



Developing world class talent

**Creative Skillset**  
**TRUSTEES' REPORT & FINANCIAL STATEMENTS**  
**For the year ended**  
**31 March 2014**

**Company Registration No. 2576828**  
**Charity Registration No. 1015324**  
**Scottish Charity Registration No. SC039556**

Creative Skillset  
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## 1. Introduction

This Trustees' Report covers activity between 1 April 2013 and 31 March 2014 and covers our work across the UK and the Creative sectors. Further in-depth reporting about Creative Skillset activities can be found on the Creative Skillset website at [www.creativeskillset.org](http://www.creativeskillset.org).

## 2. What is Creative Skillset?

Creative Skillset is an independent UK-wide organisation, owned and managed by its industries and working jointly with government to identify and tackle skills and productivity needs throughout the UK. It is also the Sector Skills Council (SSC) for the Creative Industries and specifically working with Advertising & Marketing Communications, Animation, Fashion & Textiles, Film, Games, Photo Imaging, Publishing, Radio, TV, and VFX.

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee charging.

### **Our Vision**

*Our vision for the next three years is that, as a result of greater ambition and better, more focused investment in skills and talent, the UK's Creative Industries have contributed significantly to increased jobs and growth, and have further enhanced their global reputation for quality.*

### **Our Mission**

*Our mission is to drive greater ambition for, and investment in, the skills and talent base of the UK's Creative Industries.*

## 3. Reference & Administrative Details of the Charity, its Trustees and Advisors

Creative Skillset is a company limited by guarantee (company no. 2576828) and also a registered charity in England and Wales (Charity No: 1015324) and is a charity registered in Scotland (Charity No: SC039556). The company is governed by Articles of Association and Memorandum of Association dated 15 January 1991.

## 4. Structure, Governance and Management

Creative Skillset works with key industry partners as well as experts in particular fields to progress its work. We believe in listening to, and working with a wide range of partners in order to build and develop a consensus on what is best for the future of the industry.

To ensure the close involvement of industry in our work, we use a number of distinct formal groups. The diagram on page 6 shows Creative Skillset's structure and functions and how these groups relate to each other.

### **Creative Skillset's Board of Directors and Trustees**

Creative Skillset's Board of Directors and Trustees operate under agreed terms of reference which includes fixed terms of office. Board members have job descriptions as does the Chair and Vice Chair.

The Board membership reflects the 'shape' of the industry and is drawn from the most senior and influential figures possible, with individuals having credibility and profile within and beyond the industry. Members ideally have interests and/or expertise across a number of sub-sectors in our footprint. They are not appointed to represent any individual company or organisation but to speak with authority and expertise on a wide range of issues.

The process for recruitment of Board members is led by a sub-committee of the Board which includes the Chair/Vice-Chair. In the current process, the Board makes suggestions of potential suitable new Board members for nomination (in the case of multiple memberships, the services of head-hunters have been secured in the past to lead to the creation of a long list). From here, the sub-group revises this into a shortlist and the identified individuals are approached. The sub-group is responsible for proposing new members to the Board for appointment and the endorsement of the Board is sought.

The Vice Chair is elected from within Board membership. Each new Trustee receives a one-to-one induction with the Chief Executive Officer and is provided with a detailed induction pack which includes comprehensive information including guidance on their duties as Trustees.

Due to our current selection process, the majority of our current Trustees are selected and active in the industries they operate within. As professionals within these industries they are involved in continuous professional development and a lot of the required training they need for the role of Board member/Trustee of Creative Skillset is already sourced from their main occupational involvements. However, if for any Trustee specific training needs were to be identified regarding the operating of their role as Trustee more effectively, this would be provided.

