



ANNUAL REPORT 2003

Incorporating Financial Statements for 2002 & 2003

Contents

Mission Statement ²

Chairman's Message ⁴

Chief Executive's Statement ⁵

safefood - Organisational Overview ⁸

Science and Technical Directorate 8

Marketing and Communications Directorate 10

Activities Review ¹¹

Scientific and Technical 11

Marketing and Communications 15

Planning and Resources 18

Appendices ²⁰

Advisory Board 20

Scientific Advisory Committee 21

Scientific Publications 22

Research Projects 23

Financial Statements for the year ended 31 December 2002 ²⁵

Foreword to the Accounts 26

Statement of Responsibilities 28

Statement on the System of Internal Financial Control 29

Certificate and Report of the Comptrollers and Auditors General 30

Income and Expenditure Account 31

Balance Sheet 32

Cash Flow Statement 33

Notes to the Accounts 34

Appendix 1 - Accounts Direction 41

Financial Statements for the year ended 31 December 2003 ⁴³

Foreword to the Accounts 44

Statement of Responsibilities 46

Statement on the System of Internal Financial Control 47

Certificate and Report of the Comptrollers and Auditors General 48

Income and Expenditure Account 49

Balance Sheet 50

Cash Flow Statement 51

Notes to the Accounts 52

Appendix 1 - Accounts Direction 59

Mission Statement

To protect and improve public health, by fostering and maintaining confidence in the food supply on the island of Ireland, in partnership with others.

Chairman's Message



2003 saw safefood reinforce its credibility, throughout the island of Ireland with its stakeholders, through a proactive programme of communication and collaboration.

As Chairman of the Advisory Board I have been greatly encouraged by the dedication and expertise of our Chief Executive and his team in keeping food safety and healthy eating at the top of the public agenda. Our in-house team is complemented by an advisory structure with a broad range of skills and this structure has contributed in no small way to the sustained progress of **safefood**. I am particularly indebted to my colleagues on the Advisory Board, five of whom were appointed for their first term in 2003, for their generosity and support. We are also fortunate in having the assistance of the Scientific Advisory Committee, comprising top level experts in the various disciplines that are key to our work. This expert group of volunteers has contributed in great measure to the scientific esteem now enjoyed by **safefood**.

Fundamental to our work is partnership, and we have aimed to facilitate co-operation and act as a catalyst for best practice across the broad range of our legislative remit. Our goal is to influence behaviour in the interests of public health by first raising awareness and changing attitudes. Effective communication is the key here, but we must ensure that our messages are based on sound science. The dynamic nature of food borne disease and the major public health threat posed by unhealthy diets create challenges in the year ahead. I am confident that **safefood** will continue to do its part to address these challenges.

On a personal level, I see this organisation as a very practical example of North-South co-operation, a major contributor to peace and reconciliation and serving the interests of all the people of this island.

A handwritten signature in black ink that reads "Bertie Kerr". The signature is written in a cursive style and is underlined with a single horizontal line.

Bertie Kerr
Chairman

Chief Executive's Statement



This is the third annual report to be published by safefood and it gives a detailed account of our activities during the year ended 31 December 2003 - a year of continued steady progress and development for our organisation.

2003 saw the appointment of a new Advisory Board with five new members, including Professor Charles Daly as Vice-Chairman. We were delighted that our Chair, Councillor Bertie Kerr, was appointed for a second term and under his expert leadership the Board contributed significantly in guiding the work of our organisation.

Our three directorates – Scientific and Technical, Marketing and Communications, and Planning and Resources continued to develop with a clear focus on maintaining and improving public health on the island of Ireland in partnership with our stakeholders.

For our Scientific and Technical Directorate, the past year has been very productive. Under our laboratory activities remit a review of the strategic development of public health service laboratory services commenced in the south at the beginning of 2003 at the request of the Department of Health and Children, covering all Health Board Food Control Laboratories (Public Health, Food Microbiology and Public Analysts), with **safefood** acting as the Secretariat. Under this project a very successful one-day laboratory forum took place in Dublin in July. A final report on this review was nearing completion by year-end.

Collaborative laboratory action programmes continued during the year, including the development and validation of a rapid molecular detection method for bacteria in food. This reduced turnaround times from five days to 24 hours. Another all-island programme focused on the detection of dioxins in food and foodstuffs and was conducted between public analysts on both sides of the border, while the Belfast and Sligo public health laboratories developed an enhanced testing regime for *cryptosporidium parvum* in selected foods.

The Scientific and Technical Directorate's work on laboratory-focused Training & Mobility Programme was a major catalyst in encouraging staff interaction and technology transfer. This programme continued throughout the year and resulted in a large volume of useful cross-border exchanges and visits, involving laboratories such as public analyst's, food microbiology, marine and Departments of Agriculture, north and south.

Significant progress was made in developing access to laboratory results and food surveillance data, working closely with those responsible for creating the Scottish Food Surveillance System. Also under the heading of surveillance, working groups were set up to examine *E.coli* O157 and brucellosis, viewing the island of Ireland as a single epidemiological unit.

Research again formed a critical element of our work in the past year, with regular calls for submissions made throughout the period under review. A number of research fellowships were awarded, while high-profile research seminars were held in centres throughout the island of Ireland.

The Scientific Advisory Committee (SAC) met three times during the year. The meeting in Belfast in April concentrated on the identification of potential food safety and nutrition issues, while reports were

received from several working groups previously set up by the SAC. In Cork in September the issues discussed included the recommendations in the FSAI report entitled “Control of *Campylobacter* Species in the Food Chain”, a draft report on temperature guidelines and an update on *Mycobacterium Avium Paratuberculosis* (MAP) activities. The final meeting in December in Dublin focused on the promotion of food to children.

We remain indebted to the SAC, under the chairmanship of Professor Sean Strain, for their advice and guidance on the scientific and technical aspects of our work.

We have always recognised that, in order to develop appropriate mechanisms for effective harmonised working methods, we need to maintain continuous liaison with other food safety agencies. A joint meeting took place in May and paved the way for the creation of invaluable synergies and enhanced levels of co-operation in the years ahead. A meeting with the central enforcement agencies offered us the opportunity to indicate our interest in participating at European level.

Other Science and Technical achievements during the year included preparations for the publication of the second edition of the Directory of Food Safety Laboratory Services, involving over 100 laboratories, with an edition also being placed on the **safefood** website. Good progress was made in contributing to an improvement in standards in food labelling, while a report, part-funded by **safefood**, based on an all-island telephone survey on gastroenteritis was launched in September. The same month also saw the launch of the Hazard Analysis Critical Control Point (HACCP) guidelines for the catering industry.

Conferences and workshops also played a significant role in strengthening our commitment to public health issues. In May we organised a major conference in Dublin in conjunction with Excellence Ireland, entitled Excellence in **safefood**, which addressed a wide range of issues of best practice. In June there was an Introductory Accreditation Workshop for Department of Agriculture Food Control Laboratories, aimed at attaining accreditation. In October we organised a series of regional workshops for accredited food control laboratories on the subject of internal auditing. These took place in Belfast, Dublin, Cork and Galway. The Healthy Cities conference was attended by **safefood** in October and an all-island Community Dietician conference took place in Monaghan in November.

Our Marketing and Communications activities during the year followed a comprehensive review of our existing resources at the end of 2002. Our new brand strategy guided our communications activities during the year, while a determined effort was made to integrate our communications activities with the output of our Scientific and Technical Directorate.

The new **safefood** consumer awareness campaign, featuring advertising and public relations elements was launched in April, themed around the publication of Dr. Declan J. Bolton’s **safefood**-sponsored studies on domestic and restaurant food hygiene. Initiatives included the organisation of conferences, the development of resources aimed at both primary and secondary schools, the development of a Stakeholder Development Executive to facilitate the management of emerging issues and opportunities more effectively across the organisation, the dissemination of regular editorial material to the news media and the monitoring of all media responses.

The National Hygiene Awards, an initiative of Excellence Ireland and sponsored by **safefood**, were presented in July and were very well received. The second wave of advertising activity was completed in mid-summer, focusing on outdoor eating, both barbecues and picnics. The publication of consumer tracking research results, such as the findings in relation to domestic refrigeration practices, along with participation in selected events such as the Balmoral Show added to our already high public profile, while expansion of our range of high-quality publications helped to communicate key messages and provide information to an ever-widening audience. Of particular importance was the all-island survey on gastroenteritis, as well as the distribution of an explanatory leaflet on food irradiation.

Syndicated articles on good domestic refrigeration management were disseminated to regional newspapers based on the key messages of ‘clean’, ‘chill’ and ‘separate’. Further public relations initiatives were planned to coincide with the new school year at both primary and secondary level. The Hands of Doom school musical drama

promotion aimed at younger children was a major highlight of the education programme.

A campaign associated with our laboratory collaboration programme was carried out, while our revamped and comprehensive website was launched in September. That month also saw our publicity drive aimed at reinforcing the importance of handwashing. A special TV commercial was produced for the year-end, concentrating on the refrigeration of leftovers at Christmas. A series of 13 public meetings were also held across the country to help reinforce key messages and our dedicated helpline provided added assistance in the dissemination of material.

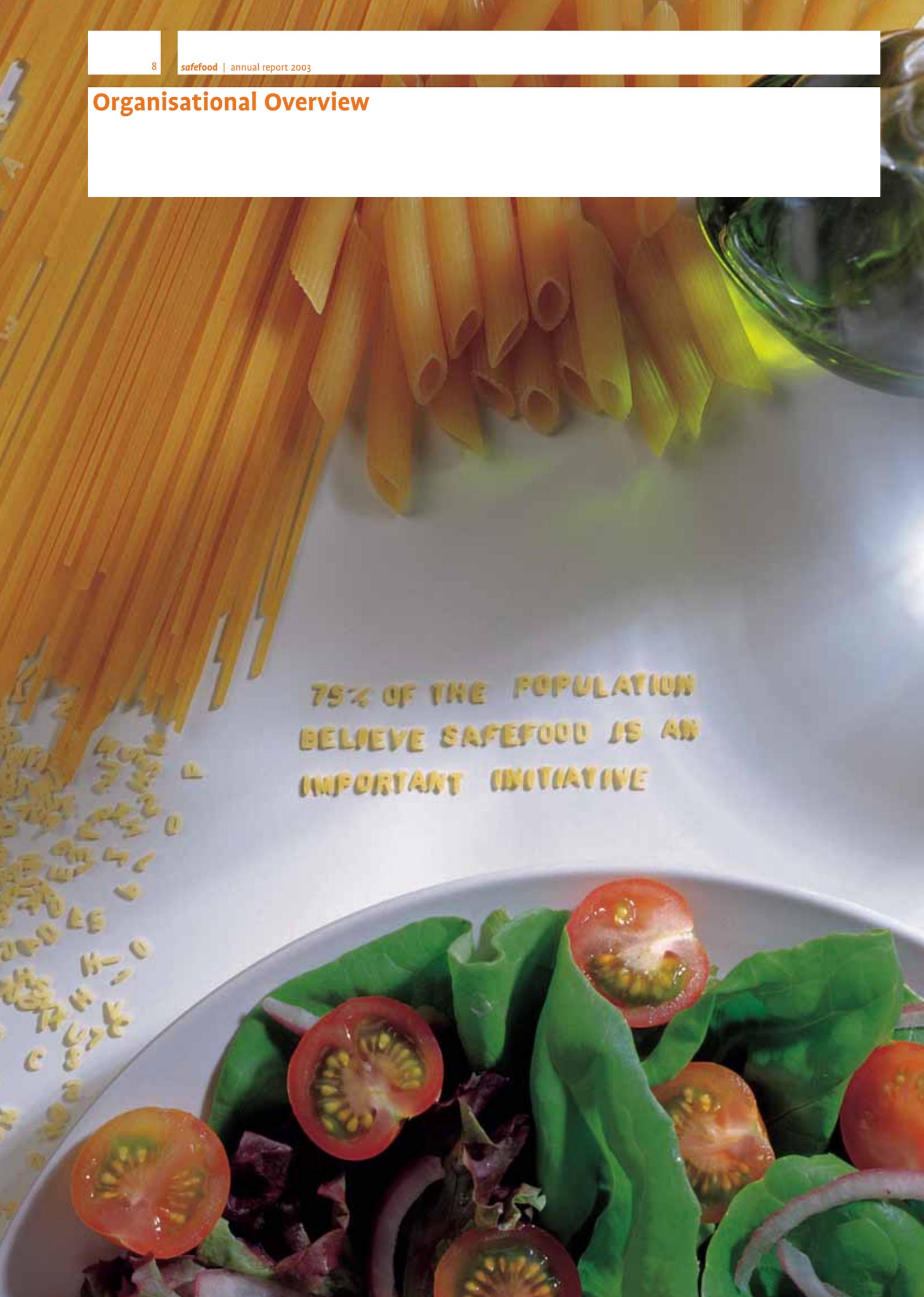
Our Planning and Resources Directorate further consolidated our human resources and IT needs as our operations bedded in. This Directorate also met all our statutory needs in compliance with our Financial Memorandum and Accounts Direction issued by the Department of Finance.

