

Food from Britain Annual Report and Accounts 2006-07

Presented to Parliament, the Scottish Parliament and the Northern Ireland Assembly pursuant to Section 5(7) of the Agricultural Marketing Act 1983

Ordered by the House of Commons to be printed on 10 July 2007

Laid before the Scottish Parliament by the Scottish Ministers on 10 July 2007

Laid before the Northern Ireland Assembly by the Northern Ireland Minister on 10 July 2007

HC 660

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Annual Report

History and statutory background

Food from Britain (FFB) came into existence on 23rd March 1983. It was established as a Non-Departmental Public Body (NDPB) by the Agricultural Marketing Act 1983, as amended, "to improve the marketing of food produced or processed in the United Kingdom and of other agricultural produce of the United Kingdom." At the request of Ministers, FFB focuses on its recognised areas of expertise, namely, its export promotion role and assisting the marketing of quality regional foods.

Basis of accounts

These accounts have been prepared in the form directed by the Department for Environment, Food and Rural Affairs (Defra), the Minister for Environment and Rural Development in Scotland, the Minister for Environment, Planning and Countryside for Wales and the Department for Agriculture and Rural Development in Northern Ireland ('the Ministers'), with the approval of HM Treasury in accordance with the Agricultural Marketing Act 1983, as amended.

Management

FFB is governed by a non-executive Council, the Members of which represent a broad cross-section of the food industry. Each Member is appointed by Ministers for a three-year term of office, renewable subject to review. Day-to-day management is under the control of the Chief Executive, David McNair, and his Executive Management team.

Council

Chairman

Lady Jay (Sylvia) CBE

Members

Timothy Bennett, John Bevington, Vincent Craig, David Croisdale-Appleby, David Dobbin CBE, Christine Dunn, Marie Francis OBE, Alan Hardie, Ian Martin, Julian Wild.

Relevant information on Members' interests is available from FFB. Written requests should be addressed to the Finance & Administration Director at FFB, 4th Floor, Manning House, 22 Carlisle Place, London SW1P 1JA.

Executive Management Team

Chief Executive

David McNair

Marketing & International Management Director

Simon Waring

Business & UK Services Director

Charlotte Lawson

Finance & Administration Director

Anne Kynaston

Employees

FFB has adopted a Code of Conduct for Staff as recommended by government for use by Non-Departmental Public Bodies.

Employees are kept informed on a regular basis through a series of meetings involving them in FFB's performance and advising them of future plans. Additionally, consultations take place with employees so that their views may be taken into account in making decisions that are likely to affect their interest.

Disabled persons

In line with its standard practice towards applications for employment, FFB considers applications from disabled people on the basis of the qualifications and abilities of each individual. Should an employee become disabled during the course of employment, every practical effort would be made to allow him/her to continue in his/her employment.

Diversity and equality

FFB encourages staff involvement in the day-to-day running of its activities through normal line management contacts. Staff meetings are used to disseminate information. FFB encourages personal development and follows an equal opportunities policy for fair and open recruitment of permanent staff regardless of age, disability, sex or ethnic origin.

It is FFB policy that there shall be no discrimination against staff on grounds of colour, race, ethnic or national origins, religion, sex, sexual orientation, marital status, age or disability. Employment and promotion is solely on merit. Precisely the same standards apply in the assessment of women and men regardless of marital status, domestic responsibilities, ethnic or national origin. Staff who work reduced hours are assessed on exactly the same basis as those working full-time and without regard to part-time status, subsequent availability or availability of posts.

Employee involvement

FFB recognises the very large part that its staff has to play in the development of the organisation.

Supported by effective leadership, staff actively seek better ways to deliver FFB's outputs and develop, focus and exploit their skills to make maximum impact on the achievement of FFB's priorities.

Northern Ireland Equality Scheme

On 15th December 2004 the Northern Ireland Equality Commission granted an exemption from publishing an Equality Scheme under S75 of the Northern Ireland Act 1998.

Complaints Procedure

The Council, through the Chairman, is available to any member of the public who wishes to pursue any complaint. If not satisfied, the complainant can then refer the matter to the Parliamentary Ombudsman, who investigates complaints about maladministration or service failure on the part of FFB. Enquiries should be made directly to Office of the Parliamentary Commissioner for Administration, Millbank Tower, Millbank, London, SW1P 4QP. Tel: 0845 015 4033. Those in Scotland should instead contact the Scottish Public Services Ombudsman, 4 Melville Street, Edinburgh, EH3 7NS. Tel: 0800 377 7330. Complaints must be made within 12 months of the date on which you first had notice of the matter complained of.

Freedom of Information Act

Under the Freedom of Information Act 2000, which came into force on 1st January 2005, anybody may request information from a public authority which has functions in England, Wales and/or Northern Ireland. The Act requires that all requests are in writing (this does include emails), states clearly what information is required and states the name of the applicant, and an address for correspondence. Written requests should be addressed to the Administration Manager at FFB, 4th Floor, Manning House, 22 Carlisle Place, London SW1P 1JA. Information including our Publication Scheme may be found on our website.

Payment policy

It is the policy of FFB to pay suppliers for goods supplied and liabilities incurred in accordance with the terms of payment reached with each individual supplier. This policy has been adhered to throughout the year.

Auditor

Comptroller and Auditor General.



David McNair

Chief Executive & Accounting Officer
24th May 2007

Chairman's Statement

This has been a good year overall for the UK food and drink industry, and FFB was delighted to announce that UK food and drink exports exceeded £10bn (£10.5bn in total) for the first year since 1996. We are proud to have played a part in that achievement.

This 2006 figure represents 5.8% growth over the previous year. Of this, drink exports grew 7.4% to £3.7bn, and meat exports increased by 4.0% to £764.6m. This last figure is encouraging in the context of the steep decline (80%) suffered by beef exports in the last decade.

The EU remained the UK's largest market for exports, growing by 7.2% and accounting for two-thirds of all UK food and drink exports. Outside Europe, North America continued to be the UK's largest non-EU market, driving the 3.1% increase in exports to non-EU countries. UK exporters also benefited from branching into new markets: FFB's focus on development markets in Singapore and China bore fruit with a 26.9% growth in exports to Singapore (to £118.9m) and 8.2% growth in exports to China (to £102.7m).

This year FFB broadened the range of its services to UK food and drink companies. We took advantage of opportunities available to UK food and drink companies in the developing markets of Central Europe, Gulf States and Asia Pacific, by appointing new representatives there to promote British food more effectively. In particular, we established a presence for the first time in the fast-growing Chinese market, and extended our promotion of British food beyond retail, by running successful foodservice promotions in Singapore and Hong Kong.

We have also tried to develop partnerships with trade organisations, government departments and levy bodies to ensure that we offer the most cost-effective and efficient support to UK producers. Our work with the English Regional Development Agencies (RDAs) included 11 new projects which helped achieve encouraging export success for English companies. One of the projects involved introducing market entry programmes for companies in Yorkshire and Humber and the North West. Another was being appointed as a key delivery agent to the East of England Development Agency, to help implement its international trade strategy.

Last year I wrote that we wanted to eliminate unnecessary duplication of activity with UK Trade and Investment (UKTI). I am therefore pleased to report that our organisations have worked together effectively at both regional and national levels on four major projects in 2006-07. In particular, we have undertaken the UKTI role for food and drink in the Yorkshire and Humber region.

We have also been active in the Devolved Nations. In partnership with Scottish Development International (SDI), we have assisted 47 Scottish companies to develop export markets via one-to-one meetings and business support and brought 38 new Scottish exporters to international shows. Through contracts with seven international FFB offices we have assisted 46 Welsh companies. We have also responded to the Welsh Assembly tender for continued export assistance along with proposals to assist Welsh producers to benefit from the EU's Protected Food Name Scheme. Our work with Northern Ireland has been developed through a Service Level Agreement with Invest Northern Ireland (INI) and the Department of Agriculture and Rural Development (DARD). 24 Northern Irish companies have been assisted during the year of which 3 are new to export. In addition, we have provided advice and support to the development of Northern Ireland's regional food programme via input to the Domestic Marketing Industry Group.

We have worked hard to contribute to the exciting growth of the UK's quality regional food and drink sector, assisting 1,544 producers during 2006-07 and generating cumulative sales in the last four years of over £61m. Our work in this important area is a key part of Defra's Strategy for Sustainable Farming and Food, aimed at delivering economic, social and environmental sustainability to the farming sector and the rural communities that underpin it.

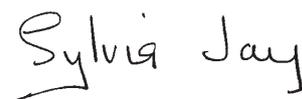
These achievements have come about because of dedicated work by many talented people, despite a reduced grant-in-aid. I should like to congratulate both FFB's London team and our excellent international network, who have worked together to help companies grow their markets overseas at home and abroad. All of our work is overseen by our Council, which gives the benefit of the wide ranging professional experience of its members to guide us in meeting our strategic objectives. Many Council members also work as mentors to

members of FFB London staff, which is of huge mutual benefit. I would like to extend particular thanks to David Baines, Paul Grant, Christine Lewis and Carolyn Newman who completed their terms on Council this year and welcome our new Council members Ian Martin and Julian Wild.