The current Board membership and positions held during the year:

- **Stewart Till, CBE**, Chair of Creative Skillset and Chief Executive, Sonar Entertainment
- **MT Rainey**, Vice-Chair of Creative Skillset, Chair of TH\_NK Ltd and Founder of Horsemouth
- **David Abraham**, Chief Executive, Channel 4
- **Andrew Harrison**, Chief Executive Officer, RadioCentre and Chairman, MGGB (resigned 15/01/2014)
- **Betty Jackson, CBE**, Founder, Betty Jackson Limited

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- **Christine Payne**, General Secretary, Equity (on behalf of the Federation of Entertainment Unions)
- **Peter Salmon**, Director, BBC North
- **Stephen Woodford**, Chairman of Lexis
- **Tim Richards**, Founder and CEO of VuE Entertainment
- **Stephen Page**, CEO, Faber and Faber
- **Alex Hope**, Managing Director and Founder, Double Negative
- **Stephen Garrett**, Chairman of Kudos and Executive Chairman of Shine Pictures
- **Mark Batho**, Vice Principal at Abertay University (appointed 15/01/2014)

### **National Boards**

The Creative Skillset Board of Directors and Trustees delegate certain responsibilities to the National Boards. These are responsible for guiding Creative Skillset's work in the nations and are also responsive to the changing needs of the industry within their respective nation. The three National Boards are:

- Creative Skillset Scotland National Board
- Creative Skillset Cymru National Board
- Creative Skillset Northern Ireland National Board

### **(Sub-Sectoral) Skills Councils**

The (Sub-Sectoral) Skills Councils are responsible for advising on the activities of Creative Skillset in relation to the specific sectors, across the UK, as authorised by the delegated powers of the Creative Skillset's Board of Directors and Trustees, and are responsive to the changing needs of their respective sectors.

The Film, Animation, Games and High-End TV Councils have additional responsibilities delegated from the Board in allocating and steering industry investment and co-investment as part of the Skills Investment Fund.

### **Creative Skillset's Finance & Audit Committee**

This Committee provides guidance and assistance to the Chief Executive Officer and Directors/ Trustees of Creative Skillset to ensure compliance with its responsibilities as an SSC, Charity and Company Limited by Guarantee. It is responsible for advising on the day-to-day financial operations and controls, ensuring that our budget plan is in line with our strategic plan, and advising on human resources. It is also responsible for ensuring that internal procedures, governance systems and processes are in line with best practice and are reviewed regularly.

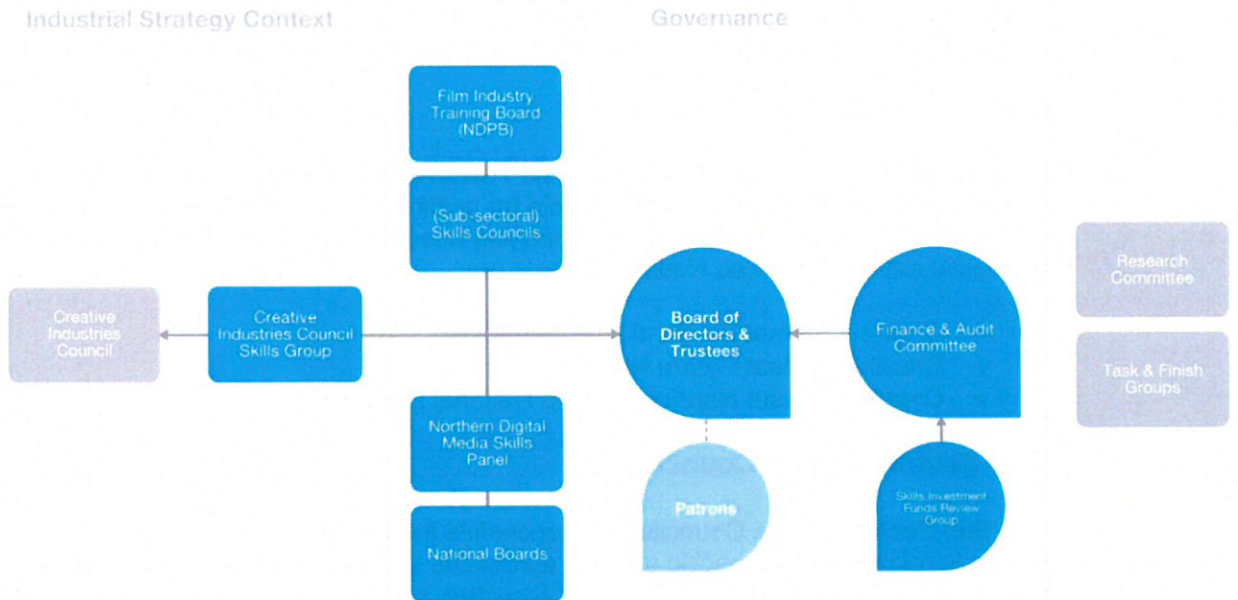
### **The Skills Investment Fund Review Group**