The sound advice and guidance of our Advisory Board and Scientific Advisory Committee, coupled with the dedication and expertise of our in-house team, saw **safefood** become a significant player on the food safety and public health landscape. This provides a stable platform for the organisation to continue to build its profile and to contribute to the achievement of our vision – an environment where consumers have confidence in the food they eat.

A handwritten signature in black ink, appearing to read 'Martin Higgins', with a long horizontal flourish extending to the right.

Martin Higgins
Chief Executive

Organisational Overview



75% OF THE POPULATION
BELIEVE SAFEFOOD IS AN
IMPORTANT INITIATIVE

safefood – the Food Safety Promotion Board comprises three directorates: Scientific and Technical, Marketing and Communications and Planning and Resources, each with a distinct yet complementary role. The triad structure ensures that **safefood** is adequately resourced and the necessary supports are in place to develop and implement the programmes that support its remit and the realisation of its mission.

SCIENTIFIC AND TECHNICAL DIRECTORATE

The Scientific and Technical Directorate provides the sound science upon which the Board's hygiene, safety and nutritional initiatives and responses are built. The Directorate works closely with the scientific advisory structures and promotes food safety at the professional and technical levels. The Directorate undertakes risk assessments and manages the research function, surveillance of foodborne disease, the promotion of scientific co-operation and linkages between laboratory and specialist laboratory services.

Food Safety Research

Through comprehensive research **safefood** promotes high quality multidisciplinary science of acknowledged international status. This research informs much of the Board's work providing the impartial scientific evidence, which underpins our work and the **safefood** messages. The food safety research specifically addresses gaps in scientific knowledge and helps in anticipating emerging problems. The Board's role is to identify priorities for research, to commission and fund the research and to establish a database of research activities through links with other bodies.

safefood also disseminates research findings and recommends action arising from these findings. A critical success factor in ensuring that research funding is effectively applied is the development of a competitive funding programme with international evaluation. Sixteen projects have already been commissioned.

Communication of Food Alerts

Rapid dissemination of accurate information is key to the management of food alerts. Responses to emergencies require action most often from a variety of enforcement agencies, health boards, government departments and industry as well as the public. **safefood** has the responsibility to ensure prompt and accurate dissemination of food alerts. The Board encourages rapid and reasonable disclosure of food

problems and is working with enforcement agencies, health boards and industry to develop a co-ordinated approach to product recall and emergency response and communication. **safefood** is liaising closely with the enforcement agencies to develop response protocols, particularly in relation to cross-border measures, and to promote appropriate training for personnel involved in managing alerts.

Surveillance of Foodborne Disease

The surveillance of foodborne disease is an essential element of the **safefood** strategy. Existing agencies north and south are already involved in the surveillance of a range of communicable diseases, however the systems differ and a move towards integration would assist greater harmonisation. **safefood** co-operates with these agencies and accesses and analyses the relevant data held by them. The Board acts as a forum for the exchange of information between relevant interests and it will publish all-island data. **safefood** is well placed to promote intersectoral collaboration and co-ordination and one of the key objectives is to link databases of pathogens found in humans, foods and animals on the island.

Scientific Co-operation and Laboratory Linkages

safefood has a general remit to promote scientific co-operation and linkages between laboratories on the island. Linkages to laboratories and scientific co-operation provide an infrastructure to acquire the necessary and relevant knowledge for the general public, public health professionals, industry and scientific community. In particular, the organisation is developing a strategy for co-operation covering matters such as a rapid reporting, network development and appropriate IT solutions. **safefood** acts as a forum for sharing knowledge and experience on testing and surveillance methods.

Specialised Laboratory Services

Specialist laboratories undertake detailed testing and specialised testing for rare infections and complex food hazards. The Board's role is to develop and implement a strategy for delivery of specialised laboratory services. Based on a cost-effectiveness study of a range of available options, it will make recommendations to the North South Ministerial Council on a specialised reference service for foodborne infectious organisms for the whole island.

Scientific Risk Assessment

safefood provides independent scientific assessment and advice on the safety and hygiene of the food on

the island. To assist the Board to undertake this work, a Scientific Advisory Committee (Appendix (ii)) of eighteen experts was formally established in January 2002. The Committee has a specifically assigned in-house scientific advisor to assist it with its work. The Committee is representative of the key disciplines involved in food safety and nutrition and includes senior technical personnel from the Food Safety Authority of Ireland and the Food Standards Agency, Northern Ireland. Meeting three times per annum the SAC provides expert advice on 'horizon-scanning' and provides strategic direction and support for the scientific advisory structure.

MARKETING AND COMMUNICATIONS DIRECTORATE

Through its communications programme, **safefood** ensures that the public are fully informed of the three target messages of food hygiene, food safety and the nutritional aspects of various foods. **safefood** marketing communications interacts at a number of levels with the consumer through the media, stakeholders, education system, events, sponsorship and endorsement. Through its communications strategy, it drives targeted public awareness information campaigns to promote food safety among consumers. Its remit also covers promotion to industry and to professionals with responsibility for, or an interest in, food safety matters. In addition to its role as a channel to the consumer, **safefood** sees that co-operation beyond compliance is essential to engendering food safety. This is particularly important given the length of the modern food chain where primary producers are often far removed from the end user.

While good food hygiene and food safety practices are prerequisites to food safety, inappropriate diet is one of the biggest obstacles and challenges to an all-island **safefood** environment. Strategies aimed at promoting and facilitating access to a healthy diet are a major focus of **safefood** activities.

safefood is working to effectively improve public health through changes in consumer behaviour. It can only be accomplished by first raising awareness and then by changing attitudes. This requires a clearly focused communications strategy, based on the differing needs of the population subsets.

safefood has adopted a multi-level communications approach to disseminating food safety and nutritional information based on solid scientific data to:

- parents of young children
- children and young adults
- older people, particularly the frail elderly
- people with chronic illnesses

- people with disability
- people who are economically or socially disadvantaged.

PLANNING AND RESOURCES DIRECTORATE

To meet these demands of a modern public sector organisation **safefood**'s Planning and Resource Directorate is required to operate effectively and processes need to be put in place to:

- manage and account for the finances entrusted to the organisation
- support the advisory board
- comply with legal requirements and responsibilities
- provide and manage facilities to support service delivery
- formulate human resource policies and procedures

The role of the Directorate includes managing the financial resources granted by the Exchequer and Treasury. This requires developing and operating policies and procedures for ordering and paying for goods and services, paying payroll, budgetary management and control, cost accounting and reporting, banking and treasury management, recording and valuing of assets. **safefood** operates in an environment of dual reporting and accountability.

Delivery of our human resources requires formulating and operating policies and procedures that ensure legislative obligations are complied with, that staff are consulted and that equality and consistency are promoted throughout the organisation.

safefood has invested in an Information Systems network that is flexible and robust to meet the business needs of the organisation including internal management control and integration with external systems. **safefood**'s responsibilities relating to promoting harmonisation in the development of IT systems for surveillance, establishing and maintaining a database of research programmes and electronic linking of laboratories requires particularly robust hardware and software and strong management of network and information. The organisation must meet obligations in relation to equality and social inclusion. As an employer, we must ensure that any policies relating to staff and recruitment of staff comply with employment legislation and regulations. We must also comply with obligations under section 75 of the Northern Ireland Act 1998, with regard to all of its functions.

The Planning and Resources Directorate also has a general remit to ensure issues of equality, promoting good relations and targeting social need are maintained in all of **safefood**'s activities.

Activities Review - Scientific and Technical



The laboratory-focused Training & Mobility Programme was a major catalyst in encouraging staff interaction & technology transfer.

LABORATORY ACTIVITIES

Strategic review of laboratories

The Department of Health and Children in the Republic asked **safefood** to undertake a review of the strategic development of the public health laboratory service in Ireland at the beginning of 2003, with **safefood** acting as the Secretariat. The remit of the review covered public health/food microbiology and public analysts. Dr. Mary O'Mahony from the HPA UK acted as chairman of a working group that was supported by three technical subgroups.

Part of this project involved the organisation of a one-day laboratory forum in early July which enabled laboratory staff at all levels to discuss their current operational practices and to suggest possible mechanisms for future progress.

The Secretariat also obtained an overview of the national food control systems in Denmark and The Netherlands – with the emphasis on laboratory operations. This was of major assistance in formulating a laboratory model in this key area of public health.

Laboratory linkages

Rapid access to laboratory results and the provision of food safety data is paramount to ensuring confidence in the food supply. Although there is currently some limited capture of data from laboratories, there is a need to link all laboratories throughout the island of Ireland. **safefood** has initiated a process to achieve such linkage, along the lines of the system currently in use in the United Kingdom.

As part of the process of enhanced linkages, workshops on internal auditing took place in Dublin, Belfast, Cork and Galway during the year. The aim of these workshops was to enable laboratory personnel to gain experience and confidence of auditing quality systems through the preparation and conduct of horizontal, vertical and method witness audits. These events provided a highly interactive opportunity for the participants to acquire an understanding of ISO/ICE 170025.

Collaborative Action Programme

The first pilot collaborative programme in this all-island project involved the development and validation of a molecular detection method which was completed by the Waterford and Cork public health laboratories. This led to the implementation of new accredited methods which reduced turn-around times from five days to 24 hours.

Another such programme was conducted between public analysts in Belfast and Galway. It focused on the detection of dioxins in foods and foodstuffs. A further programme was completed by the Belfast and Sligo public health laboratories, centering around the setting up of new facilities for the testing of *cryptosporidium parvum* in selected foods. That programme involved the development and validation of a robust detection method and incorporated a significant survey.

Training & Mobility Programme

This programme encourages cross-border staff interaction and technology transfer between laboratories. The second call for applications resulted in the involvement of 14 laboratories exchanging personnel. A third call was made to 28 laboratories, including public analyst laboratories, food microbiology laboratories, departments of agriculture and marine laboratories.

SURVEILLANCE

Delegates from **safefood** attended and advised the Northern Ireland Regional Zoonoses Group Meeting. Working groups also examined *E.coli* 0157 and experts from **safefood** also assisted the NDSC in developing guidance on the winter vomiting bug, Norovirus.

The development of access to laboratory results and food surveillance data intensified. A review of the FSAI database and the Scottish Food Surveillance System's electronic data capture system was completed.

RESEARCH ACTIVITIES

At the commencement of 2003 there were 23 research projects ongoing, with numbers rising during the year. A new call for research proposals for postgraduate fellowships was published in February, with the prospect of four fellowships being awarded later in the year.

- The Brooker project on domestic hygiene practices and behaviour change was completed and published in July. This informed **safefood** on appropriate tools for communication of safe food practices in the home.
- The Bolton project on food safety knowledge and fridge hygiene/microbiology held a workshop in April. This coincided with an advertising campaign on the same subject.