Thanks are also due to Vincent Craig, Timothy Bennett, Paul Grant and Alan Hardie for their work on FFB's Remuneration Committee, and to David Croisdale-Appleby, John Bevington, Marie Francis and Ian Martin for their work on FFB's Audit Committee.

I should like to thank our sponsors, particularly Defra and other UK government bodies, for the confidence they have shown in our work, especially at a time of increased constraint in public funding. Finally, I should like, on behalf of FFB's Council, to thank our Chief Executive, David McNair, who has decided to take early retirement. He has worked hard over his seven years in the job and consistently met targets set for the organisation. We offer him every good wish for the future. Meanwhile, we are progressing with arrangements to choose his successor.

There are many challenges ahead for the UK food and drink market, not least because of increasing public interest in environmental issues. We are, therefore, looking at our own practices at headquarters and abroad to see if we can improve our contribution to sustainability. As far as the essence of our work is concerned, we believe that exports of food and drink are crucial to sustain the competitiveness of the UK food and drink industry and the economic and social well being of the communities that depend upon it. We see, therefore, no conflict of principle between local sourcing and exporting, rather a balance that needs to be struck. FFB will continue to work with the UK Agriculture Departments to try to achieve that.



Lady Jay (Sylvia) CBE,
Chairman 24th May 2007

Chief Executive's Review

For the sixth year in a row FFB has performed well against targets. By working in partnership with clients we were able to identify international market opportunities, develop winning market entry strategies and build their business in existing markets. In 2006-07 we assisted 714 UK food and drink producers to export, 286 of whom were new to FFB. I am particularly proud of the way in which FFB has adapted to the changing needs of British food and drink producers and the international markets in which we work. Our work taking producers to this year's Food China exhibition clearly illustrates our commitment to continuous improvement: Working in a new market, with a new associate, we created a comprehensive new package for exhibitors, which enabled them to get the most from their visit. Bringing our industry contacts, market knowledge and business support capabilities together to benefit UK food and drink producers in a changing market; is a particular FFB's strength.

FFB consolidated its position as the market development consultancy for British food and drink producers with a series of major consultancy projects for private and public sector organisations. We delivered a major international study to assist one client's international expansion prospects which covered 15 markets, as well as 14 projects for private sector clients, public bodies and buyers.

International exhibitions continued to be a key opportunity for UK producers to showcase their products and generate sales in new markets. Our events service enabled 274 producers to exhibit internationally, of which 44 were new to the British Pavilion. In order that our smaller clients could take advantage of such events' significant sales opportunities, we developed a new exhibitor package for small and medium-sized companies (SMEs), which proved popular and resulted in 86% of our exhibitors being SMEs.

Our work to develop new markets for British food and drink bore fruit this year, as we provided export services to 166 companies looking to enter or develop markets in Asia Pacific, the Gulf States and Central Europe. Activity included supermarket promotions, trade development visits and market research in Singapore, Hong Kong and Thailand, with our distinctive 'Taste of Britain' logo becoming a recognisable feature for the trade and consumers alike.

We also arranged the visit of 22 high-level buyers from 11 development markets to visit this year's International Food Exhibition in London in March, as part of the UK Trade and Investment (UKTI) sponsored Inward Buyer Mission. Thirty-seven British suppliers had one-to-one meetings with the buyers, in a tailored series of meetings designed to maximise the potential business being secured. After one month four suppliers had confirmed new business as a result of the meetings.

Our success in growing clients' business overseas rests on the market insight and trade relationships across the whole FFB international office network. Our nine international offices have continued to deliver research and consultancy and business support to our clients. They worked with 607 different companies, of which 259 were new to FFB.

Our Client Development Team met with 178 companies to discuss their export potential, and recruited a further 47 new exporters to FFB's membership scheme, Fast Track.

Turning to our regional food activity, this year we have seen a striking growth in consumer interest in quality British regional food and drink, to which we are proud to have contributed through our Defra-funded regional food support programme. We have built on this consumer interest by focussing our resources on helping British regional food and drink producers win new business with major UK buyers. Our biggest achievement in this area has been our 'Supply Something New' initiative with Sainsbury's, the British supplier sourcing scheme designed to enable SME producers to showcase their products to senior buyers and product development teams. So far 14 producers have won new listings as a result of the scheme, with more expected in the coming year.

We also promoted quality regional food and drink to key buyers through events across the UK. PubChef live saw 95 chefs attend a series of regional promotions at UK gastropubs to promote the best in British produce, and our Regional Menus at Roast in Borough Market have so far provided excellent press coverage and new business for producers from the South West of England and Yorkshire. Our continued sponsorship of the British Cheese Festival and English Wine Week raised their profile in the media. In total we have worked with 1,544 regional food and drink producers, generating £6.383m additional sales.

This year we took over responsibility from Defra for promoting the EU Protected Food Names (PFN) scheme at a launch event in October. We have continued to champion the scheme through a well-attended series of seminars, press interviews and an EU PFN menu at our annual Export Awards.

FFB research and consultancy continued to deliver high-quality, practical insights into the international food and drink market to enable producers to plan entry into promising markets. Two major trans-national reports, The Global British Ex-Pat Market and Alternative Retail Channels, generated considerable interest from producers. Other reports focused on particular product categories, markets and distribution channels.

This has been an excellent conclusion to our Corporate Plan for 2004-07, during which we have consistently met our targets. Next year FFB will continue to develop its services and expand its market knowledge, in established and developing markets. The organisation will continue to use its market insight and trade relationships to grow business at home and overseas for new and existing UK exporters.



David McNair
Chief Executive & Accounting Officer
24th May 2007

Management Commentary

Mission statements

- International: "To be the lead consultancy working in partnership with UK food and drink companies to promote the growth of their exports".
- Regional Food: "To promote the growth of the quality regional food and drink sector in the UK and overseas".

In fulfilling the mission statements we focused on 12 (2005-06: 11) key targets to deliver FFB's performance measures in 2006-07, from which a further 25 (2005-06: 25) cascaded targets form the basis for individual areas of activity.

The aims and results of the 12 key targets, as well as the corresponding aims and results for 2005-06 are detailed in the table below.

Aim and objectives of FFB

FFB's principal activities are the marketing and promotion of British food and drink overseas and the promotion and development of quality regional foods. During 2006-07, the aim was underpinned by two strategic objectives covering the span of our responsibilities:

- To maximise exports of food and drink produced or processed in the UK.
- To increase production and consumption of quality regional food, both in absolute terms and as a proportion of the total market.

With the aim to achieve these objectives by:

- Providing a valued international market entry, development and management service to both new and experienced exporters in the UK's key export markets.
- Carrying out a programme of national measures supporting the quality regional food sector, adding value to public support provided at regional level.

FFB's activities contribute in particular to the achievement of two of Defra's departmental objectives:

- To promote a sustainable, competitive and safe food supply chain which meets consumers' requirements.
- To promote sustainable, diverse, modern and adaptable farming through domestic and international actions.

Defra's Strategy for Sustainable Farming and Food emphasises the importance, both to the UK economy generally and to UK producers in particular, of exports of value-added food and drink. It also stresses the advantages both for producers and for wider society of a thriving quality regional food and drink sector.

2006-07 Aim	2006-07 Result	2005-06 Aim	2005-06 Result
To achieve a minimum of 266 food and drink companies participating under the FFB banner at international exhibitions of which a minimum of 60% are to be SMEs.	Achieved. 274 exhibitors; 86% were SMEs.	To achieve a minimum of 262 food and drink companies at international exhibitions of which 60% are to be SMEs.	Achieved. 285 exhibitors; 82% were SMEs.
To achieve combined increased sales of regional food and drink of £1.35m during 2006-07.	Achieved. Delivered £6.383m including sales of £2.913m arising from EXPO held at end of 2005-06, but reported this year.	To achieve combined increased sales of regional food and drink of £1.1m during 2005-06, giving a cumulative target over the 3-year programme of £4.5m.	Achieved. Delivered £2.1m
To work with 1,400 separate companies and achieve 2,000 active participations in 2006-07 as part of the regional food programme.	Achieved. We have worked with 1,544 separate companies and there were 2,099 active participations in events.	To work with 1,000 separate companies and achieve 1,800 active participations in events of an agreed programme.	Achieved. We have worked with 1,896 separate companies and there were 3,316 active participations in events.
To continue to work with, and add measurable value to, the appropriate bodies in the devolved administrations and English regions to ensure FFB's services are made available to all UK food and drink companies as appropriate.	Achieved. FFB continues to work with the appropriate bodies in the devolved administrations and English regions as highlighted in this report.	To continue to work with, and add measurable value to, the appropriate bodies in the devolved administrations and English regions to ensure FFB's services are made available to all UK food and drink companies as appropriate.	Achieved. FFB continues to work with the appropriate bodies in the devolved administrations and English regions as highlighted in this report.

