59%
Pension increases (CPI)	1%	4.20%

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17. MOVEMENT IN FUNDS

	At 01.10.20	Income	Expenditure	Net investment losses	Actuarial gain on pension	Transfers	At 30.09.21
	£	£	£	£		£	£
Unrestricted funds							
General fund	1,308,216	790,938	(852,259)	184,890	2,709	36,481	1,470,975
Fixed asset reserve	251,627	-	-	-	-	(36,481)	215,146
Premises renovation & equipment reserve	50,000	-	-	-	-	-	50,000
TOTAL FUNDS	1,609,843	790,938	(852,259)	184,890	2,709	-	1,736,121

	At 01.10.19	Income	Expenditure	Net investment losses	Actuarial gain on pension	Transfers	At 30.09.20
	£	£	£	£		£	£
Unrestricted funds							
General fund	1,287,045	744,558	(735,065)	(417)	(14,872)	26,967	1,308,216
Fixed asset reserve	278,594	-	-	-	-	(26,967)	251,627
Premises renovation & equipment reserve	50,000	-	-	-	-	-	50,000
TOTAL FUNDS	1,615,639	744,558	(735,065)	(417)	(14,872)	-	1,609,843

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 £36,481 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. Please note that £5,036 was spent during the year on capital renovation work and has been included in fixed asset additions (2020: £10,635).

18. RELATED PARTY TRANSACTIONS

The charity received £29,230 (2020: £22,450) for the provision of accreditation services to Safe And Local Supplier Approval (SALSA). A balance of £7,152 was due at as at 30 September 2021 (2020: £nil). This entity has two directors in common with Institute of Food Science and Technology.

The entity received £1,207 (2020: £2,735) from 9 trustees (2020: 13) in the form of membership fees. There were no fees outstanding as at 30 September 2021 (2020: £Nil). An additional £325 was received from 7 trustees (2020: £nil) for event fees or publications.

19. POST BALANCE SHEET EVENT

Since the year end, the USS pension scheme 2020 valuation has been signed and filed with the Pensions Regulator with an effective date of 1 October 2021. The 2020 valuation came into effect with a dual rate schedule of contributions introduced in two phases, phase two only becoming applicable if the Joint Negotiating Committee recommended deed on benefit changes is not executed by 28 February 2022. Under the 1st phase, deficit recovery contributions increase to 6.3% from 1 April 2022 (2018 valuation 6%) and are payable for the length of the recovery plan until March 2038 (2018 valuation 2028).

The changes in contribution rates and deficit recovery period will likely increase the liability but the Institute is not currently able to reliably estimate the effect of the changes. This adjustment will be known over the coming year and will be reflected in the Institute's Financial Statement for the year ended 30 September 2022.