- A research seminar aimed at industry and focused on the control of residues in poultry meat was held in Dublin in March.
- A closed seminar of **safefood**-funded MAP research activities was held at **safefood** headquarters in March to inform the agriculture departments of our research in this area.
- A conference, based on a **safefood**-funded project on the use of high-pressure processing to inactivate bacteria, was held in Tullamore in April.
- A research forum on food safety knowledge and risk communication took place in May. Five **safefood**-funded research projects were presented and information exchanged to enhance collaboration between researchers and projects.
- A comprehensive audit of the scientific and financial aspects of a number of research projects was undertaken to ensure that scientific quality and monies were properly expended.
- During the year **safefood** entered into negotiations with RELAY, the dissemination arm of the Food Institutional Research Measure (FIRM) which funds food research in the Republic of Ireland. It is hoped to collaboratively develop a database of food safety research on the island of Ireland which will be available on the **safefood** website.
- A report on gastroenteritis, co-funded by **safefood** and based on a large-scale all-island telephone survey was launched on 22 September. The survey report provided valuable information on the level of gastroenteritis in the community, its economic impact and recommendations on reducing the incidence.
- A survey of the prevalence of *Listeria* in food samples
- Development of cost-effective survey methodology for the estimation of salt, sugar and fat in the diet
- Evaluation of diet promotion strategies on the island of Ireland
- Analysis of the dietary intake of low income groups
- The cost of healthy eating
- A study of listeriosis and food contamination on the island of Ireland
- Development of a risk assessment model for *salmonella* in eggs
- Basket survey methodology development
- Social marketing review
- The economic impact of gastroenteritis on the island of Ireland

The research office also made a call for research network coordinators in the following areas:

- Verocytotoxin producing *Escherichia coli* (VTEC)
- *Campylobacter*
- *Cryptosporidium*
- Foodborne viruses
- Chemical residues
- Biotoxins

Research calls for submissions in September and October were made in the following areas:

- Establishment of research networks on a number of topics, including *Campylobacter* and VTEC.
- Sentinel surveillance on *Campylobacter*
- Epidemiological studies to assess the contribution made by water and the food chain, relative to other pathways, to the problem of *Cryptosporidium* infection in humans. This was a collaborative project with the Environmental Protection Agency.

LONG-TERM RESEARCH

The Scientific Advisory Committee was involved in discussions during the last quarter of the year relating to the **safefood** research strategy 2004-2007.

ENTERIC REFERENCE LABORATORY

HELM Corporation continued with an economic appraisal under the guidance of the Director of Science and Technical.

SCIENTIFIC ADVISORY COMMITTEE

Three meetings of the Scientific Advisory Committee (SAC) took place at intervals during the year. On 4 April a meeting took place in Belfast, mainly devoted to a review, facilitated by Dr. Richard Burt, FSAUK, on the process of 'horizon scanning' to identify potential food safety and nutrition issues impacting on **safefood**. The meeting also received reports from various working groups. Of particular importance were the recommendations of the working group on *Mycobacterium avium paratuberculosis* (MAP), a pathogen associated with Johne's disease in cattle.

On 4 September the SAC met in Cork. The issues discussed included the recommendations in the FSAI report on the Control of *Campylobacter* Species in the Food Chain, the interim draft report of the Temperature Guidelines working group, an update on *Mycobacterium avium Paratuberculosis* (MAP) activities and a briefing on research activities for 2003 and 2004 onwards.

The third meeting in 2003 took place in the Dublin offices on 3 December. The main item discussed was the promotion of food to children. Presentations were made by Margaret Tumulty of the Broadcasting Commission of Ireland, Professor Gerard Hastings of Strathclyde University and Andrew Dougal of NI Heart and Stroke Association. Subsequent to the presentations, the SAC issued advice on the response prepared by **safefood** in respect of Phase 2 of the Children's Advertising Code.

LIAISON WITH OTHER FOOD SAFETY AGENCIES

In order to take advantage of opportunities for joint working between FSAI, FSPB and FSANI, a joint meeting was held on 29 May. The need to build trust and confidence between the three bodies, while developing synergies and avoiding duplication of effort, were central issues for discussion. The importance of co-operation on risk assessment was also emphasised. Following this meeting it was agreed that steps would be taken to create closer working relationships between the three agencies in the future.

On a European level, the Executive Director of the European Food Safety Authority (EFSA) offered **safefood** an opportunity to participate in EFSA's work in the future. The other food safety agencies of the EU convened an informal group, including **safefood**, to identify and work on areas of mutual interest.

At a joint meeting between FSAI and the Department of Agriculture and Food in June, a possible harmonised all-island approach to the implementation of the EU Directive on Zoonoses was discussed, along with work on acrylamide.

WORKSHOPS AND CONFERENCES

A major conference organised by **safefood** in conjunction with Excellence Ireland entitled, Excellence in Safe Food, took place on 1 May.

On 31 March a joint Eurachem Ireland – **safefood** – NAB one-day conference on accreditation took place in Dublin. An introductory workshop on accreditation was also held for Department of Agriculture Food Control Laboratories (DAF and DARD) on 19 June.

The first World Health Organisation conference to be held in Ireland – the Healthy Cities Conference – at which **safefood** was represented, took place in Belfast in October.

safefood organised an all-island Community Dietitian Conference on 5-6 October in Monaghan, which considered the strategic role of the community dietitian in terms of disease prevention and health promotion. It also focused on the prevention and management of obesity and weight problems in the community.

DIRECTORY OF FOOD SAFETY LABORATORY SERVICES

The first edition of this directory was published in June. This comprehensive document contained contact and operational details for 63 food safety testing laboratories in Ireland. A second and even more extensive edition is planned for 2004.

Activities Review - Marketing and Communications

31% of the people on the island of Ireland claimed they cleaned their fridges as a result of our advertising campaign



ADVERTISING AND PUBLIC RELATIONS

The first phase of the **safefood** consumer awareness campaign was launched on 4 April. The campaign entitled Reality Check was designed to educate the public about general food safety issues, and focused initially on fridge management and food preparation and storage. This was followed by a second wave of advertising during the summer months, which concentrated on health risks associated with outdoor eating and featured barbecues and picnics. The latter publicity campaign attracted much media attention in July.

The next stage of the campaign coincided with the release of the report on the prevalence of gastroenteritis on the island of Ireland, and stressed the importance of handwashing. It was launched towards the end of September. Radio and TV advertising were used very effectively, followed by a poster campaign. The creative approach moved from the highly directional guilt and shame message to a more personalised approach, indicating the danger but promoting the ability to take positive action.

Press releases aimed at increasing hygiene awareness were also disseminated in September, aimed at second and third level students. The poster campaign was so successful that several schools and business requested smaller copies for their own display purposes. Guidelines for safe food practices targeting students were also made available on the safefoodonline.com website.

There was extensive media coverage featuring Food Safety Week in Northern Ireland and for the Hygiene Mark Awards, which were sponsored by **safefood**. Research in relation to domestic refrigeration practices in July found that almost 31% of people on the island of Ireland said they cleaned out their fridges as a result of this highly effective advertising campaign. The key messages here were 'clean', 'chill' and 'separate'.

The Christmas campaign, which ran for the second half of December, comprised radio and TV commercials, focusing on refrigeration of leftovers. The message reverted to the guilt and shame message, while continuing to give advice on how to prevent 'you and your loved ones from getting very sick'.

The Hands of Doom pantomime for younger school children completed its pilot process and filming commenced in December, with the launch planned for early in 2004.

STRATEGIC ALLIANCES

The Excellence in Safe Food conference on 1 May was sponsored by **safefood**. The meeting was well attended and received. It was the first such event in a programme which will see **safefood** and Excellence Ireland working together to encourage consumers and industry to act responsibly in relation to food safety practices.

The first ever Hygiene Awards were also presented in June, with over 100 separate businesses and institutions receiving their Hygiene Mark. The Supreme Award was won by Kook Catering of Rathkeale, County Limerick. Category award winners included Mountjoy Female Prison, Glanbia Meats and Kelly's Hotel Rosslare.

The Safe Food for Life course for transition year students was introduced to schools; developed jointly with the Environmental Health Officer's Association, it was designed to provide students with training in the basic principles of food hygiene. Hygiene certificates from the EHOA were received by 2,395 students who completed the course.

MARKET RESEARCH

safefood commenced 2003 by conducting a comprehensive **safefood** market research project designed to act as a benchmark against which we would evaluate various activities in the coming years. In July we conducted our first tracking research which indicated very positive progress on foot of our general advertising and promotional activity.

In essence the public's awareness of **safefood** and understanding of its remit increased significantly across the year. The public's recall of **safefood's** advertising was particularly high. While 80% of respondents felt the creative approach to be an effective way to communicate the particular messages, crucially a full 55–60% claimed they had altered their behaviour as a result of the campaign.

EVENTS

In mid-May **safefood** exhibited at the Balmoral Show in Belfast. The theme reinforced our advertising message and was based on fridge temperatures and hygiene.

In September an all-island forum for Community Dietitians was facilitated in Monaghan.

A series of public meetings were held across the country, north and south, to provide local people and community groups with a forum for discussion on food safety issues.

WEBSITE DEVELOPMENT

The development of the website continued throughout the period under review. E-newsletters targeted at particular audiences were distributed regularly online. The number of unique visitors to the website increased 95% month-on-month, attributable to search engine promotional activity, as well as continued marketing during the year. The bulk of visitors (59%) originated in ROI, and 39% in the UK. This channel is now a pivotal medium for **safefood**.

HELPLINE DATABASE COMPLETED

The Helpline database was completed during the year, enabling **safefood** to disseminate material more effectively. Through the Helpline we continued to deal with increasing numbers of diverse queries, with staff also providing background information and ensuring the effective delivery of the news monitoring service.

PLANNING AND RESOURCES

safefood, in line with best practice, continued to meet the highest standards of corporate and financial governance in 2003. **safefood**'s human resources strategy continued to reflect evolving business requirements, while promoting a safe, positive and workfriendly environment for all personnel.

The 2003 audited Financial Statements are attached and comply with the Accounts Direction issued by the Departments of Finance, North and South. The Statements were supported internally by monthly management accounts, and a robust system of internal and budgetary control, which, in 2003, focused on Contract Tendering and Risk Management. An accounting firm was engaged to act as internal auditor during the year.

safefood is funded by grants issued by the Department of Health and Children in the Republic of Ireland and the Department of Health, Social Services and Public Safety in Northern Ireland.

An equality scheme to meet **safefood**'s obligations under the Northern Ireland Act 1998 was published in June 2003. This document outlines how **safefood** carries out its function of promoting equality of opportunity with regard to religious beliefs, political opinion, racial group, age, marital status, sexual orientation, gender, disability and people with dependants. The scheme also demonstrates the commitment in people, money and time which **safefood** has dedicated to promoting equality of opportunity. **safefood** also has developed a comprehensive equality policy to meet its obligations under legislation in the south.

Following a staff training needs survey, a five-year equality training programme has been developed for staff and initial training in equality awareness began this year. To continue the progress towards best practice, a comprehensive staff handbook with accompanying HR policies and procedures was issued.

The Board's Targeting Social Needs Action Plan defines the focus of **safefood**'s socially-directed strategies. In the current year the Board continued to work in partnership with other public agencies, local government and voluntary and community organisations.

Regular staff briefings were held within each of the three directorates and at a corporate level to encourage staff to develop, and ensure that **safefood** maintained a customer-focused environment while implementing the programmes that support our remit and the realisation of our mission.

Recruitment has continued, with all positions filled from open competitions. During 2003 we experienced certain delays in filling key appointments. While this selection process took longer than anticipated, we were able to find people of the highest calibre to fulfil our needs in accordance with **safefood**'s business plan.

2003 saw the completion of the fit-out for **safefood**'s Dublin office. This office supports the headquarters in co-ordinating North-South meetings at a central location within the island of Ireland.

safefood's Information Systems Unit developed and managed an expanding communications network and databases. As in 2002, much of the IT activity concentrated on the development of linkages between laboratories, north and south. Significant progress was made in the achievement of the outline strategy and gaining on-going support from key stakeholders throughout the island of Ireland.