2006-07 Aim	2006-07 Result	2005-06 Aim	2005-06 Result
To increase awareness of FFB as the market development consultancy for British food and drink producers, the base figure from the 2006 U&A study being 3.01.	Achieved. A U&A was not undertaken during the year as it was decided to adopt a new performance measurement system, PIMS, which does not include an awareness measure. We have, however, continued to benchmark the quality of coverage achieved via the measurement of corporate message penetration. This shows a 37% increase year on year.	Achieve a minimum of 4 national media pieces (print/tv/radio), 25 trade pieces, and 6 pieces in key regional/local papers.	Achieved. 6 national pieces in support of FFB corporate, 175 trade pieces and 122 pieces in key regional/local papers.
		Support the regional food target of achieving 100 media articles highlighting regional food producers and their products.	Achieved. 236 articles generated
Provide export services to 150 companies each year to Development Markets.	Achieved. 166 companies assisted.	Assist 50 companies each year to export to New Markets.	Achieved. 138 companies assisted.
To meet a minimum of 130 new producers to discuss export opportunities, 25% of whom should become fee-paying FFB clients within 2 years of meeting.	Achieved. Met with 178 new producers. Average 27% conversion to fee-paying clients.	To meet with a minimum of 130 new companies to discuss export opportunities, with 25% of new companies to become fee-paying FFB clients within 2 years of meeting.	Achieved. Met with 180 new companies. Average 25% conversion to fee-paying clients.
To recruit a minimum of 35 new Fast Track members as exporters.	Achieved. 47 new exporter members recruited.	To recruit at least 45 new Fast Track members as exporters in each year of the plan (this excludes associate members).	Achieved. 46 new exporter members recruited.
To manage at least 12 research projects over the year and complete one major project to strengthen knowledge in new channels or sectors in key markets, leading to a seminar or published report.	Achieved. 13 projects were undertaken for clients and a further 1 major project (Alternative Retail Channels research) was undertaken leading to a seminar and published report.	Research and consultancy team to project manage from London at least 10 research projects in the year generating contribution of £98k.	Achieved. 16 projects were undertaken for clients, and a further 3 projects were undertaken as category , research generating contribution of £102k.
To achieve £73k contribution for the Research section from third parties.	Achieved. £94k of contribution generated.		
FFB as a whole, i.e. both London and the international offices, to provide export services to at least 700 different companies in each year of the plan. 20% of these companies should be new to FFB, i.e. they should not have worked with FFB in the previous year.	Achieved. Total number of companies serviced is 714, of which 286 (40%) were new to FFB.	FFB as a whole, being both London and the International Offices, to provide export services to at least 700 different companies in each year of the plan. 20% of these companies should be new to FFB, i.e. they should not have worked with FFB in the previous year.	Achieved. Total number of companies serviced is 822, of which 530 (64%) were new to FFB.
Maintain as a minimum an overall client satisfaction rating of 7.0 with a minimum performance level of 6.8 as recorded in the 2006 U&A study.	Achieved. Overall satisfaction levels have been maintained with improved consistency of service. Overall rating being 7.1.		

Corporate Plan

This forms the strategic framework for FFB's medium/long-term activities. The year under review was the final year of Corporate Plan 2004-07, covering the period 1st April 2004 - 31st March 2007. During the Corporate Plan 2004-07, all 34 key targets have been delivered.

A new Corporate Plan 2007-10 was developed during the year and approved by Council in March 2007. This sets out the organisation's key strategic objectives, together with an indication of the activities and resources required to deliver those objectives at the required level of performance.

The strategic direction of the organisation is reviewed annually by Council each June. This review and others, relating to particular areas of activity, forms the basis for the detailed annual operational plans which are presented to Council each March and, once agreed with Defra, implemented in the following year.

FFB works closely with Defra and the devolved administrations, each of which is invited to be represented at the quarterly Council meetings as well as at quarterly performance review meetings with the Chief Executive and his Executive Management team. FFB operates in accordance with direction from Defra and is subject to regular formal review.

Events during the year

Defra reduced our core Grant-in-aid by 7.5% from £5.368m to £4.965m. This reduction was addressed by reducing activities that did not impact directly on our key targets and by drawing on the General Reserve to bridge the gap.

A full and formal tendering process of the International Network contracts was undertaken and the existing delivery partners were awarded five-year contracts commencing on 1st April 2007.

The Land and Buildings lease rent review was undertaken as at 1st April 2006 and resulted in an increased of the annual charge by £18k to £183k.

On 29th March, FFB announced that it had been agreed that David McNair, Chief Executive & Accounting Officer, would take early retirement with effect from 25th May 2007. Further information is included in the Remuneration Report.

Financial review

Result for the year

The retained deficit for the year was £5.862m (2005-06: £5.690m).

The deficit of £5.862m is arrived at after net additional income of £245k (2005-06: income £274k) arising from the pension adjustment in respect of FRS17 (see Note 17)

The net additional income of £245k arising from FRS17 in the income and expenditure account is due to a difference of £61k (2005-06: £97k) between pension contributions of £304k (2005-06: £284k) and pension service costs of £243k (2005-06: £187k), and pension interest receivable of £184k (2005-06: £177k). The balance sheet has been enhanced by the inclusion of a pension asset of £337k (2005-06: £1,484k).

Significant variances against budget

The deficit for the year, prior to net additional income of £245k arising from the pension adjustment in respect of FRS17, being £6.107m was against an original budget deficit of £6.150m.

The difference of £43k is principally due to the payment in lieu of notice to the Chief Executive of £152k, additional surplus generated by Exhibitions and Events of £98k, additional bank interest generated of £26k and under spend of £55k in relation to International Network project funding.

How is FFB's Grant-in-aid spent?

A total of £2.466m (2005-06: £2.507m), relating to fees and project funding combined, was paid to the International Network, representing 41% (2005-06: 39%) of the total Grant-in-aid received.

A total of £1.252m (2005-06: £1.438m), has been spent on the promotion of Regional Food, representing 21% (2005-06: 23%), of total Grant-in-aid received.

A further 15% (2005-06: 12%), some £902k net (2005-06: £782k net), is applied to other core activities such as Exhibitions and Events, Fast Track, Research and Marketing Services, Development Markets, Client Development and Corporate Communications.

Staff costs, administrative costs and other costs account for the remaining £1.345m (2005-06: £1.641m), representing 23% (2005-06: 26%) of total Grant-in-aid received.

Going Concern

The balance sheet as at 31st March 2007 shows total reserves of £1,185k. This consisted of General Reserve £784k, Pension Reserve £337k and Government Grant Reserve of £64k.

The future financing of FFB's liabilities is accordingly to be met by future Grant-in-aid from Defra which is approved annually by Parliament. Such approval for amounts required for 2007-08 has already been given and there is no reason to believe that future approvals will not be forthcoming.

Having made appropriate enquiries and reviewed management reports, FFB's Council is satisfied that there exists a reasonable expectation that adequate resources exist for FFB to continue in operational existence for the foreseeable future. It has accordingly been considered appropriate to adopt a going concern basis for the preparation of these accounts.

Events since the Balance Sheet date

Defra have advised that following the Comprehensive Spending Review 2007, current levels of Grant-in-aid cannot be sustained and they will be exploring with FFB options for a significant, but phased reduction over the period 2008-09 to 2010-11. Early indications are that this could range from 25 per cent to 50 per cent of the existing levels of Grant-in-aid.

The Annual Report and Accounts have been authorised for issue by the Accounting Officer on 15th June 2007.

Disclosure of audit information to the Comptroller and Auditor General

So far as the Accounting Officer is aware, there is no relevant audit information of which the Comptroller and Auditor General is unaware. The Accounting Officer has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the Comptroller and Auditor General is aware of that information.

David McNair

David McNair

Chief Executive & Accounting Officer
24th May 2007

Remuneration Report

Membership of the Remuneration Committee

The Members of the Remuneration Committee are Non-executive Council Members appointed by the Council. It consists of a Chair and at least one other Council Member, plus the Chairman of Council. Membership at 31st March 2007 consisted of Vincent Craig (Chair), Timothy Bennett, Alan Hardie and Lady Jay (Sylvia) CBE.

Membership is reviewed every three years, or on termination of a Member's appointment. With the exception of the Chairman of Council, Members may serve on the Committee for a maximum of six consecutive years. The Chairman of Council will serve on the Committee for the duration of her appointment as Chairman of Council.

Policy on the remuneration of the Council and Chief Executive

The remuneration of the Chairman of Council is determined by Defra. The remuneration for 2006-07 was £50,730 per annum.

The remuneration of Council Members is determined by Defra. The remuneration for 2006-07 was £1,800 per annum, £900 of which is paid as a retainer, with the remaining £900 being paid pro-rata for each quarterly Council meeting attended.

The Chief Executive's salary and conditions of service are determined by the Chairman of Council, but take into account consultations with Defra (on behalf of the devolved administrations). The salary is reviewed annually with adjustments taking account of performance. The most recent review was in March 2007, when the annual salary of the Chief Executive was increased by 2.5 per cent with effect from 1st April 2007.

The remuneration for 2006-07 was £123,070 per annum.

The Committee considers all aspects of remuneration and determines the specific remuneration packages including service contracts, basic annual salaries, bonus schemes, pension contributions and benefits in kind for all FFB staff.

Methods used to assess whether performance conditions are met

The Committee considers and if appropriate approves the Chairman of Council's recommendations concerning the salary and incentive scheme for the Chief Executive on an annual basis. In order to achieve this, the Committee is provided with a report summarising public sector guidelines and a schedule detailing outturn against Defra approved targets.

On this basis the Remuneration Committee recommended a bonus for the Chief Executive for the year ended 31st March 2007 of £16,922.

Proportion of remuneration which is subject to performance conditions

None of the remuneration of any Council Member is subject to performance conditions.

The incentive scheme for the Chief Executive is restricted to a maximum of 15% of basic salary.

Pension arrangements

The Chief Executive's pension arrangements are the same as those for all other employees who are members of the FFB Retirement Benefits Scheme, which is a defined benefit scheme. Employer's contributions of 30% and employee contributions of 1.5% of gross salary were paid during the year (2005-06: 30% and 1.5% respectively).

Benefits in kind

The Chief Executive is entitled to a car allowance of £4,910 per annum. (2005-06: £4,910 per annum).

Remuneration of the Council and Chief Executive

This, together with information on accrued pension benefits (Chief Executive only) is detailed in Note 9c to the accounts.

Policy on duration of contracts and notice periods and termination payments

Ministers have the right to terminate the appointment of a Council Member for any of the reasons specified in the Agricultural Marketing Act 1983 (Schedule 1, paragraph 4(4)). Council Members may resign by notice given in writing to the Secretary of State or other Ministers if appropriate. No notice period is required and no termination payments apply.

The notice period for the Chief Executive is determined by Council. The Chief Executive's service contract is terminable by either party, and requires 12 months notice or payment in lieu of notice.

As a consequence of the early retirement of the Chief Executive on 25th May 2007, payment in lieu of notice amounts to £113,247. This payment attracts social security costs of £14,496. In addition to this an amount of £23,993 will be paid into the FFB Retirement Benefits Scheme. The total amount, £151,736, has been provided for as at 31st March 2007 and is included in Note 15.

David McNair

David McNair
Chief Executive & Accounting Officer
24th May 2007

Council Member/Chief Executive	Appointment	Completion
Lady Jay (Sylvia) CBE	1st January 2006	31st December 2008
David Baines	1st September 2000	31st August 2006
Timothy Bennett	1st June 2005	31st May 2008
John Bevington	11th December 2002	10th December 2008
Vincent Craig	2nd June 2002	1st June 2008
David Croisdale-Appleby	28th March 2003	27th March 2009
David Dobbin CBE	2nd December 2003	1st December 2009
Christine Dunn	11th December 2002	10th December 2008
Marie Francis OBE	28th March 2003	27th March 2009
C. Paul Grant MBE	1st January 2001	31st December 2006
Alan Hardie	1st June 2004	31st May 2010
Christine Lewis OBE	1st January 2001	30th September 2006
Carolyn Newman	1st September 2000	31st August 2006
Ian Martin	1st December 2006	30th November 2009
Julian Wild	1st December 2006	30th November 2009
David McNair	17th January 2000	25th May 2007

Statement of Accounting Officer's Responsibilities

Under the Agricultural Marketing Act 1983, as amended, the Ministers have directed FFB to prepare for each financial year a statement of accounts in the form and on the basis set out in the accounts direction. The accounts are prepared on an accrual basis and must give a true and fair view of the state of affairs of FFB and of its income and expenditure, recognised gains and losses and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- Observe the accounts direction issued by the Ministers, including the relevant accounting and disclosure requirements and apply suitable accounting policies on a consistent basis.
- Make judgements and estimates on a reasonable basis.
- State whether applicable accounting standards, as set out in the Government Financial Reporting Manual, have been followed, and disclose and explain any material departures in the accounts.
- Prepare the accounts on a going concern basis.

The Ministers have appointed David McNair Accounting Officer of FFB. The responsibilities of the Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding FFB's assets, are set out in the Accounting Officer's Memorandum, issued by HM Treasury and published in Government Accounting.

Statement of Council Members' Responsibilities

Council Members are required by the Agricultural Marketing Act 1983, and supplemental agreements, to prepare accounts for each financial year that give a true and fair view of the state of affairs of FFB at the end of that financial year and of the income and expenditure for that year.

In preparing the accounts, Council Members have adopted suitable accounting policies, which have been consistently applied and are supported by reasonable, prudent judgements and estimates and have complied with all applicable accounting standards and the directions of the Ministers, with the approval of HM Treasury in accordance with the Agricultural Marketing Act 1983, as amended.

Council Members are responsible for ensuring that FFB keeps proper accounting records, which disclose with reasonable accuracy at any time the financial position of FFB and for ensuring that the accounts comply with the directions given by the Ministers. In addition, Council Members are responsible for safeguarding the assets of FFB and for taking reasonable steps for the prevention and detection of fraud and other irregularities. FFB's Council is satisfied that appropriate control systems are in place within FFB's management to achieve these ends.

Statement on Internal Control

Scope of responsibility

As Accounting Officer, it is my responsibility to maintain a sound system of internal control that supports the achievement of FFB's policies, aims and objectives, safeguards the public funds and assets for which I am personally responsible and accords with the responsibilities assigned to me in Government Accounting. In addition, I am accountable to the Principal Accounting Officer of Defra, to enable her to discharge her overall responsibility for ensuring that FFB, as a Defra Non-Departmental Public Body, has adequate financial systems and procedures in place.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of FFB policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in FFB for the year ended 31st March 2007 and up to the date of approval of the Annual Report and Accounts, and accords with HM Treasury guidance.

The risk and control framework

Corporate governance Council

FFB is controlled by an independent Council appointed jointly by the Ministers. These appointments are undertaken in accordance with the Office of the Commissioner for Public Appointments (OCPA) and the code of best practice set out in the Nolan Committee's First Report on Standards in Public Life.

At 31st March 2007, FFB's Council consisted of 11 Members including the Chairman. Although this is below the minimum number of Members as required by the Agricultural Marketing Act 1983, paragraph 3 of Annex 1 of the Act provides for the Council to function when vacancies exist. Details of the composition of the Council are shown on page 27. The Council, through the Chairman, is available to any member of the public who wishes to pursue any complaint. Records of meetings, strategic plans, budgets, etc.

are available, subject to the protection of commercial confidentiality, from 4th Floor, Manning House, 22 Carlisle Place, London SW1P 1JA.

Council meets at least four times a year. Meetings are properly conducted and decisions properly made and recorded. Minutes are filed systematically and available for review. The details provide convincing evidence that the Council is advised satisfactorily, that it regularly discusses matters of key importance to FFB and that it reviews key documents such as the Corporate Plan, the Operational Plan, and the Budget and performance reports. Final approval of the Annual Report and Accounts is delegated to the Audit Committee.

Members of the Council have adopted a Code of Practice in regard to their behaviour. The Code adopted is that recommended by government for use by the Members of Non-Departmental Public Bodies and covers public service values, standards in public life, the role of Council Members, handling conflicts of interest, the personal liability of Council Members and the seven principles of public life.

Audit Committee

The Members of the Audit Committee are Non-executive Council Members appointed by the Council for the remaining duration of their Council term. It consists of a Chair, which must not be the Chairman of Council, and at least two other Council Members. Membership at 31st March 2007 consisted of David Croisdale-Appleby (Chair), John Bevington, Marie Francis OBE and Ian Martin.

Membership is reviewed every three years, or on termination of a Member's appointment. Members may serve on the Committee for a maximum of six consecutive years.

The Audit Committee meets at least three times a year and the Chair of the Audit Committee may convene additional meetings, as he/she deems necessary. During 2006-07 meetings were held in April, June, November and February.

The responsibilities of the Audit Committee are to receive reports on the Internal and External Auditors' findings of FFB's affairs, and to review internal accounting and financial procedures. Issues considered by the Audit Committee are covered in a continuous cycle of investigation in which some are reviewed annually and others less frequently, depending on their importance to the business and current circumstances.

The following key functions outline the role of the Audit Committee:

- Make recommendations to Council in respect of major decisions proposed by the Executive affecting FFB's risk profile or exposure.
- Monitor the management of fundamental and significant risks to reduce the likelihood and impact of adverse risk events occurring.
- Satisfy itself that the less significant risks are being actively managed, with the appropriate controls in place and working effectively.
- Annually review FFB's approach to risk management and approve changes or improvements to key elements of its processes and procedures.

During the year David Croisdale-Appleby (Chair) attended the 'Best Practice for Audit Committees in Government' conference and David Croisdale-Appleby (Chair) and Marie Francis OBE attended a Risk Management and Fraud Awareness workshop led by FFB's Head of Internal Audit.

Risk management and risk strategy

The Audit Committee has a fundamental role to play in the management of risk. Its role is to set the tone and influence the culture of risk management within FFB, which includes determining what types of risk are acceptable and which are not and determining the appropriate level of exposure for FFB as advised by the Chief Executive.

The following key principles outline FFB's approach to risk management and risk strategy:

- The Accounting Officer and the Executive propose, support and implement policies approved by the Audit Committee.
- Key risk indicators are identified and closely monitored in the organisation-wide Risk Register which is reviewed and updated quarterly by the Executive, with fundamental and significant risks being reported at each Audit Committee meeting.
- An open and receptive approach to solving risk problems is adopted by Risk Owners and Risk Managers.
- Risk Owners and Risk Managers are responsible for encouraging good risk management practice within their departments.

- FFB makes conservative and prudent recognition and disclosure of the financial and non-financial implications of risks.