Appendix (i) Advisory Board

Chairman

Cllr Bertie Kerr

Vice Chairman

Prof. Charlie Daly, Dean of the Faculty of Food Science and Technology, University College Cork

Don Anderson, Communications Consultant

Leslie Craig, Former Chairman, Northern Ireland Agricultural Producers' Association

Carmel Foley, Director of Consumer Affairs, Dublin

Odran Flynn, Marketing Consultant

Prof. Patrick Fottrell, Former President, University College Galway

Patrick McColgan, Director and Founder of McColgan Quality Foods

Catherine Murphy, Health Promotion Manager, Southern Health Board

Damien O' Dwyer, Agricultural Consultant

Anne Speed, Trade Union Official with SIPTU, Dublin

Prof. Seán Strain, Professor of Human Nutrition, University of Ulster, Coleraine

Appendix (ii) Scientific Advisory Committee

MEMBERS

Dr. Wayne Anderson, Chief Specialist in Food Science, Food Safety Authority of Ireland

Dr Ken Baird, Technical Director, Moy Park Ltd, Craigavon

Dr Micheál O Cinnéide, Director, Marine Institute

Dr John Egan, Senior Superintending Research Officer, Department of Agriculture and Food

Prof Gerald Fitzgerald, Director, National Food Biotechnology Centre, UCC

Catherine Foye, Principal Environmental Health Officer, South Western Area Health Board

Prof. Arthur Gilmour, Professor of Food Microbiology, Department of Food Science, QUB

Dr Derval Igoe, Public Health Specialist, National Disease Surveillance Centre (NDSC)

Dr Fiona Kenny, Consultant Microbiologist, North Western Health Board, Sligo General Hospital

Dr Bob Mc Cracken, Retired Chief Veterinary Officer NI

Gerry McCurdy, Head of Professional Services, Food Standards Agency NI

Prof. David McDowell, Professor of Food Studies, University of Ulster, Jordanstown

Genevieve McWilliams, Senior Environmental Health Officer, Derry City Council

Sam Miskelly, Retired Assistant Director General, Consumer Council NI

Dr Nora O'Brien, Senior Lecturer in Nutrition, Department of Food Science, Food Technology and Nutrition, UCC

Dr Jacqueline Quinn, National Virus Reference Laboratory, University College Dublin

Dr Brian Smyth, Director, Communicable Diseases Surveillance Centre (CDSC)

Prof. Sean Strain, Professor of Human Nutrition, NI Centre for Diet & Health, University of Ulster at Coleraine

Dr Margaret Patterson, Department of Food Science, Queens University Belfast, acts as Scientific Advisor to **safefood**

Appendix (iii) Scientific Publications

Acute Gastroenteritis in Ireland, North and South (A Telephone Survey)

Directory of Food Safety Laboratory Services

A Review of Coccidiostat Residues in Poultry

Equality Scheme

A Children's Advertising Code: Response to the BCI Consultation Phase 2

Appendix (iv) Research Projects

- Assessing the effectiveness of HACCP implementation and maintenance in food production plants (Verner Wheelock)
- Detection and molecular characterisation of selected pathogenic organisms isolated in unpasteurised milk using milk filters (UCD, QUB & Cork County Council)
- Poultry Meat: improving food safety by improving chemical residue surveillance (QUB & The National Food Centre)
- Development of rapid tests for the detection of *Mycobacterium paratuberculosis* and their use to determine survival in food matrices (QUB, UCC, DPRC, CVRL)
- A comparative study of thermophilic *Campylobacter* isolates of clinical and food origin using genotypic and antimicrobial characterisation techniques (NUIG, Cherry Orchard Hospital, QUB, Belfast City Hospital, University College Hospital, Galway)
- Food safety challenges in Irish consumer refrigeration systems (Teagasc & UU)
- Development of a harmonised system for approval and monitoring private laboratories testing food borne pathogens (DAFF, Central Veterinary Control Laboratory & UCD)
- Dietary strategies for achievement of nutritional goals for healthy eating: towards evidence-based public health nutrition programmes (UU)
- Development of a screening system capable of detecting a broad range of toxic and illegal drugs in red meat (DCU & QUB)
- The development of a risk communication model based upon food safety behaviours in the home to facilitate adoption of best practice in disseminating information with a food risk component (QUB & UCD)
- Rapid Azaspiracid Shellfish Toxin Analysis (RASTA) (QUB & Marine Institute)
- Use of high pressure to improve safety and quality of shellfish (UCC & QUB)
- A risk assessment and Hazard Analysis & Critical Control Point (HACCP) for the Irish catering industry (Teagasc & UU)
- Interaction between B vitamins and homocysteine and its relevance to a food fortification programme (QUB)
- Incidence and survival of potential human pathogens in the production of the common cultivated mushroom (*Agaricus bisporus*) (UU)
- *Listeria monocytogenes* in low pH foods: an examination of the influence of food constituents on survival and gastric transit (UCC)
- An investigation of the potential application of cDNA array technology in testing the efficacy and safety of potential functional food ingredients (UCC)
- Food and a primary link to human cancer: developing techniques to measure a potent carcinogen present in cooked foods (QUB)
- Factors influencing the efficacy of food risk and dietary communications directed at young people (QUB, University of Surrey, University of Bath, NUIG)

- Communicating the healthy eating message: use of an interactive multi-media CD-ROM for the prevention of obesity in 8-9 year old children (UU)
- Novel strategies for food risk communication (UCC & University of Newcastle)
- An investigation of the effects of lutein and zeaxanthin supplementation on inflammatory markers, oxidative stress and age-related macular degeneration risk (QUB)
- A study of the factors controlling the survival, germination and outgrowth of *Bacillus cereus* in rice-based model foods using novel rapid flow cytometry methods and biochemical markers (UL & SHB)
- Identification and characterisation of antibiotic resistance genes in poultry meat (GENECHASER) (UU)
- Genetic analysis of resistance to detergents and industrial cleaning solutions in *Listeria monocytogenes* growing as planktonic cells and biofilms (UCC)
- Food safety education: a cross-border, comparative study of food risk perception in post-primary schools and the development of a model for implementing effective curricular change (UU)
- All-island learning from the "Decent Food for All" programme (IPHI)
- Dietary patterns, food intakes, attitudes and their determinants among low socio-economic adults and children and an in-depth quantitative and qualitative analyses (DIT, TCD & UU)
- Standard of healthy living on the island of Ireland (NUIG, UCC & UU)
- Epidemiological assessment of *Mycobacterium avium paratuberculosis* (MAP) in target Muster herds (CCC, QUB, UCD & CVCL)
- Epidemiology and molecular analysis of Norovirus outbreaks in Ireland (NDSC, ERHA, NVRL UCD, CDSC, RVRL)
- Development of a risk assessment model for *Salmonella* in shell eggs and processed eggs in Ireland (UCD & University of Strathclyde)
- Persistence and dissemination of *Salmonella* and *Campylobacter* in domestic kitchen environments (UU)
- A systematic review of the effectiveness of social marketing models in communicating nutrition and food safety messages (University of Strathclyde)
- Economic impact of gastroenteritis in Ireland (London School of Hygiene and Tropical Medicine)
- Research networks in the following:
 - Foodborne Viruses
 - Chemical Residues
 - Verocytotoxigenic E.coli*
 - Biotoxins
 - Cryptosporidium*

Contents

Financial Statements for the year ended 31 December 2002 ²⁵

Foreward to the Accounts	26
Statement of Responsibilities	28
Statement on the System of Internal Financial Control	29
Certificate and Report of the Comptrollers and Auditors General	30
Income and Expenditure Account	31
Balance Sheet	32
Cash Flow Statement	33
Notes to the Accounts	34
Appendix 1 - Accounts Direction	41

Foreword to the Accounts

1 FORMAT

These Accounts are prepared in a form directed by the Department of Health and Children and the Department of Health, Social Services and Public Safety, with the approval of the Department of Finance and the Department of Finance and Personnel, and in accordance with the financial arrangements of Part 7 of Annex 2 to the British-Irish Agreement.

2 BACKGROUND INFORMATION

The Food Safety Promotion Board (An Bord um Chur Chun Cinn Sábháilteachta Bia) is an Implementation Body established under the Belfast Agreement on the 2nd December 1999. The Board's governing legislation is the British-Irish Agreement Act 1999 and the North-South Cooperation (Implementation Bodies) (Northern Ireland) Order 1999.

The governing legislation confers the following specific functions:

- Promotion of food safety
- Research into food safety
- Communication of food alerts
- Surveillance of foodborne disease
- Promotion of scientific co-operation and laboratory linkages
- Development of cost effective facilities for specialised laboratory testing

In addition to the above, the Board has a general remit to act as an independent source of scientific advice.

3 GOVERNANCE

The functions of the Board are discharged by the Chief Executive who reports to the North/South Ministerial Council (NSMC). The Chief Executive is assisted by a twelve member Advisory Board and an eighteen member Scientific Advisory Committee. The members of the Advisory Board during 2002 were:

Councillor Bertie Kerr (Chairman)
Prof. Michael Gibney (Vice Chairman)
 -resigned 13 December 2002
Prof. Charlie Daly (Vice Chairman)
 -effective 13 December 2002
Mr. Don Anderson
Mr. Leslie Craig
Ms. Carmel Foley
Mr. Damien O' Dwyer
Ms. Anne Speed
Prof. Seán Strain
Prof. Patrick Fottrell, effective 13 December 2002
Mr. Odrann O'Flynn, effective 13 December 2002
Ms. Catherine Murphy, effective 13 December 2002
Mr. Patrick McColgan, effective 13 December 2002

The following Board Members resigned on 13 December 2002:

Mr. Ronan Garvey
Prof. Cecily Kelleher
Dr. Danny O'Hare
Mr. Michael Walker

The North/South Ministerial Council (NSMC) approved the increased membership of 18 for the Scientific Advisory Committee in February 2002. This Committee draws upon a pool of Scientific and Technical expertise available to the food safety regime in both jurisdictions and is a source of technical advice in relation to scientific and technical matters.

4 FINANCIAL RESULTS

The results of the Food Safety Promotion Board are set out in detail on page 31. The deficit for the period was €20,171 (GBP12,708).

5 POST BALANCE SHEET EVENTS

There were no post balance sheet events.

6 CHARITABLE DONATIONS

No charitable donations were received or made during the year.

7 RESEARCH

The Board issued a call for research proposals during 2002. Six major projects were approved for funding. The projects are mainly characterised by North South partnerships and are typically of three years in duration. The following areas are covered by the research call:

- Examination of the influence of food constituents on survival and gastric transit.
- Incidence and survival of potential human pathogens in the production of the common cultivated mushroom.
- Food and a primary link to human cancer.
- Developing techniques to measure a potent carcinogen present in cooked foods.
- Interaction between B vitamin and homocysteine and its relevance to a food fortification programme.
- Assessment of the standards of food hygiene observed in Irish household's kitchens. The benefits of providing particle food hygiene instruction and practical food safety kits.

The sum of €780,932 (GBP491,987) is included in the accounts for research.

8 POLICIES

Disabled Employees

No disabled persons were employed during the year. However, the Board is committed to a policy of equal opportunity and welcomes applications from suitably qualified applicants irrespective of disability.

The Board's Draft Equality Scheme was approved by the North / South Ministerial Council (NSMC) in June 2002, and has been submitted to the Equality Commission for review.

Accessibility by employees or members of the public who have a physical disability was a key factor in selecting premises for the Board.

Provision of Information to and Consulting with Employees

No Trade Union or staff association was recognised by the Board in 2002. Consequently, there was not a formal process in place for consultation with employees.

However, all employees were regularly advised of developments and consulted through staff meetings and circulars. The Board has recently introduced a Partnership Forum as a basis for a more formal staff consultation process.

Prompt Payment Policy and its performance

The Board operates a creditor payment policy in accordance with the provisions of the Prompt Payment Account Act 1997 and with the EU Directive 2002/35/EC on Late Payment. The payments list for the year has been reviewed and all payments were in accordance with policy.

Health & Safety Policy

A Health and Safety Policy is under development.

9 FUTURE DEVELOPMENT

The Board's Corporate Strategy for the years 2002–2004 was submitted and approved by the North/South Ministerial Council in June 2002.

This Strategy outlines the Board's mission, vision and core values and how the Board will implement each of its functions over the 3 year period 2002–2004. The strategy will be re-assessed annually in the context of an annual business plan.

Budgeted Expenditure for 2003 is €8,630,000 (GBP5,609,500) and 2004 €8,810,000 (GBP5,726,500).

The achievement of targets set out in the strategy is conditional on putting the required staff resources in place. Consequently, a staffing structure and proposal was prepared during 2002 and, following approval, will be implemented in 2003.

A new Dublin sub-office to accommodate the Marketing and Communications Directorate was fully occupied in January 2003.

Statement of Food Safety Promotion Board's Responsibilities

The Department of Finance and Personnel and the Department of Finance have directed the Food Safety Promotion Board to prepare a statement of accounts for each financial year in the form and on the basis set out in the accounts direction at the appendix to these Accounts. The Accounts are prepared on an accrual basis and must give a true and fair view of the Body's state of affairs at the year-end and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

In preparing the accounts the Body is required to:

- Observe the accounts direction issued by the Department of Health and Children and Department of Health, Social Services and Public Safety, including the relevant accounting and disclosure requirements, and apply accounting policies on a consistent basis;
- Make judgements and estimates on a reasonable basis;
- State whether applicable accounting standards have been followed and disclose and explain any material departures in the accounts;
- Prepare the Accounts on the going concern basis, unless it is inappropriate to presume that the Body will continue in operation.