The Audit Committee advises the Accounting Officer and Council on:

- The strategic processes for risk, control and governance and the Statement on Internal Control.
- The accounting policies, the accounts, and the Annual Report of FFB, levels of error identified, and management's Letter of Representation to the External Auditors.
- The planned activity, findings and all relevant reports by the Comptroller and Auditor General, Defra Internal Audit and Head of Internal Audit.
- The adequacy of management responses to issues identified in reports by Internal Audit. These are to Government Internal Audit Standards and include their independent opinion on the adequacy and effectiveness of the system of internal control together with recommendations for improvement (the Council believes that the resources of FFB will not currently sustain an in-house internal auditor and consequently outsource this function).
- The adequacy of management responses to issues in External Auditor's management letter.

Strategy and planning

The Corporate Plan forms the strategic framework for FFB's medium/long-term activities. The current Corporate Plan covers the period 1st April 2007 – 31st March 2010.

The plan sets out the organisation's key strategic objectives, together with an indication of the activities and resources required to deliver those objectives at the required level of performance. The strategic direction of the organisation is reviewed annually by Council each June. This review and others, relating to particular areas of activity, forms the basis for the detailed annual operational plans which are presented to Council each March and, once agreed with Defra, implemented in the following year.

FFB works closely with Defra and the devolved administrations, each of which is invited to be represented at the quarterly Council meetings as well as at quarterly performance review meetings with the Chief Executive and his Executive

Management team. FFB operates in accordance with direction from Defra and is subject to regular formal review.

In October each year, budget holders, in consultation with their Director, are required to forecast year end figures for their department and also draw up an Annual Budget for the coming year, with consideration towards the Corporate Plan. The figures are consolidated and year end forecasts are compared to the current year budget and also to the Annual Budget and Corporate Plan for the coming year. This is then discussed by the Executive and the Finance Manager and if necessary individual budget holders. The Annual Budget is submitted to Council at its March meeting for approval and individual budget holders are issued with their budgets for the coming year.

Performance management

Objectives and key targets are agreed within FFB's corporate and operational planning process. Defra determines the framework within which they are set so as to be consistent with Defra's Public Service Agreement.

A database of management information and accounting systems are in operation, which enables FFB to review in a timely and effective manner its financial and non-financial performance against the budgets and targets set out in the agreed Corporate Plan and Operational Plan.

At the end of the month following each quarter, FFB submits to Defra and the devolved administrations, a report of its performance against the targets in its Corporate Plan and Operational Plan. Quarterly meetings are held between FFB and officials to discuss progress against targets so as to ensure that Defra and devolved administrations are fully aware of all issues and have an input into direction and planning.

Staff work objectives are linked to the key and cascaded targets as outlined previously in the Management Commentary. For Risk Owners and Risk Managers, work objectives are also linked to the effective management of the risks assigned to those individuals.

Each month, budget holders are provided with a financial summary of their projects, which form part of the management accounts. The management accounts are prepared on a monthly basis and commentary is provided on each department. These are reviewed and discussed by the Finance Manager,

Finance Director and Chief Executive and any amendments made prior to them being issued to the Executive and Defra. They represent an integral part of the organisation's budgetary control and financial management and are presented to Council on a quarterly basis.

The performance targets are specific, measurable, achievable, relevant and time-limited. The setting of corporate bonus targets, which are stretch targets, across different areas of the organisation, ensures good performance throughout FFB.

Review of effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review is informed by the work of Internal Audit, the Executive Management Team within FFB who has responsibility for the development and maintenance of the internal control framework, and comments made by the External Auditors in their management letter and other reports. Internal Audit operates to Government Internal Audit Standards and produces reports including an annual report by the Head of Internal Audit giving an independent opinion on the adequacy and effectiveness of internal control in FFB.

I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Council and Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

David McNair

David McNair
Chief Executive & Accounting Officer
24th May 2007

The Certificate and Report of the Comptroller and Auditor General to the House of Commons and the Scottish Parliament

I certify that I have audited the accounts of Food from Britain for the year ended 31 March 2007 under Section 5 of the Agricultural Marketing Act 1983 as amended by the Government Resources and Accounts Act 2000 (Audit of Public Bodies) Order 2003. These comprise the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and Statement of Recognised Gains and Losses and the related notes. These accounts have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective responsibilities of the Council, Accounting Officer and auditor

The Council and Chief Executive as Accounting Officer are responsible for preparing the Annual Report, the Remuneration Report and the accounts in accordance with Section 5 of the Agricultural Marketing Act 1983 and HM Treasury directions made thereunder and for ensuring the regularity of financial transactions. These responsibilities are set out in the Statement of Council Members' Responsibilities and Statement of Accounting Officer's Responsibilities.

My responsibility is to audit the accounts and the part of the remuneration report to be audited in accordance with relevant legal and regulatory requirements, and with International Standards on Auditing (UK and Ireland).

I report to you my opinion as to whether the accounts give a true and fair view and whether the accounts and the part of the Remuneration Report to be audited have been properly prepared in accordance with Section 5 of the Agricultural Marketing Act 1983 and HM Treasury directions made thereunder. I report to you whether, in my opinion, certain information given in the Annual Report, which comprises the History and Statutory Background of Food from Britain, the basis of preparation of the accounts, the composition of the Food from Britain Council, the Management Commentary and the Remuneration Report is consistent with the accounts. I also report whether in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

In addition, I report to you if Food from Britain has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by HM Treasury regarding remuneration and other transactions is not disclosed.

I review whether the Statement on Internal Control reflects Food from Britain's compliance with HM Treasury's guidance, and I report if it does not. I am not required to consider whether this statement covers all risks and controls, or form an opinion on the effectiveness of Food from Britain's corporate governance procedures or its risk and control procedures.

I read the other information contained in the Annual Report and consider whether it is consistent with the audited accounts. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the accounts. My responsibilities do not extend to any other information.

Basis of audit opinion

I conducted my audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. My audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the accounts and the part of the Remuneration Report to be audited. It also includes an assessment of the significant estimates and judgments made by the Council and Accounting Officer in the preparation of the accounts, and of whether the accounting policies are most appropriate to Food from Britain's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the accounts and the part of the Remuneration Report to be audited are free from material misstatement, whether caused by fraud or error, and that in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the accounts and the part of the Remuneration Report to be audited.

Audit Opinion

In my opinion:

- the accounts give a true and fair view, in accordance with the Section 5 of the Agricultural Marketing Act 1983 and directions made thereunder by HM Treasury, of the state of Food from Britain's affairs as at 31 March 2007 and of its deficit for the year then ended;
- the accounts and the part of the Remuneration Report to be audited have been properly prepared in accordance with Section 5 of the Agricultural Marketing Act 1983 and HM Treasury directions made thereunder; and
- information given within the Annual Report, which comprises the History and Statutory Background of Food from Britain, the basis of preparation of the accounts, the composition of the Food from Britain Council, the Management Commentary and the Remuneration Report, is consistent with the accounts.

Audit Opinion on Regularity

In my opinion, in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Report

I have no observations to make on these accounts.



John Bourn

Comptroller and Auditor General
National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP
24th May 2007

Income and Expenditure Account

for the year ended 31st March 2007

	Note	2006-07 £	2005-06 as restated £
Income			
Exhibitions and Events	3	1,996,856	2,018,732
Other activities	7	705,560	673,245
Total income		2,702,416	2,691,977
Expenditure			
International Network	4	(2,466,413)	(2,506,704)
Exhibitions and Events	3	(2,011,903)	(1,978,148)
Regional Food Activity	5	(1,251,761)	(1,437,980)
Other activities	7	(1,591,927)	(1,495,350)
Operating expenditure		(7,322,004)	(7,418,182)
Staff costs	9	(811,189)	(616,473)
Administrative costs	10	(686,882)	(583,285)
Total expenditure		(8,820,075)	(8,617,940)
Net expenditure		(6,117,659)	(5,925,963)
Other finance income	8	272,815	249,856
Notional cost of capital		(70,520)	(79,975)
Net expenditure on ordinary activities before taxation		(5,915,364)	(5,756,082)
Taxation	11	(16,875)	(13,843)
Net expenditure on ordinary activities after taxation		(5,932,239)	(5,769,925)
Reversal of notional cost of capital		70,520	79,975
Retained deficit for the year		(5,861,719)	(5,689,950)

All income and expenditure relates to continuing operations.

Statement of Recognised Gains and Losses

Pension actuarial (loss)/gain	16	(1,392,195)	382,564
Capital Grant to purchase fixed assets	16	48,695	51,642
Depreciation and loss on disposals	16	(53,755)	(53,516)
Total		(1,397,255)	380,690

Following a change in accounting policy as described in Note 1, 2005-06 figures have been restated.

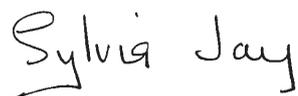
The notes on pages 17 to 26 form an integral part of the accounts.

Balance Sheet

as at 31st March 2007

	Note	£	2006-07 £	£	2005-06 £
Fixed assets					
Tangible assets	12		63,781		68,841
Current assets					
Debtors	13	423,819		397,315	
Cash at bank and in hand	19	1,626,826		1,675,290	
		2,050,645		2,072,605	
Current liabilities					
Amounts falling due within one year	14	(1,050,957)		(996,215)	
Net current assets			999,688		1,076,390
Pension asset	17		337,000		1,484,000
Provisions for liabilities and charges	15		(215,124)		(150,312)
Net total assets			1,185,345		2,478,919
Financed by					
General Reserve	16		784,564		926,078
Pension Reserve	16		337,000		1,484,000
Government Grant Reserve	16		63,781		68,841
			1,185,345		2,478,919

The accounts were approved by the Audit Committee on behalf of Council on 24th May 2007.
Signed on behalf of the Council



Lady Jay (Sylvia) CBE, Chairman



David McNair, Chief Executive and Accounting Officer

The notes on pages 17 to 26 form an integral part of the accounts.

Cash Flow Statement

for the year ended 31st March 2007

	Note	2006-07 £	2005-06 as restated £
Reconciliation of net expenditure to net cash outflow from operating activities:			
Net expenditure		(6,117,659)	(5,925,963)
Pension service costs		(61,195)	(97,436)
(Increase)/Decrease in debtors		(26,504)	135,230
Increase/(Decrease) in creditors		116,522	(393,707)
Net cash outflow from operating activities		(6,088,836)	(6,281,876)
Returns on investments and servicing of finance			
Interest received		88,815	72,856
Taxation			
Corporation tax paid		(13,843)	(15,137)
Financing			
Grant-in-aid from Defra	2	5,965,400	6,368,000
Transfer to liquid reserves		–	100,000
(Decrease)/Increase in cash		(48,464)	243,843
Reconciliation of net cash flow to movement in net funds:			
(Decrease)/Increase in cash		(48,464)	243,843
Transfer from liquid reserves		–	(100,000)
Net funds at 1st April		1,675,290	1,531,447
Net funds at 31st March	19	1,626,826	1,675,290

The notes on pages 17 to 26 form an integral part of the accounts.

Notes to the Accounts

1. ACCOUNTING POLICIES

Basis of accounting

These accounts have been prepared in the form directed by Defra, the Minister for Environment and Rural Development in Scotland, the Minister for Environment, Planning and Countryside for Wales and the Department for Agriculture and Rural Development in Northern Ireland ('the Ministers'), with the approval of HM Treasury in accordance with the Agricultural Marketing Act 1983, as amended. The accounts are prepared in accordance with generally accepted accounting practice in the United Kingdom (UK GAAP) and the Companies Act requirements, the disclosure and accounting requirements contained in HM Treasury's *Fees and Charges Guide*, and the accounting and disclosure requirements given in *Government Accounting* and in the *Financial Reporting Manual (FRM)*, insofar as these are appropriate to FFB and are in force for the financial year for which the accounts are prepared. The accounts are prepared under the historical cost convention. The financial effect of re-valuing fixed assets was considered to be immaterial and therefore they have been disclosed at their historical cost value.

Change of accounting policy

With effect from the 2006-07 reporting year the FRM requires NDPBs to account for grants and grant-in-aid received for revenue purposes as financing because they are regarded as contributions from a controlling party which gives rise to a financial interest in the residual interest of NDPBs. This is a change in accounting policy from earlier years when such items were recorded as income. The effect of this change on the certified 2005-06 accounts and the impact of the change on the results of the current year are shown below. Note there is no impact on the net liability position of FFB as a result of this change in policy.

FFB has also changed its accounting policy in year relating to the cost of capital charge as this is now charged on averaged net assets excluding liabilities. There is no effect of this change on the certified 2005-06 accounts's deficit, however the charge for 2005-06 and the subsequent reversal of cost of capital charge have both decreased to £79,975 from £92,023.

	At 31 March 2006 (as previously stated) £	Impact of adopting the new policy £	At 31 March 2006 (as restated) £
Retained surplus/(deficit) for 2005-06	678,050	(6,368,000)	(5,689,950)

	At 31 March 2007 (without applying the new policy) £	Impact of adopting the new policy £	At 31 March 2007 (applying the new policy) £
Retained surplus/(deficit) for 2006-07	103,681	(5,965,400)	(5,861,719)

Grant-in-aid and Grants

Grant-in-aid and Grant received used to finance activities and expenditure which support the statutory and other objectives of FFB are treated as financing, credited to the General Reserve, because they are regarded as contributions from a controlling party.

Grant relating to capital expenditure used to acquire specific capital items is credited to the Government Grant Reserve. It is released to expenditure over the expected useful life of the asset it has been used to acquire and an equal amount transferred from the Government Grant Reserve is released to match this expenditure.

Income recognition

All income is recognised net of VAT and trade discounts.

Income and expenditure account surplus

The present directive, issued by Defra in respect of receipts other than government grants, stipulates that a surplus may only arise where actual cash receipts are in excess of budgeted cash receipts for any financial year. This surplus may be used to finance further expenditure or be credited to the General Reserve for use in subsequent financial years.

Depreciation

Depreciation is provided against tangible fixed assets on a straight-line basis at rates calculated to write off the cost, less estimated residual value, over the expected useful life of the asset at the following annual rates:

Fixtures and fittings	20%
Office equipment	20%
Computer equipment	33%
Motor vehicle	25%

Leased assets

Rental costs under operating leases are charged to the Income and Expenditure Account in equal amounts over the term of the lease.

Notes to the Accounts

Pension costs

FFB operates a defined benefit pension scheme for all employees, whereby pensions are provided through a contracted out final salary scheme invested with and administered by Clerical Medical. The pension charge for the year has been calculated by an independent qualified actuary in accordance with FRS17, as explained further in Note 17.

Foreign exchange

Transactions in foreign currencies are translated into sterling at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the Balance Sheet date are translated at the rates ruling at that date. Translation differences are dealt with through the Income and Expenditure Account.

Liquid reserves

All liquid reserves are in the form of cash and deposits repayable on demand with any financial institutions.

Financial instruments

FFB has no borrowings and relies primarily on Defra grants for its cash requirements and is therefore not exposed to liquidity risks. All material assets and liabilities are denominated in sterling so it is not exposed to currency risk.

Cost of capital

The cost of capital represents the opportunity cost to the Exchequer of assets used by FFB and is calculated at HM Treasury's set rate of 3.5% (2005-06: 3.5%) on averaged net total assets excluding provisions.

	2006-07 £	2005-06 £
2. GOVERNMENT GRANTS		
Grant-in-aid from Defra (Note 5)	4,965,400	5,368,000
Additional Grant-in-aid funding from Defra for Regional Food Activity (Note 5)	1,000,000	1,000,000
Total	5,965,400	6,368,000

3. EXHIBITIONS AND EVENTS

FFB provides a comprehensive exhibition programme offering a diverse range of events for UK exporters in both established and developing markets. FFB obtains financial support in the form of SESA grants for exhibitors from UK Trade and Investment (UKTI) where possible and itself receives a management fee.

	2006-07 £	2005-06 £
Grants receivable from UKTI for exhibitors	270,000	351,004
Grants receivable from UKTI for FFB	80,000	62,100
Total grant income from UKTI	350,000	413,104
Income from exhibitors and delegates	1,646,856	1,605,628
Total income	1,996,856	2,018,732
UKTI grants payable to exhibitors	270,000	351,004
Staff costs allocated (Note 9)	209,223	206,198
Other costs	1,532,680	1,420,946
Total expenditure	2,011,903	1,978,148

4. INTERNATIONAL NETWORK

FFB operates in the major export markets through carefully selected partners who carry the FFB name and provide expertise and a centre of excellence available to UK exporters or potential exporters. Under the terms of the five-year contracts in place from 1st April 2002, each office is paid a fee by FFB to cover an agreed level of management resourcing.

The services of the offices are available to FFB clients on a commercial basis and the offices earn consultancy revenue. In addition, each office submits proposals to FFB for funding in support of specific projects designed to promote UK exports in the markets concerned. In order to receive funding, the offices are usually required to demonstrate matched funding from third parties.

These offices are not consolidated in the accounts in line with the requirements of the FReM as FFB do not exercise budgetary control over these offices.

	2006-07 Fees £	2006-07 Projects £	2006-07 Total £	2005-06 Total £
Total fees and project funding paid to the International Network				
Belgium	170,000	92,256	262,256	264,939
France	225,000	124,532	349,532	350,522
Germany/Switzerland/Austria	225,000	108,622	333,622	337,306
Italy	170,000	130,994	300,994	298,879
The Netherlands	170,000	161,985	331,985	369,653
Nordic	170,000	92,744	262,744	252,250
North America	200,000	65,235	265,235	278,067
Portugal	50,000	23,732	73,732	77,831
Spain	170,000	116,313	286,313	277,257
Total	1,550,000	916,413	2,466,413	2,506,704

5. REGIONAL FOOD ACTIVITY

As part of the government's Strategy for Sustainable Farming and Food, Defra granted FFB additional funding of £1m per annum for a minimum of three years commencing 2003-04. Following an evaluation of the strategy during 2005-06, this was extended for a further two years, again with additional funding of £1m in each year. This additional funding enables FFB to deliver key growth targets for the sector developed from the government's strategy for regional food and drink designed to encourage and develop a flourishing, high-quality regional foods sector in England. This funding is in addition to continuing Grant-in-aid of £240k (2005-06: £260k) to support activity across the UK, giving total funding of regional food activity amounting to £1.24m (2005-06: £1.26m). Expenditure during the year amounted to £1.25m (2005-06: £1.44m).