CHIEF EXECUTIVE'S RESPONSIBILITIES

The Chief Executive's responsibilities as the Accountable Person for the Food Safety Promotion Board, including responsibility for the propriety and regularity of the public finances and for the keeping of records, are set out in the Financial Memorandum of the Body.

Statement on the System of Internal Financial Control

As Accountable person, I acknowledge my responsibility for ensuring that an effective system of internal financial control is maintained and operated by the Food Safety Promotion Board.

The system can only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded and that material errors or irregularities are either prevented or would be detected within a timely period.

The system of Internal Financial Control is based on a framework of regular management information, administrative procedures including the segregation of duties and a system of delegation and accountability. In particular it includes

- Comprehensive budgeting systems with an annual budget;
- Procedures to review and agree the budgets;
- The preparation of regular financial reports.

During the accounting year ended 31 December 2002 the Food Safety Promotion Board had no internal audit function as required by the Financial Memorandum of the Board. However, an accountancy firm is now engaged to carry out our internal audit function.

Segregation of duties has been implemented within the Food Safety Promotion Board in so far as this is possible with the limited staff complement. Procedures and internal controls have been developed. All purchase orders and payment approvals have been countersigned by a senior member of the management team and authorised members of same have personally signed all cheques and other payment instruments.



Martin Higgins
Chief Executive Officer
4 May 2004

The Certificate and Report of the Comptrollers and Auditors General

THE CERTIFICATE AND REPORT OF THE COMPTROLLERS AND AUDITORS GENERAL TO THE HOUSES OF THE OIREACHTAS AND THE NORTHERN IRELAND ASSEMBLY

We have audited the accounts on pages 31 – 40. Our audit has been carried out pursuant to the provisions of the British-Irish Agreement Act 1999 and the North South Co-operation (Implementation Bodies) (Northern Ireland) Order 1999 which require us to audit and certify, in co-operation, the accounts presented to us by the Board.

RESPECTIVE RESPONSIBILITIES OF THE CHIEF EXECUTIVE AND THE AUDITORS

The responsibilities of the Chief Executive, including those pertaining to the preparation of the accounts and the regularity of financial transactions are set out in the Statement of Responsibilities on page 28. It is our responsibility to audit the accounts. As a result of our audit we express an opinion on the accounts.

We review whether the statement on page 29 reflects the Board's compliance with applicable guidance on corporate governance and report any material instance where it does not do so, or if the statement is misleading or inconsistent with other information we are aware of from our audit of the accounts. We also report if, in our opinion, the Foreword is not consistent with the accounts.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the accounts. It also includes an assessment of the significant estimates and judgments made by the Chief Executive in the preparation of the accounts, and of whether the accounting policies are appropriate to the Board's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by error, or by fraud or other irregularity and that, in all material respects, the expenditure and income have been applied to the purposes intended by Dáil Éireann and the Northern

Ireland Assembly and the financial transactions conform to the authorities which govern them. In forming our opinion we have also evaluated the overall adequacy of the presentation of information in the accounts.

We have obtained all the information and explanations which were necessary for the purposes of our audit.

OPINION

In our opinion:

- Proper accounting records have been kept by the Board and the accounts, which are in agreement with them, give a true and fair view of the state of the affairs of the Board at 31 December 2002 and of its transactions, total recognised gains and losses and cash flows for the period then ended and have been properly prepared in accordance with the accounts direction issued under the governing legislation
- In all material respects the expenditure and income have been applied to the purposes intended by Dáil Éireann and the Northern Ireland Assembly and the financial transactions conform to the authorities which govern them.



John Purcell

Irish Comptroller and Auditor General
Dublin Castle
Dublin 2
Ireland
11 May 2004



J M Dowdall

Comptroller and Auditor General for Northern Ireland
106 University Street
Belfast
BT7 1EU
11 May 2004

Income and Expenditure Account

	Notes	2002 €	2001 €	2002 GBP	2001 GBP
INCOME					
Revenue Grant from Departments	2	5,902,999	3,728,922	3,718,889	2,318,846
Capital Grant Release	9	302,061	236,397	190,298	147,004
		6,205,060	3,965,319	3,909,187	2,465,850
Other Income		75,407	6,489	47,506	4,034
Total Income		6,280,467	3,971,808	3,956,693	2,469,884
EXPENDITURE					
Staff Costs	3	1,200,808	600,535	756,509	373,445
Depreciation	6	302,061	236,397	190,298	147,004
Research Programme Expenditure	5	780,932	1,026,703	491,987	638,459
Other Operating Costs	4	4,016,837	2,430,872	2,530,607	1,502,798
Total Expenditure		6,300,638	4,294,507	3,969,401	2,661,706
Surplus (Deficit) for the year		(20,171)	(322,699)	(12,708)	(191,822)
Amount transferred to General Reserve	14	(20,171)	(322,699)	(12,708)	(191,822)

All amounts above relate to continuing activities.

No Gains or Losses other than those noted have been incurred during the year.

The Accounts were approved by the Chief Executive Officer on 4 May 2004.



Martin Higgins

Chief Executive Officer

The notes on pages 34 to 40 form part of these accounts

Balance Sheet

	Notes	2002 €	2001 €	2002 GBP	2001 GBP
FIXED ASSETS					
Tangible Assets	6	1,935,023	1,916,948	1,257,765	1,192,268
CURRENT ASSETS					
	7	359,234	290,618	233,502	177,588
CURRENT LIABILITIES					
Creditors- amount falling due within one year	8	(708,817)	(620,030)	(460,731)	(378,624)
NET CURRENT LIABILITIES					
		(349,583)	(329,412)	(227,229)	(201,036)
TOTAL ASSETS LESS CURRENT LIABILITIES					
		1,585,440	1,587,536	1,030,536	991,232
FINANCED BY:					
CAPITAL & RESERVES					
General Reserve	14	(349,583)	(329,412)	(227,229)	(201,036)
Capital Grant Reserve	9	1,935,023	1,916,948	1,257,765	1,192,268
		1,585,440	1,587,536	1,030,536	991,232

The Accounts were approved by the Chief Executive Officer on 4 May 2004.



Martin Higgins
Chief Executive Officer

The notes on pages 34 to 40 form part of these accounts

Cash Flow Statement

	Notes	2002 €	2001 €	2002 GBP	2001 GBP
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	10	(75,286)	11,061	(37,877)	3,202
CAPITAL EXPENDITURE & FINANCIAL INVESTMENT					
Payments to acquire tangible fixed assets	6	(320,136)	(2,065,888)	(201,685)	(1,284,682)
NET CASH INFLOW/(OUTFLOW) BEFORE FINANCING		(395,422)	(2,054,827)	(239,562)	(1,281,480)
FINANCING					
Capital Funding Received		320,136	2,065,888	201,685	1,284,682
INCREASE/(DECREASE) IN CASH/BANK BALANCES	11	(75,286)	11,061	(37,877)	3,202

The Accounts were approved by the Chief Executive Officer on 4 May 2004.



Martin Higgins
Chief Executive Officer

The notes on pages 34 to 40 form part of these accounts

Notes to the Accounts

1 ACCOUNTING POLICIES

1.1 Accounting Convention

The Financial Statements have been prepared in accordance with the historical cost convention.

Without limiting the information given, the Financial Statements are prepared on an accrual basis and comply with the accounting and disclosure requirements of the Companies (Northern Ireland) Order 1986, the Republic of Ireland Companies Acts 1963 to 2003, the accounting standards issued or adopted by the Accounting Standards Board and accounting and disclosure requirements issued by the Department of Finance and Personnel and Department of Finance, insofar as those requirements are appropriate.

1.2 Income

Income represents revenue grants receivable from the Department of Health and Children and the Department of Health, and Social Services and Public Safety.

1.3 Fixed Assets

- a) Tangible Fixed assets are included at historic cost to the Food Safety Promotion Board.
- b) Depreciation is calculated to write off the cost or revalued amounts of fixed assets over their useful lives. The methods adopted and the rates used per annum are as follows:
 - Office Equipment 15% Straight Line
 - Computer Equipment 33.3% Straight Line
 - Property & Fitout Costs 4% Straight Line
 - Fixtures & Fittings 10% Straight Line
- c) Depreciation is charged in the year of acquisition but not in the year of disposal.
- d) Leasehold Premises are not depreciated as the charge is immaterial.
- e) Fixed Assets are capitalised once they exceed €650 (GBP423).

1.4 Value Added Tax

The Food Safety Promotion Board is not in a position to reclaim VAT and VAT is included as expenditure or in the capital value of Fixed Assets.

1.5 Pension Costs

During the period all staff employed by the Board were under contract to the Board or seconded from other Public Sector organisations.

Secondees from other Public Sector organisations continued to be members of the pension schemes of those organisations as applicable. The Food Safety Promotion Board pays these pension costs as charged by these organisations.

A Pension scheme specifically for all the North/South Implementation bodies is currently under development. Any member of staff appointed directly by the Board will be eligible to join the new scheme.

1.6 Research Programme Expenditure

Research Contract costs included in the Income and Expenditure Account are based on expenditure due and payable in the year on foot of approved research contracts.

1.7 Capital Grant Reserve

The Capital Grant Reserve Account represents the unamortised value of income used for capital purposes.

1.8 Reporting Currency

The transactions and balances of the Board are reported in both Euro and Sterling.

The working currency of the Board is Euro and transactions are initially recorded in that currency. Transactions in other currencies are recorded at the exchange rate ruling at the date of the transactions. Monetary assets and liabilities denominated in other currencies are translated into Euro at the rates of exchange prevailing at balance sheet date (closing rate). Realised gains and losses are taken to the Income and Expenditure Account.

At year-end the financial statements are translated into Sterling. The Income and Expenditure Account is translated using the average exchange rate for the year while the Balance Sheet is translated using the closing exchange rate. Currency adjustments arising from this translation of the financial statements are reflected in Fixed Assets (Note 6), Net Cash Flow from Operating Activities (Note 10), Capital Reserve (Note 9) and General Reserve (Note 14).

2 GRANTS FROM THE DEPARTMENTS

Financial Period 1 January 2002 to 31 December 2002

	Notes	DOHC €	DOHC GBP	DHSSPS €	DHSSPS GBP	TOTAL €	TOTAL GBP
REVENUE GRANT	2	4,030,750	2,532,244	1,872,249	1,186,645	5,902,999	3,718,889
CAPITAL RESERVE	9	219,250	137,330	100,886	64,355	320,136	201,685
		4,250,000	2,669,574	1,973,135	1,251,000	6,223,135	3,920,574

Financial Period 1 January 2001 to 31 December 2001

	Notes	DOHC €	DOHC GBP	DHSSPS €	DHSSPS GBP	TOTAL €	TOTAL GBP
REVENUE GRANT	2	2,175,076	1,348,151	1,553,846	970,695	3,728,922	2,318,846
CAPITAL RESERVE	9	1,218,874	755,377	847,014	529,305	2,065,888	1,284,682
		3,393,950	2,103,528	2,400,860	1,500,000	5,794,810	3,603,528

The Food Safety Promotion Board receives grants from the Department of Health and Children (DOHC) and the Department of Health, Social Services and Public Safety (DHSSPS). The respective percentage contributions are DOHC 68% (2001 59%), and DHSSPS 32% (2001 41%).