6. FAST TRACK

Fast Track is the membership arm of FFB and provides a range of benefits to help companies develop food and drink export business. At 31st March 2007, there were 170 members (2006: 173), of whom 47 members (2006: 48) joined during the year. Subscriptions from members amounted to £222.5k (2005-06: £232.1k) as included in Note 7 below. In addition to the expenditure included in Note 7 below, Fast Track members also receive Preliminary Market Assessments, the cost of providing which form part of the contracted fee with the International Network, as included in Note 4 above.

	2006-07 Income £	2006-07 Expenditure £	2006-07 Net £	2005-06 Net £
7. OTHER ACTIVITIES				
Fast Track (Note 6)	222,500	(123,069)	99,431	136,940
Research and Marketing Services	361,085	(414,505)	(53,420)	(87,156)
Development Markets	121,975	(395,624)	(273,649)	(292,557)
Client Development	–	(374,359)	(374,359)	(354,018)
Corporate Communications	–	(284,370)	(284,370)	(225,314)
Total	705,560	(1,591,927)	(886,367)	(822,105)

	2006-07 £	2005-06 £
8. OTHER FINANCE INCOME		
Bank interest receivable	88,815	72,856
Pension fund interest receivable (Note 17)	184,000	177,000
Total	272,815	249,856

Notes to the Accounts

	2006-07 £	2005-06 £
9. STAFF COSTS		
Council Members' remuneration (Note 9b)	73,455	75,105
Staff salaries including bonus payments and payment in lieu of notice*	1,362,220	1,112,142
Social Security costs	121,533	107,577
Pension service costs (Note 17)	243,000	187,000
Total	1,800,208	1,481,824

*Includes payment in lieu of notice for the Chief Executive of £151,736 (2005-06 £nil) details of which are included in the Remuneration Report.

In pursuance of activity-based costing, staff costs have been allocated to activities as follows:

	2006-07 £	2005-06 £
Exhibitions and Events	209,223	206,198
Development Markets	134,126	142,215
Research and Marketing Services	140,452	126,178
Fast Track	27,893	18,003
Client Development	181,175	122,733
Corporate Communications	80,577	72,737
Regional Food Activity	215,573	177,287
Allocated to operating expenditure	989,019	865,351
Council	79,303	88,760
Chief Executive's Office	382,377	214,556
Finance & Administration	292,139	272,245
International Office Management	57,370	40,912
Allocated as overhead expenditure	811,189	616,473
Grand total	1,800,208	1,481,824
(a) The average number of employees and Council Members during the year was	2006-07	2005-06
Employees	28	26
Council Members	12	15
Total	40	41

	2006-07 £	2005-06 £
(b) Council Members' remuneration		
Lady Jay (Sylvia) CBE	50,730	14,032
Gordon Summerfield CBE	–	38,048
David Baines (appointment completed August 2006)	600	1,575
Timothy Bennett	1,800	975
John Bevington	2,025	1,800
Vincent Craig	2,700	2,250
David Croisdale-Appleby	2,250	1,575
David Dobbin CBE	1,800	1,800
Christine Dunn	2,025	1,800
Marie Francis OBE	2,250	1,575
Stuart Gates	–	1,125
C. Paul Grant MBE (appointment completed December 2006)	1,350	2,700
Alan Hardie	2,250	1,800
Christine Lewis OBE (appointment completed September 2006)	1,350	2,250
Ian Martin (appointed December 2006)	975	–
Carolyn Newman (appointment completed August 2006)	600	1,800
Julian Wild (appointed December 2006)	750	–
Total	73,455	75,105

(c) Directors' remuneration

The emoluments of the Directors, none of whom is a Council Member, were as follows:

Year to 31st March 2007	Salary £	Bonus £	Car allowance £	Benefit in kind – motor vehicle £	Payment in lieu of notice £	2006-07 Total £	2005-06 Total £
David McNair	123,070	16,922	4,910	–	113,247	258,149	136,452
Anne Kynaston	60,392	6,341	–	–	–	66,733	64,185
Charlotte Lawson	71,772	7,536	–	–	–	79,308	76,280
Simon Waring	83,805	8,800	–	7,236	–	99,841	96,304
Total	339,039	39,599	4,910	7,236	113,247	504,031	373,221

Further details regarding the payment in lieu of notice to David McNair are included in the Remuneration Report.

Bonus payments arise from achieving a set of corporate objectives agreed with the Remuneration Committee and with Defra.

	Increase in accrued pension for year to 31st March 2007	Accrued annual pension entitlement at 31st March 2007
(d) Directors' pensions		
David McNair	1,244	13,630
Anne Kynaston	1,108	4,026
Charlotte Lawson	1,580	12,560
Simon Waring	2,144	23,511

These pension arrangements are the same as those for all other employees who are members of the scheme. The total accrued pension shown above is that which would be paid annually on retirement based on service to March 2007. The increase in accrued pension during the year excludes any increase for inflation. Employer's contributions of 30% and employee contributions of 1.5% of gross salary were paid during the year (2005-06: 30% and 1.5% respectively). Until March 2006, members of the scheme had the option to pay

Notes to the Accounts

Additional Voluntary Contributions. No benefits arising from those contributions or from amounts transferred into the scheme are included in the above table.

	2006-07 £	2005-06 (as restated) £
10. ADMINISTRATIVE COSTS		
Include the following:		
Auditors' remuneration – for audit services	17,000	15,000
Hire of office machinery	–	11,582
Other operating leases	183,177	165,177
Depreciation and loss on fixed assets	53,755	53,516
Release from Government Grant Reserve	(53,755)	(53,516)
Net exchange losses	3,051	2,644

The subcontractors to the External Auditor received payments of £nil (2005-06: £8,215) for non-audit services.

	2006-07 £	2005-06 £
11. TAXATION		
Corporation tax on interest received @19%	16,875	13,843
Taxation for the current year	16,875	13,843

12. TANGIBLE FIXED ASSETS	Motor vehicle £	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
Cost					
At 1st April 2006	28,271	111,336	47,442	170,595	357,644
Additions	–	15,715	12,861	20,119	48,695
Disposals	–	–	(13,934)	(31,900)	(45,834)
At 31st March 2007	28,271	127,051	46,369	158,814	360,505
Depreciation					
At 1st April 2006	28,271	90,674	45,711	124,147	288,803
Charge for the period	–	13,275	3,715	36,765	53,755
Disposals	–	–	(13,934)	(31,900)	(45,834)
At 31st March 2007	28,271	103,949	35,492	129,012	296,724
Net book value					
At 31st March 2007	–	23,102	10,877	29,802	63,781
At 31st March 2006	–	20,662	1,731	46,448	68,841

Disposals of fixed assets acquired with Grant-in-aid

Fixed assets with a net book value of £nil (2005-06: £759) were disposed of during the year for a total consideration of £nil (2005-06: £nil). These amounts have been released from the Government Grant Reserve (Note 16).

	2006-07 £	2005-06 £
13. DEBTORS		
Trade debtors	236,884	209,608
Other debtors	21,859	32,839
Prepayments and accrued income	165,076	154,868
Total	423,819	397,315

14. CREDITORS

	2006-07 £	2005-06 £
Trade creditors	436,324	410,222
Corporation Tax	16,875	13,843
Other creditors	1,108	1,171
Accruals and deferred income	596,650	570,979
Total	1,050,957	996,215

15. PROVISIONS FOR LIABILITIES AND CHARGES

	ACPs £	Other £	2006-07 Total £
As at 1st April	150,312	–	150,312
Liability discharged in year	(87,118)	–	(87,118)
Increase in provision	194	151,736	151,930
As at 31st March	63,388	151,736	215,124

Annual Compensation Payments

Under FFB's previous terms and conditions of employment, certain personnel who were made redundant in 1989 and 1990 were eligible for Annual Compensation Payments (ACPs) up to their normal retirement age. These payments are increased each year to reflect movements in the Retail Price Index. Based on current levels of payment and inflation expectations, there is an estimated maximum future liability of £63,388, of which £41,038 falls due within one year.

Other

As a consequence of the early retirement of the Chief Executive on 25th May 2007, payment in lieu of notice amounts to £113,247. This payment attracts social security costs of £14,496. In addition to this an amount of £23,993 will be paid into the FFB Retirement Benefits Scheme. The total amount, £151,736, has been provided for as at 31st March 2007.

16. MOVEMENT ON RESERVES

	General Reserve £	Pension Reserve £	Government Grant Reserve £	2006-07 Total £
As at 1st April	926,078	1,484,000	68,841	2,478,919
(Deficit)/surplus for the year	(6,106,914)	245,195	–	(5,861,719)
Grant-in-aid received towards resource expenditure	5,965,400	–	–	5,965,400
Capital grant received towards purchase of fixed assets	–	–	48,695	48,695
Release to income and expenditure account to reflect in year depreciation of assets purchased by capital grant	–	–	(53,755)	(53,755)
Pension actuarial loss	–	(1,392,195)	–	(1,392,195)
As at 31st March	784,564	337,000	63,781	1,185,345

Gains and losses on Government Grant Reserve as well as pension actuarial adjustments have been recognised in the Statement of Recognised Gains and Losses.