3 STAFF COSTS

a) The average weekly number of employees (full time equivalent) was:

	2002	2001
CEO	1	1
Scientific & Technical	6	5
Planning & Resources	7	2
Marketing & Communications	9	3
Total	23	11

b) The costs incurred in respect of these employees were:

	2002 €	2001 €	2002 GBP	2001 GBP
Salary Costs	1,019,455	467,214	642,257	290,496
Employer Costs	101,845	47,474	64,162	29,537
Board Fees	79,508	85,847	50,090	53,412
	1,200,808	600,535	756,509	373,445

c) The number of employees at the end of the year whose emoluments (including pension contributions) fell within the following bands (this represents the annual emoluments) are:

	2002	2001
€40,001 – 50,000	2	1
€50,001 – 60,000	0	1
€60,001 – 70,000	1	0
€70,001 – 80,000	2	1

d) Emoluments of the CEO including pension contributions are:

	2002 €'000	2001 €'000	2002 GBP'000	2001 GBP'000
	91	77	57	48

The Interim CEO was seconded from the Food Safety Authority of Ireland and remained a member of the FSAI pension scheme during the financial year.

e) Number of Advisory Board members at the end of the year whose emoluments fell within the following bands are:

	2002	2001
€5,001 – 10,000	11	11
€10,001 – 15,000	1	1

All Advisory Board Members have fixed term contracts of 3 years.

f) Emoluments of the Chairman of Advisory Board:

	2002 €'000	2001 €'000	2002 GBP'000	2001 GBP'000
	10	12	6	8

4 OTHER OPERATING COSTS

	Notes	2002 €	2001 €	2002 GBP	2001 GBP
Food Safety Campaigns	12	2,321,804	1,336,032	1,462,735	830,816
Rent & Electricity		440,667	297,656	277,620	185,099
Consultancy Fees		213,550	141,851	134,537	88,211
Printing		138,488	129,024	87,247	80,234
Travel & Subsistence		168,380	102,536	106,079	63,763
Market Research		1,250	74,903	788	46,579
Computer Support		103,114	38,617	64,962	24,014
Telephone		111,189	37,070	70,049	23,052
Postage & Stationery		77,866	35,376	49,056	21,999
Meeting Costs		10,225	33,147	6,442	20,612
Office Expenses		89,890	43,539	56,631	18,225
Recruitment Expenses		122,105	32,039	76,926	19,923
Conference		16,676	20,778	10,506	12,920
Training		17,528	19,791	11,043	12,308
Insurance		38,419	18,330	24,204	11,398
Subscriptions		11,619	17,277	7,320	10,744
Auditors' Remuneration		32,697	12,697	20,599	7,895
Legal & Professional Fees		30,834	12,645	19,425	7,863
Courses Delivered		27,497	12,037	17,323	7,486
Cleaning & Catering		12,287	6,641	7,741	4,131
Reports & Literature		11,068	4,410	6,973	2,743
Maintenance & Repairs		10,855	3,317	6,839	2,062
Bank Charges		8,829	1,159	5,562	721
		4,016,837	2,430,872	2,530,607	1,502,798

5 RESEARCH CONTRACTS COMMITMENTS

The total approved expenditure for funding of Research Contracts in 2002 is €1,292,212 (GBP839,938). During the year €780,932 (GBP491,987) has been included in the Income and Expenditure Account. The total commitments as at 31 December 2002 are €1,520,540 (GBP988,351) and are detailed as follows.

Commitments as at 1 January 2002	1,281,496
Research Contracts awarded 2002	1,019,976
	<u>2,301,472</u>
Research Contracts 2000 charged to I & E account	(250,875)
Research Contracts 2001 charged to I & E account	(343,233)
Research Contracts 2002 charged to I & E account	(186,824)
Commitments as at 31 December 2002	1,520,540
This is due for possible payment as follows	
Amounts due within one year	472,602
Amounts due after one year	1,047,938
	<u>1,520,540</u>

6 FIXED ASSETS

	Office Equipment	Property & Fitout	Fixtures & Fittings	Computer Equip- ment	Total	Total
Cost or Valuation	€	€	€	€	€	GBP
At 1 January 2002	406,014	1,317,269	130,958	329,125	2,183,366	1,358,014
Additions	11,485	97,306	37,192	174,153	320,136	201,685
At 31 December 2002	417,499	1,414,575	168,150	503,278	2,503,502	1,559,699
DEPRECIATION						
At 1 January 2002	68,374	52,691	13,096	132,257	266,418	165,746
Provision for the year	62,625	54,863	16,815	167,758	302,061	190,298
At 31 December 2002	130,999	107,554	29,911	300,015	568,479	356,044
NBV AT 31 DECEMBER 2002	286,500	1,307,021	138,239	203,263	1,935,023	1,203,655
Currency Translation Adjustment	–	–	–	–	–	54,110
NBV AT 31 DECEMBER 2002 AS RESTATED	286,500	1,307,021	138,239	203,263	1,935,023	1,257,765
NBV AT 31 DECEMBER 2001	337,640	1,264,578	117,862	196,868	1,916,948	1,192,268

The currency translation adjustment is the difference between the net book value of fixed assets calculated using year-end exchange rates and their net book value stated at historic rates of exchange.

7 CURRENT ASSETS

	2002 €	2001 €	2002 GBP	2001 GBP
Debtors (amounts falling due within one year)	150,465	6,563	97,802	4,011
Cash in Bank	208,769	284,055	135,700	173,577
	359,234	290,618	233,502	177,588

8 CREDITORS (AMOUNTS FALLING DUE WITHIN ONE YEAR)

	2002 €	2001 €	2002 GBP	2001 GBP
FSAI	167,571	176,833	108,921	107,799
Trade Creditors & Accruals	541,246	410,792	351,810	251,023
Research Contracts	–	32,405	–	19,802
	708,817	620,030	460,731	378,624

9 CAPITAL GRANT RESERVE

	2002 €	2001 €	2002 GBP	2001 GBP
Opening Balance	1,916,948	91,722	1,192,268	57,244
Capital Funding Receivable	320,136	2,065,888	201,685	1,284,682
Less amount released to I&E A/C	(302,061)	(236,397)	(190,298)	(147,004)
Loss on disposals of assets	-	(4,265)	-	(2,654)
Currency Translation Adjustment (Note 6)	-	-	54,110	-
Balance at 31 December	1,935,023	1,916,948	1,257,765	1,192,268

10 NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	2002 €	2001 €	2002 GBP	2001 GBP
Surplus / (Deficit) for the period	(20,171)	(322,699)	(12,708)	(191,822)
Transfer from Capital Grant Reserve	(302,061)	(236,397)	(190,298)	(147,004)
Depreciation Charges	302,061	236,397	190,298	147,004
(Increase) / Decrease in Debtors	(143,902)	(6,563)	(93,791)	(4,011)
Increase / (Decrease) in Creditors	88,787	340,323	82,107	199,035
Currency Translation Adjustment	-	-	(13,485)	-
	(75,286)	11,061	(37,877)	3,202

The currency translation adjustment reflects the amount of the movement in the value of current assets and liabilities which is attributable to the change in exchange rates over the year.

11 ANALYSIS OF THE BALANCES OF CASH AS SHOWN IN THE BALANCE SHEET

	At 01.01.02 €	Cashflow €	At 31.12.02 €
Euro Account	260,786	(175,691)	85,095
Sterling Account	23,269	100,405	123,674
Total	284,055	(75,286)	208,769

12 FOOD SAFETY CAMPAIGNS

	2002 €	2001 €	2002 GBP	2001 GBP
Television and Radio	922,923	963,400	581,440	599,093
Print Media	899,504	79,596	566,688	49,497
Educational Marketing	352,771	62,711	222,246	38,997
Exhibitions and Conferences	46,480	16,689	29,282	10,379
Other	100,126	213,636	63,079	132,850
	2,321,804	1,336,032	1,462,735	830,816

Television and radio advertising was incurred on the promotion of food hygiene (€210,145), the encouragement of food safety (€83,889) and the provision of information and advice on diet (€628,889).

13 PERFORMANCE AGAINST KEY FINANCIAL TARGETS

The Sponsoring Departments did not agree Key Financial Targets with the Food Safety Promotion Board for the year ended 31 December 2002.

14 GENERAL RESERVE

	2002	2001	2002	2001
	€	€	GBP	GBP
Opening Balance	(329,412)	(6,713)	(201,036)	(9,214)
Surplus / (Deficit)	(20,171)	(322,699)	(12,708)	(191,822)
Currency Translation Adjustment (Note 10)	–	–	(13,485)	–
Balance at 31 December	(349,583)	(329,412)	(227,229)	(201,036)

15 RELATED PARTY TRANSACTIONS

The Food Safety Promotion Board had no Related Party Transactions during the year.

16 FUTURE CAPITAL EXPENDITURE

The Food Safety Promotion Board has no future capital expenditure which should be disclosed in the Financial Statements at 31 December 2002.

Accounts Direction- Food Safety Promotion Board

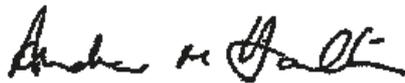
ACCOUNTS DIRECTION FOOD SAFETY PROMOTION BOARD ACCOUNTS DIRECTION GIVEN BY THE NORTHERN DEPARTMENT OF HEALTH, SOCIAL SERVICES AND PUBLIC SAFETY AND THE SOUTHERN DEPARTMENT OF HEALTH AND CHILDREN, WITH THE APPROVAL OF THE FINANCE DEPARTMENTS NORTH AND SOUTH, IN ACCORDANCE WITH THE NORTH / SOUTH CO-OPERATION (IMPLEMENTATION BODIES) (NORTHERN IRELAND) ORDER 1999 AND THE SOUTHERN BRITISH IRISH AGREEMENT ACT 1999.

The annual accounts shall give a true and fair view of the income and expenditure and cash flows for the financial year, and the state of affairs as at the year end. Subject to this requirement, the Body shall prepare accounts for the financial period 2 December 1999 to 31 December 2000 and subsequent financial years in accordance with:

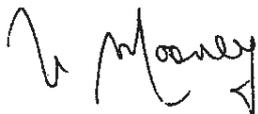
- a the North / South Implementation Bodies Annual Reports and Accounts Guidance;
- b other guidance which Finance Departments may issue from time to time in respect of accounts which are required to give true and fair view;
- c any other specific disclosures required by sponsoring Departments,

except where agreed otherwise with Finance Departments, in which case the exception shall be described in the notes to the accounts.

Signed by the authority of the Department of Health, Social Department of Health Services and Public Safety and Children



Andrew Hamilton
Department of Health, Social Services and Public Safety
18 June 2001



Tom Mooney
Department of Health and Children
13 June 2001

Contents

Financial Statements for the year ended 31 December 2003 ⁴³

Foreword to the Accounts 44

Statement of Responsibilities 46

Statement on the System of Internal Financial Control 47

Certificate and Report of the Comptrollers and Auditors General 48

Income and Expenditure Account 49

Balance Sheet 50

Cash Flow Statement 51

Notes to the Accounts 52

Appendix 1 - Accounts Direction 59

Foreword to the Accounts

1 FORMAT

These accounts are prepared in a form directed by the Department of Health and Children and the Department of Health, Social Services and Public Safety, with the approval of the Department of Finance and the Department of Finance and Personnel, and in accordance with the financial arrangements of Part 7 of Annex 2 to the British-Irish Agreement.

2 BACKGROUND INFORMATION

The Food Safety Promotion Board (An Bord um Chur Chun Cinn Sábháilteachta Bia) is an Implementation Body established under the Belfast Agreement on the 2 December 1999. The Board's governing legislation is the British-Irish Agreement Act 1999 and the North-South Cooperation (Implementation Bodies) (Northern Ireland) Order 1999.

The governing legislation confers the following specific functions:

- Promotion of food safety
- Research into food safety
- Communication of food alerts
- Surveillance of foodborne disease
- Promotion of scientific co-operation and laboratory linkages
- Development of cost effective facilities for specialised laboratory testing

In addition to the above, the Board has a general remit to act as an independent source of scientific advice.

3 GOVERNANCE

The functions of the Board are discharged by the Chief Executive who reports to the North/South Ministerial Council (NSMC). The Chief Executive is assisted by a 12 member Advisory Board and an 18 member Scientific Advisory Committee. The members of the Advisory Board during 2003 were:

Mr. Bertie Kerr (Chairman)
 Prof. Charlie Daly (Vice-Chairperson)
 Mr. Don Anderson
 Mr. Leslie Craig
 Ms. Carmel Foley
 Prof. Patrick Fottrell
 Mr. Odran Flynn
 Mr. Patrick McColgan
 Ms. Catherine Murphy
 Mr. Damien O'Dwyer
 Ms. Anne Speed
 Prof. Sean Strain

The Scientific Advisory Committee comprises of 18 members drawn from a pool of Scientific and Technical expertise available to the food safety regime in both jurisdictions and is a source of technical advice in relation to scientific and technical matters.

These are detailed in the accompanying annual report.

4 FINANCIAL RESULTS

The results of the Food Safety Promotion Board are set out in detail on page 49. The surplus for the period was €3,692 (GBP2,555).

5 POST BALANCE SHEET EVENTS

There were no post balance sheet events.

6 CHARITABLE DONATIONS

No charitable donations were received or made during the year.

7 RESEARCH

The Board issued a call for research proposals during 2003. 15 major projects were approved for funding. The projects are mainly characterised by North South partnerships and are typically of three years in duration. The following areas are covered by the research call:

- Investigation of Vitamin A in age-related vision loss.
- Factors controlling the growth of Bacillus Cerus in rice-based foods.
- Antibiotic resistant genes in poultry meat.
- Resistance to detergents and industrial cleaning solutions in Listeria Monocytogenes.
- Food risk perception in post primary schools.
- Salt levels in locally produced foods.
- All-island learning from the “Decent Food For All” programme.
- Dietary patterns of low socio-economic adults and children.
- Standards of healthy living.
- Epidemiological assessment of the bacterium MAP in target Muster herds.
- Analysis of Norovirus outbreaks in Ireland.
- Risk assessment model for Salmonella in shell eggs.
- Salmonella and Campylobacter in domestic kitchen environments.
- Effectiveness of social marketing models in communicating nutrition and food safety messages.
- Economic impact of Gastroenteritis in Ireland.

The sum of €1,881,766 / (GBP1,302,163) is included in the Accounts for research.

8 POLICIES

Disabled Employees

No disabled persons were employed during the year. However, the Board is committed to a policy of equal opportunity and welcomes applications from suitably qualified applicants irrespective of disability.

Equality

The Board’s approved Equality Scheme was issued in June 2003 and **safefood** is engaged in an ongoing implementation and review process with the respective implementation bodies in both jurisdictions.

Provision of Information to and Consulting with Employees

An Employee Partnership Forum was in place throughout 2003 as a mechanism for consultation with employees, and has proved highly effective as a means of employee communications.

Prompt Payment Policy and its Performance

The Board operates a creditor payment policy in accordance with the provisions of the Prompt Payment Account Act 1997 and with the EU Directive 2002/35/EC on Late Payment. The payments list for the year has been reviewed and all payments were in accordance with policy.

Health & Safety Policy

A Health and Safety Policy was issued in January 2004 and a copy was issued to all employees.

9 FUTURE DEVELOPMENT

The Board’s Corporate Strategy for the years 2002–2004 was submitted and approved by the North / South Ministerial Council in June 2002.

This Strategy outlines the Board’s mission, vision and core values and how the Board will implement each of its functions over the three year period 2002–2004. The strategy is re-assessed annually in the context of an annual business plan.

Budgeted Expenditure for 2004 is €8,810,000 (GBP6,209,288).

Statement of Food Safety Promotion Board's Responsibilities

The Department of Health and Children and the Department of Health, Social Services and Public Safety have directed the Food Safety Promotion Board to prepare a statement of accounts for each financial year in the form and on the basis set out in the accounts direction at the appendix to these accounts. The accounts are prepared on an accrual basis and must give a true and fair view of the Body's state of affairs at the year-end and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

In preparing the accounts the Body is required to: Observe the accounts direction issued by the Department of Health and Children and Department of Health, Social Services and Public Safety, including the relevant accounting and disclosure requirements, and apply accounting policies on a consistent basis;

- Make judgements and estimates on a reasonable basis;
- State whether applicable accounting standards have been followed and disclose and explain any material departures in the accounts;
- Prepare the Accounts on the going concern basis, unless it is inappropriate to presume that the Body will continue in operation.

CHIEF EXECUTIVE'S RESPONSIBILITIES

The Chief Executive's responsibilities as the accountable person for the Food Safety Promotion Board, including responsibility for the propriety and regularity of the public finances and for the keeping of records, are set out in the Financial Memorandum of the Body.

Statement on the System of Internal Financial Control

As the accountable person, I acknowledge my responsibility for ensuring that an effective system of internal financial control is operated by the Food Safety Promotion Board.

The system can provide only reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or will be detected within a timely period.

The system of Internal Financial Control is based on a developing framework of regular management information and administrative procedures (including the segregation of duties and a system of delegation and accountability). It also includes:

- Comprehensive budgeting systems with an annual budget approved by the Chief Executive Officer;
- Procedures to review and agree the budgets with the Senior Management Team; and
- The preparation of regular financial reports as a basis for reviewing and monitoring progress.

Although no key financial targets were agreed with the Sponsoring Departments (Note 13), regular expenditure reviews and monitoring ensured that all budgetary targets were met.

A procedure for risk management and risk identification of all risks (including non-financial) commenced in 2003. Following a tender process, an accountancy firm was engaged in November 2003 to carry out the internal audit function.

My review of the effectiveness of the system of internal financial control is informed by the work of the Executive Managers within the Body who have responsibility for the development and maintenance of the financial control framework. It will also be informed by the results of the internal audit reviews, the external auditors' Management Letter and other reports. Identified weaknesses in procurement, supplier payment, and other relevant controls will be addressed by strengthened procedures and requisite staff training.



Martin Higgins
Chief Executive Officer
3 December 2004

The Certificate and Report of the Comptrollers and Auditors General

THE CERTIFICATE AND REPORT OF THE COMPTROLLERS AND AUDITORS GENERAL TO THE HOUSES OF THE OIREACHTAS AND THE NORTHERN IRELAND ASSEMBLY

We have audited the accounts on pages 49 to 59. Our audit has been carried out pursuant to the provisions of the British–Irish Agreement Act 1999 and the North South Co-operation (Implementation Bodies) (Northern Ireland) Order 1999 which require us to audit and certify, in co-operation, the accounts presented to us by the Board.

RESPECTIVE RESPONSIBILITIES OF THE CHIEF EXECUTIVE AND THE AUDITORS

The responsibilities of the Chief Executive, including those pertaining to the preparation of the accounts and the regularity of financial transactions are set out in the Statement of Responsibilities on page 46. It is our responsibility to audit the accounts. As a result of our audit we express an opinion on the accounts.

We review whether the statement on page 47 reflects the Board's compliance with applicable guidance on corporate governance and report any material instance where it does not do so, or if the statement is misleading or inconsistent with other information we are aware of from our audit of the accounts. We also report if, in our opinion, the Foreword is not consistent with the accounts.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the accounts. It also includes an assessment of the significant estimates and judgments made by the Chief Executive in the preparation of the accounts, and of whether the accounting policies are appropriate to the Board's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by error, or by fraud or other irregularity and that, in all material respects, the expenditure and income have been applied to the purposes intended by Dáil Éireann and the Northern

Ireland Assembly and the financial transactions conform to the authorities which govern them. In forming our opinion we have also evaluated the overall adequacy of the presentation of information in the accounts.

We have obtained all the information and explanations which were necessary for the purposes of our audit.

OPINION

In our opinion:

- Proper accounting records have been kept by the Board and the accounts, which are in agreement with them, give a true and fair view of the state of the affairs of the Board at 31 December 2003 and of its transactions, total recognised gains and losses and cash flows for the period then ended and have been properly prepared in accordance with the accounts direction issued under the governing legislation
- In all material respects the expenditure and income have been applied to the purposes intended by Dáil Éireann and the Northern Ireland Assembly and the financial transactions conform to the authorities which govern them.



John Purcell

Irish Comptroller and Auditor General
Dublin Castle
Dublin 2
Ireland
10 December 2004



Comptroller and Auditor General for Northern Ireland
106 University Street
Belfast
BT7 1EU
10 December 2004

Income and Expenditure Account

	Notes	2003 €	2002 €	2003 GBP	2002 GBP
INCOME					
Revenue Grant from Departments	2	7,706,548	5,902,999	5,332,854	3,718,889
Capital Grant Release	9	389,040	302,061	269,212	190,298
		8,095,588	6,205,060	5,602,066	3,909,187
Other Income		0	75,407	0	47,506
Total Income		8,095,588	6,280,467	5,602,066	3,956,693
EXPENDITURE					
Staff Costs	3	1,159,454	1,059,509	802,331	667,774
Board Fees		79,040	79,508	54,695	49,807
Depreciation	6	389,040	302,061	269,212	190,298
Research Programme Expenditure	5	1,881,766	834,231	1,302,163	525,566
Food Safety Campaign	12	2,700,291	2,321,804	1,868,574	1,462,737
Other Operating Costs	4	1,882,305	1,703,525	1,302,536	1,073,219
Total Expenditure		8,091,896	6,300,638	5,599,511	3,969,401
Surplus (Deficit) for the year		3,692	(20,171)	2,555	(12,708)
Amount transferred to General Reserve	14	3,692	(20,171)	2,555	(12,708)

All amounts above relate to continuing activities.

No Gains or Losses other than those noted have been incurred during the year.

The Accounts were approved by the Chief Executive Officer on 3 December 2004.



Martin Higgins
Chief Executive Officer

The notes on pages 52 to 58 form part of these accounts.

Balance Sheet

	Notes	2003 €	2002 €	2003 GBP	2002 GBP
FIXED ASSETS					
Tangible Assets	6	2,226,684	1,935,023	1,569,367	1,257,765
CURRENT ASSETS					
	7	314,588	359,234	221,722	233,502
CURRENT LIABILITIES					
Creditors- amount falling due within one year	8	(660,479)	(708,817)	(465,506)	(460,731)
NET CURRENT LIABILITIES					
		(345,891)	(349,583)	(243,784)	(227,229)
TOTAL ASSETS LESS CURRENT LIABILITIES					
		1,880,793	1,585,440	1,325,583	1,030,536
FINANCED BY:					
CAPITAL & RESERVES					
General Reserve	14	(345,891)	(349,583)	(243,784)	(227,229)
Capital Grant Reserve		2,226,684	1,935,023	1,569,367	1,257,765
		1,880,793	1,585,440	1,325,583	1,030,536

The Accounts were approved by the Chief Executive Officer on 3 December 2004.



Martin Higgins
Chief Executive Officer

The notes on pages 52 to 58 form part of these accounts.

Cash Flow Statement

	Notes	2003 €	2002 €	2003 GBP	2002 GBP
NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES	10	105,085	(75,286)	85,505	(37,877)
CAPITAL EXPENDITURE & FINANCIAL INVESTMENT					
Payments to acquire tangible fixed assets	6	(680,701)	(320,136)	(471,039)	(201,685)
NET CASH INFLOW/(OUTFLOW) BEFORE FINANCING		(575,616)	(395,422)	(385,534)	(239,562)
FINANCING					
Capital Funding Received		680,701	320,136	471,039	201,685
INCREASE/(DECREASE) IN CASH/BANK BALANCES	11	105,085	(75,286)	85,505	(37,877)

The Accounts were approved by the Chief Executive Officer on 3 December 2004.



Martin Higgins
Chief Executive Officer

The notes on pages 52 to 58 form part of these accounts.

Notes to the Accounts

1 ACCOUNTING POLICIES

1.1 Accounting Convention

The Financial Statements have been prepared in accordance with the historical cost convention.

Without limiting the information given, the Financial Statements are prepared on an accrual basis and comply with the accounting and disclosure requirements of the Companies (Northern Ireland) Order 1986, the Republic of Ireland Companies Acts 1963 to 2003, the accounting standards issued or adopted by the Accounting Standards Board and accounting and disclosure requirements issued by the Department of Finance and Personnel and Department of Finance, insofar as those requirements are appropriate.

1.2 Income

Income represents revenue grants receivable from the Department of Health and Children and the Department of Health, and Social Services and Public Safety.

1.3 Fixed Assets

- a) Tangible Fixed assets are included at historic cost to the Food Safety Promotion Board.
- b) Depreciation is calculated to write off the cost or revalued amounts of fixed assets over their useful lives. The methods adopted and the rates used per annum are as follows:
 - Office Equipment 15% Straight Line
 - Computer Equipment 33.3% Straight Line
 - Property & Fitout Costs 4% Straight Line
 - Fixtures & Fittings 10% Straight Line
- c) Depreciation is charged in the year of acquisition but not in the year of disposal.
- d) Fixed Assets are capitalised once they exceed €650 (GBP423).

1.4 Value Added Tax

The Food Safety Promotion Board is not in a position to reclaim VAT and VAT is included as expenditure or in the capital value of Fixed Assets.

1.5 Pension Costs

During the period all staff employed by the Board were under contract to the Board or seconded from other Public Sector organisations.

Seconded from other Public Sector organisations continued to be members of the pension schemes of those organisations as applicable. The Food Safety Promotion Board pays these pension costs as charged by these organisations.

A Pension scheme specifically for all the North / South Implementation bodies is currently under development. Any member of staff appointed directly by the Board will join the new scheme.

1.6 Research Programme Expenditure

Research Contract costs included in the Income and Expenditure Account are based on expenditure due and payable in the year on foot of approved research contracts.

1.7 Capital Grant Reserve

The Capital Grant Reserve Account represents the unamortised value of income used for capital purposes.

1.8 Reporting Currency

The transactions and balances of the Board are reported in both Euro and Sterling.