Notes to the Accounts

17. PENSION COMMITMENTS

All employees are entitled to membership of the FFB Retirement Benefits Scheme, which is a defined benefit scheme. The Scheme is a funded scheme and the assets of the Scheme are held in trust, separated from those of FFB. Scheme assets are invested in the Clerical Medical Balanced Fund, and invested directly on the advice of independent professional investment managers. Pension costs are assessed on the advice of an independent qualified actuary using the projected unit cost method and the following main assumptions:

	% p.a.
a) inflation	3.00
b) investment return on the Fund, net of expenses	7.10
c) rate of increase in members' salaries	6.00
d) interest rate applying in retirement	4.75
e) rate of increase for pensions in payment and deferred pensions	3.00
f) rate used to discount scheme liabilities	7.10

The most recent full actuarial valuation of the Scheme was undertaken as at 1st April 2004 and received in February 2005. This showed that the value of the Scheme's assets amounted to £7.36m, representing 86% of the value of the benefits which had accrued to members, after allowing for projected future increases in salaries. Employer contributions at 30% of pensionable salaries and employee contributions at 1.5% of pensionable salaries were in force throughout the year. Total employer contributions paid in the year were £304k (2005-06: £284k).

FRS17 Retirement Benefits

The valuation used for FRS17 disclosure has been based on the most recent actuarial valuation at 1st April 2004, updated by an independent qualified actuary to take account of the requirements of FRS17 in order to assess the liabilities of the scheme at 31st March 2007. The assumptions made for calculating the liabilities as at 31st March 2006 and 2007 were as follows:

	31st March 2007	31st March 2006
Inflation	3.2%	2.5%
Salary escalation	5.2%	4.5%
Increases to pensions in payment		
Where subject to Pension Increase Review Order	3.2%	2.5%
Where subject to Pension Increase Review Order, minimum 3%	3.3%	3.3%
Statutory revaluation in deferment	3.2%	2.5%
Discount rate (pre and post retirement)	5.3%	5.3%

The following figures have been rounded to the nearest £'000.

The fair value of the assets at 31st March 2006 and 31st March 2007 and the expected rate of return for each category of assets are as follows:

	£	31st March 2007	£	31st March 2006
Equities	8,234,000	7.7%	8,059,000	7.0%
Property	114,000	7.8%	100,000	7.4%
Bonds	1,029,000	4.5%	1,081,000	3.9%
Cash and other net assets	1,935,000	4.3%	1,472,000	3.9%
Market value of scheme assets	11,312,000		10,712,000	
Present value of scheme liabilities	(10,975,000)		(9,228,000)	
Implied surplus in the scheme	337,000		1,484,000	

FFB has purchased annuities in prior years which wholly or very substantially match the associated pension scheme liabilities as such and, as agreed with our actuary, these have been excluded from the market value of scheme assets and present value of scheme liabilities as noted above.

Statement of Recognised Gains and Losses

The amount recognised in the Statement of Recognised Gains and Losses can be analysed as follows:

	31st March 2007	31st March 2006	31st March 2005	31st March 2004	31st March 2003
Actual return less expected return on pension scheme assets	(109,000)	1,396,000	240,000	887,000	(2,632,000)
Percentage of the scheme assets	(1.0)%	13.0%	2.8%	12.1%	(42.7)%
Experience gains and losses arising on the scheme liabilities	9,000	103,000	(32,000)	96,000	31,000
Percentage of the scheme liabilities	0.1%	1.1%	(0.4)%	1.4%	0.4%
Changes in assumptions underlying the present value of the scheme liabilities	(1,292,000)	(1,116,000)	(475,000)	1,337,000	(581,000)
Percentage of the scheme liabilities	(11.8)%	(12.1)%	(6.1)%	19.7%	(7.5)%
Actuarial (loss)/gain recognised in Statement of Recognised Gains and Losses	(1,392,000)	383,000	(267,000)	2,320,000	(3,182,000)
Percentage of the scheme liabilities	(12.7)%	4.2%	(3.4)%	34.2%	(40.7)%

The movement in surplus during the year is as follows (unless otherwise specified, the figures calculated are based on the assumptions as at the beginning of the year):

	31st March 2007 £	31st March 2006 £
Surplus in scheme at beginning of year	1,484,000	827,000
Movement in year:		
Current service cost	(243,000)	(187,000)
Contributions	304,000	284,000
Past service costs	–	–
Settlements and curtailments	–	–
Other finance income	184,000	177,000
Actuarial (loss)/gain	(1,392,000)	383,000
Surplus in scheme at end of year	337,000	1,484,000

The decrease in the net pension surplus calculated under FRS17 is principally attributable to an increase in the present value of scheme liabilities.

18. FINANCIAL COMMITMENTS

At 31st March 2007, FFB had annual commitments as set out below:

	Land and Buildings £	Other £	2006-07 Total £	2005-06 (as restated) Total £
Within 1 year	190,000	1,410,000	1,600,000	1,722,000
Within 2 to 5 years	–	5,640,000	5,640,000	172,000
Over 5 years	–	–	–	–
Total	190,000	7,050,000	7,240,000	1,894,000

The Land and Buildings lease has a first break clause on 24th March 2008.

Notes to the Accounts

19. MOVEMENT IN NET FUNDS

	At 1st April 2006 £	Cash flow £	At 31st March 2007 £
Cash at bank and in hand	275,290	(48,464)	226,826
Money on deposit	1,400,000	–	1,400,000
Total	1,675,290	(48,464)	1,626,826

20. RELATED PARTY TRANSACTIONS

FFB has entered into the following transactions with entities that its Directors believe to be related parties:

1. Grant-in-aid has been received from Defra as disclosed in Note 2. The balance outstanding at the year end was £nil (2006: £nil).

Capital Grants of £48,695 (2005-06: £51,642) have also been received from Defra for the purchase of fixed assets. The balance outstanding at the year end was £nil (2006: £nil).

Project income of £13,581 (2005-06: £44,962) was payable during the year. The balance outstanding at the year end was £nil (2006: £6,293).

2. During the year, grants totalling £1,550,000, (2005-06: £1,550,000) were paid to cover management resourcing of the International Network. Details of project funding provided to these offices are included in Note 4. The net balance due to these offices at the year-end totalled £327,986 (2005: £275,805).

3. Project income was received during the year from the following:

Dairy UK Director, David Dobbin CBE, was a Member of the FFB Council during the year. The amount receivable in the year was £1,800 (2005-06: £nil) and the balance outstanding at the year end was £nil (2006: £nil).

East of England Development Agency food and farming champion, Marie Francis OBE, was a Member of the FFB Council during the year. The amount receivable in the year was £15,500 (2005-06: £nil) and the balance outstanding at the year end was £15,500 (2006: £nil).

Honeytop Speciality Foods Limited Chairman, Ian Martin, was a Member of the FFB Council during the year. The amount receivable in the year was £5,016 (2005-06: £nil) and the balance outstanding at the year end was £nil (2006: £nil).

Mackays Limited Managing Director, Conrad Paul Grant MBE, was a Member of the FFB Council during the year. The amount receivable in the year was £9,007 (2005-06: £7,431) and the balance outstanding at the year end was £nil (2006: £nil).

Paterson Arran Managing Director, Alan Hardie, was a Member of the FFB Council during the year. The amount receivable in the year was £16,728 (2005-06: £9,467) and the balance outstanding at the year end was £nil (2006: £353).

21. POST BALANCE SHEET EVENTS

Details of events since the Balance Sheet date are included within the Management Commentary on page 8.

FFB Council

Chairman	Lady Jay (Sylvia) CBE	
Members	David Baines Timothy Bennett John Bevington Vincent Craig David Croisdale-Appleby David Dobbin CBE Christine Dunn Marie Francis OBE C. Paul Grant MBE Alan Hardie Christine Lewis OBE Ian Martin Carolyn Newman Julian Wild	Appointment completed 31st August 2006 Appointment completed 31st December 2006 Appointment completed 30th September 2006 Appointed 1st December 2006 Appointment completed 31st August 2006 Appointed 1st December 2006
Audit Committee		
Chair	David Croisdale-Appleby Christine Lewis OBE	Appointed Chair 1st October 2006 Appointment completed 30th September 2006
Members	John Bevington Marie Francis OBE Ian Martin	 Appointed 6th March 2007
Remuneration Committee		
Chair	Vincent Craig	
Members	Timothy Bennett C. Paul Grant MBE Alan Hardie Lady Jay (Sylvia) CBE	Appointment completed 31st December 2006 Appointed 1st January 2007

Directorate

Chief Executive	David McNair
Marketing & International Management Director	Simon Waring
Business & UK Services Director	Charlotte Lawson
Finance & Administration Director	Anne Kynaston

Our International Services

FFB's International Network helps UK companies identify, win and grow business in 34 markets across the globe. The markets covered by FFB accounted for 86% of UK food and drink exports in 2006.

Each International Office is led by an experienced Managing Director, supported by teams of consultants with the appropriate trade experience and technical skills to assist UK exporters.

Managing Directors, FFB International Offices

Marketing & International Management Director	Simon Waring
Belgium	Philip Horemans
France	Dominique Mine
Germany, Switzerland, Austria	Patricia Czerniak
Italy	Sauro Musiani
The Netherlands	Pim Haasdijk
Nordic	Jakob True
North America	David Wilson
Portugal	Luis Garcia
Spain	Guillermo Alvarez de Lorenzana

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