The working currency of the Board is Euro and transactions are recorded in that currency. Transactions in other currencies are recorded in Euro at the exchange rate ruling at the date of the transactions. Monetary assets and liabilities denominated in other currencies are translated into Euro at the rates of exchange prevailing at balance sheet date (closing rate). Realised gains and losses are taken to the Income and Expenditure Account.

At year-end the financial statements are translated into Sterling. The Income and Expenditure Account is translated using the average exchange rate for the year while the Balance Sheet is translated using the closing exchange rate. Currency adjustments arising from this translation of the financial statements are reflected in Net Cash Flow from Operating Activities (Note 10), Capital Reserve (Note 9) and General Reserve (Note 14).

2 GRANTS FROM THE DEPARTMENTS

Financial Period 1 January 2003 to 31 December 2003

	Notes	DOHC €	DOHC GBP	DHSSPS €	DHSSPS GBP	TOTAL €	TOTAL GBP
REVENUE GRANT		5,593,034	3,870,324	2,113,514	1,462,530	7,706,548	5,332,854
CAPITAL RESERVE	9	492,966	341,127	187,735	129,911	680,701	471,038
		6,086,000	4,211,451	2,301,249	1,592,441	8,387,249	5,803,892

Financial Period 1 January 2002 to 31 December 2002

	Notes	DOHC €	DOHC GBP	DHSSPS €	DHSSPS GBP	TOTAL €	TOTAL GBP
REVENUE GRANT		4,030,750	2,532,244	1,872,249	1,186,645	5,902,999	3,718,889
CAPITAL RESERVE	9	219,250	137,330	100,886	64,355	320,136	201,685
		4,250,000	2,669,574	1,973,135	1,251,000	6,223,135	3,920,574

The Food Safety Promotion Board receives grants from the Department of Health and Children (DOHC) and the Department of Health, Social Services and Public Safety (DHSSPS). The respective contributions are DOHCC 73% (2002 68%), and DHSSPS 27% (2002 32%).

3 STAFF COSTS

a) The average weekly number of employees (full time equivalent) was:

	2003	2002
CEO	1	1
Scientific & Technical	9	6
Planning & Resources	9	7
Marketing & Communications	8	9
Total	27	23

b) The costs incurred in respect of these employees were:

	2003 €	2002 €	2003 GBP	2002 GBP
Salary Costs	1,069,639	957,664	740,180	603,584
Employer Cost	89,815	101,845	62,151	64,190
	1,159,454	1,059,509	802,331	667,774

c) The number of employees at the end of the year whose emoluments (including pension contributions) fell within the following bands (this represents the annual emoluments) are:

	2003	2002
€40,001 – 50,000	4	2
€50,001 – 60,000	1	0
€60,001 – 70,000	2	1
€70,001 – 80,000	2	2

d) Emoluments of the CEO including pension contributions are:

	2003 €'000	2002 €'000	2003 GBP'000	2002 GBP'000
	91	91	57	57

e) Number of Advisory Board members at the end of the year whose emoluments fell within the following bands are:

	2003	2002
€5,001 – 10,000	11	11
€10,001 – 15,000	1	1

All Advisory Board Members have fixed term contracts of 3 years.

f) Emoluments of the Chairman of Advisory Board:

	2003 €'000	2002 €'000	2003 GBP'000	2002 GBP'000
	10	10	6	6

4 OTHER OPERATING COSTS

	Notes	2003 €	2002 €	2003 GBP	2002 GBP
Rent & Electricity		554,209	440,667	383,507	277,620
Consultancy Fees		58,670	213,550	40,599	134,537
Printing		3,115	138,488	2,155	87,247
Travel & Subsistence		338,330	168,380	234,122	106,079
Market Research		107,655	1,250	74,496	788
Computer Support		60,143	103,114	41,618	64,962
Telephone		125,672	111,189	86,964	70,049
Postage & Stationery		56,447	77,866	39,061	49,056
Meeting Costs		24,591	10,225	17,017	6,442
Office Expenses		73,743	89,890	51,029	56,631
Recruitment Expenses		42,720	122,105	29,561	76,926
Conference		47,221	16,676	32,676	10,506
Training		79,037	17,528	54,693	11,043
Insurance		49,155	38,419	34,015	24,204
Subscriptions		17,920	11,619	12,400	7,320
Auditors' Remuneration		15,695	32,697	10,861	20,599
Legal & Professional Fees		36,134	39,326	25,004	24,772
Courses Delivered		55,583	27,497	38,463	17,323
Cleaning & Catering		31,545	12,287	21,829	7,741
Reports & Literature		55,473	11,068	38,387	6,973
Maintenance & Repairs		47,873	10,855	33,128	6,839
Bank Charges		1,374	8,829	951	5,562
		1,882,305	1,703,525	1,302,536	1,073,219

5 RESEARCH CONTRACTS COMMITMENTS

The total approved expenditure for funding of Research Contracts in 2003 is €2,984,194 (GBP2,065,032). During the year €1,881,766 (GBP1,302,163) has been included in the Income and Expenditure Account. The total commitments as at 31 December 2003 are €2,622,968 (GBP1,815,068) and are detailed as follows.

Commitments as at 1 January 2003	1,520,540
Research Contracts awarded 2003	2,984,194
	<u>4,504,734</u>
Research Contracts 2000 charged to I & E account	(6,490)
Research Contracts 2001 charged to I & E account	(142,120)
Research Contracts 2002 charged to I & E account	(357,852)
Research Contracts 2003 charged to I & E account	<u>(1,375,304)</u>
Commitments as at 31 December 2003	<u>2,622,968</u>
This is due for possible payment as follows	
Amounts due within one year	1,032,430
Amounts due after one year	1,590,538
	<u>2,622,968</u>

6 FIXED ASSETS

	Office Equipment	Property & Fitout Cost	Fixtures & Fittings	Computer Equip- ment	Total
Cost or Valuation	€	€	€	€	€
At 1st January 2003	417,499	1,414,575	168,150	503,278	2,503,502
Additions	12,312	391,107	1,656	275,626	680,701
At 31st December 2003	429,811	1,805,682	169,806	778,904	3,184,203
DEPRECIATION					
At 1st January 2003	130,999	107,554	29,911	300,015	568,479
Provision for the year	64,472	70,506	16,981	237,081	389,040
At 31st December 2003	195,471	178,060	46,892	537,096	957,519
NBV AT 31ST DECEMBER 2003	234,340	1,627,622	122,914	241,808	2,226,684
NBV AT 31ST DECEMBER 2002	286,500	1,307,021	138,239	203,263	1,935,023
	GBP	GBP	GBP	GBP	GBP
NBV AT 31ST DECEMBER 2003	165,163	1,147,148	86,630	170,426	1,569,367
NBV AT 31ST DECEMBER 2002	186,225	849,564	89,855	132,121	1,257,765

7 CURRENT ASSETS

	2003 €	2002 €	2003 GBP	2002 GBP
Debtors (amounts falling due within one year)	734	150,465	517	97,802
Cash in Bank	313,854	208,769	221,205	135,700
	314,588	359,234	221,722	233,502

8 CREDITORS (AMOUNTS FALLING DUE WITHIN ONE YEAR)

	2003 €	2002 €	2003 GBP	2002 GBP
FSAI	–	167,571	–	108,921
Creditors & Accruals	557,707	541,246	393,072	351,810
Research Contracts	102,772	–	72,434	–
	660,479	708,817	465,506	460,731

9 CAPITAL GRANT RESERVE

	2003 €	2002 €	2003 GBP	2002 GBP
Opening Balance	1,935,023	1,916,948	1,257,765	1,192,268
Capital Funding Receivable	680,701	320,136	471,038	201,685
Less amount released to I&E A/C	(389,040)	(302,061)	(269,212)	(190,298)
Currency Translation Adjustment (Note 6)	–	–	109,776	54,110
Balance at 31 December	2,226,684	1,935,023	1,569,367	1,257,765

10 NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	2003 €	2002 €	2003 GBP	2002 GBP
Surplus / (Deficit) for the period	3,692	(20,171)	2,555	(12,708)
Transfer from Capital Grant Reserve	(389,040)	(302,061)	(269,212)	(190,298)
Depreciation Charges	389,040	302,061	269,212	190,298
(Increase) / Decrease in Debtors	149,731	(143,902)	97,285	(93,791)
Increase / (Decrease) in Creditors	(48,338)	88,787	4,775	82,107
Currency Translation Adjustment	–	–	(19,110)	(13,485)
	105,085	(75,286)	85,505	(37,877)

The currency translation adjustment reflects the amount of the movement in the value of current assets and liabilities which is attributable to the change in exchange rates over the year.

11 ANALYSIS OF THE BALANCES OF CASH AS SHOWN IN THE BALANCE SHEET

	At 01.01.03 €	Cashflow €	At 31.12.03 €
Euro Account	85,095	268,813	353,908
Sterling Account	123,674	(156,162)	(32,488)
Petty Cash	–	532	532
Credit Cards	–	(8,098)	(8,098)
Total	208,769	105,085	313,854

12 FOOD SAFETY CAMPAIGNS

	2003 €	2002 €	2003 GBP	2002 GBP
Television and Radio	1,220,643	922,923	844,673	581,440
Print Media	1,136,847	899,504	786,687	566,688
Educational Marketing	79,152	352,771	54,772	222,246
Exhibitions and Conferences	63,167	46,480	43,711	29,282
Other	200,482	100,126	138,731	63,081
	2,700,291	2,321,804	1,868,574	1,462,737

Television, radio and print advertising campaigns in 2003 were directed at the promotion of food hygiene and safety (specifically fridge management, outdoor eating and hand washing).

13 PERFORMANCE AGAINST KEY FINANCIAL TARGETS

The Sponsoring Departments did not agree Key Financial Targets with the Food Safety Promotion Board for the year ended 31 December 2003.

14 GENERAL RESERVE

	2003 €	2002 €	2003 GBP	2002 GBP
Opening Balance	(349,583)	(329,412)	(227,229)	(201,036)
Surplus/(Deficit)	3,692	(20,171)	2,555	(12,708)
Currency Translation Adjustment (Note 10)	-	-	(19,110)	(13,485)
Balance at 31 December	(345,891)	(349,583)	(243,784)	(227,229)

15 COMPARATIVES

The 2002 comparatives have been adjusted where required on the Income and Expenditure Account and in the notes to the accounts to reflect the revised expenditure headings in 2003.

16 RELATED PARTY TRANSACTIONS

The Food Safety Promotion Board had no Related Party Transactions during the year.

17 FUTURE CAPITAL EXPENDITURE

The Food Safety Promotion Board has no future capital expenditure, which should be disclosed in the Financial Statements at 31 December 2003.

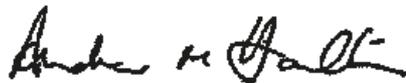
Accounts Direction- Food Safety Promotion Board

ACCOUNTS DIRECTION FOOD SAFETY PROMOTION BOARD ACCOUNTS DIRECTION GIVEN BY THE NORTHERN DEPARTMENT OF HEALTH, SOCIAL SERVICES AND PUBLIC SAFETY AND THE SOUTHERN DEPARTMENT OF HEALTH AND CHILDREN, WITH THE APPROVAL OF THE FINANCE DEPARTMENTS NORTH AND SOUTH, IN ACCORDANCE WITH THE NORTH / SOUTH CO-OPERATION (IMPLEMENTATION BODIES) (NORTHERN IRELAND) ORDER 1999 AND THE SOUTHERN BRITISH IRISH AGREEMENT ACT 1999.

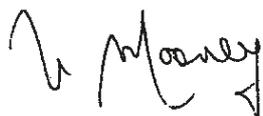
The annual accounts shall give a true and fair view of the income and expenditure and cash flows for the financial year, and the state of affairs as at the year end. Subject to this requirement, the Body shall prepare accounts for the financial period 2 December 1999 to 31 December 2000 and subsequent financial years in accordance with:

- a the North / South Implementation Bodies Annual Reports and Accounts Guidance;
- b other guidance which Finance Departments may issue from time to time in respect of accounts which are required to give true and fair view;
- c any other specific disclosures required by sponsoring Departments,

except where agreed otherwise with Finance Departments, in which case the exception shall be described in the notes to the accounts.



Andrew Hamilton
Department of Health, Social Services and Public Safety
18 June 2001



Tom Mooney
Department of Health and Children
13 June 2001

Notes



safefood – Food Safety Promotion Board

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