The SIF Review Group brings together the Chairs of the Film, Animation, Games and High-End TV Councils to advise on overall SIF allocations across the sectors in scope, and across the investment strand. It also oversees and ensures that the correct processes

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have been followed in relation to Challenge Fund bids over £500,000. It reports to the Finance & Audit Committee.

**Creative Skillset's Operational Structure**



### **Creative Skillset's Executive Team**

Creative Skillset is led and managed by the Chief Executive Officer supported by its Executive Team, which attends the Board. As we are a charity, the Chief Executive Officer is accountable to the Board but does not have voting rights. The Executive Team consists of:

**Dinah Caine CBE**, Chief Executive Officer

Dinah is responsible for the strategic direction and overall leadership of Creative Skillset's work. She is the organisation's principal spokesperson and takes the overall lead on lobbying and policy matters across the UK. She works with the Executive Team to set out and deliver the overall strategic direction of the organisation.

**Kate O'Connor**, Executive Director, Deputy Chief Executive Officer

Kate is responsible for the research, development, delivery and evaluation portfolio, directs the Skills Investment Fund and work in Scotland, Wales and Northern Ireland.

**Gary Townsend**, Executive Director – Operations and Organisational Development

Gary is responsible for the strategic overview and implementation of operations and organisational development. Gary is also Company Secretary.

**Natalie Carsey**, Executive Director – Finance and Investments

Natalie manages the financial affairs of Creative Skillset, oversees projects and contracts and manages all investment funds.

**Mike Hurst**, Executive Director – Industrial Partnership and Communications

Mike leads our partnership work with industry and our Marketing & Communications.

**Registered Office**

Focus Point  
21 Caledonian Road  
London  
N1 9GB

**Independent Auditor**

Baker Tilly UK Audit  
LLP  
25 Farringdon Street  
London  
EC4A 4AB

**Internal Auditor**

Grant Thornton UK  
LLP 30 Finsbury  
Square  
London  
EC2P 2YU

**Bankers**

HSBC Bank Plc.  
PO Box 260  
46 The Broadway  
Ealing, London  
W5 5JR

## 5. STRATEGIC REPORT

### a. Objectives, Activities, Achievements and Performance

Our charitable activities are split into two key strands; delivery and infrastructure.

#### DELIVERY

Our delivery includes the products and services we offer, the training programmes we develop and facilitate and the awards and bursaries we grant to companies, providers and individuals.

#### Products and Services

During the year we received £4.2m of income directly related to our products and services supporting students, freelancers, employees and companies, with a further £1.7m in donations in kind from industry.

Our suite of products and services included master classes, practical sessions, CV development, apprenticeships, placements and internships, reaching:

- 264 creative companies
- 164 individuals
- 883 employees and freelancers (of which 76% were inspired to take up further training and 56% said they gained useful contacts in the industry.
- Where at least 12% of 99 students were from BAME backgrounds)

Our work across the Nations:

#### Scotland

- Industry Boards have supported the completion of 176 Modern apprenticeships.

#### Wales

- The first Higher Level Apprenticeship in the Creative Industries assisted 13 employers across large broadcasters, new start-up companies and independent animation studios offering 16 placements to apprentices.  
In Fashion and Textiles the Level 2 Apprenticeship assisted 10 employers to offer 14 placements to apprentices and we facilitated improvements to industry relevance for 23 further education courses across 12 institutions.

#### Northern Ireland

- 10 graduates gained full-time employment after 18 month work placements.

Development of new products and services included;

- **Hiive** – a new online creative community designed to help individuals develop their careers and businesses to grow. It is the most ambitious digital project Creative Skillset has ever undertaken..

In 2013 a Hiive beta release was tested by 200 industry users. Further research was carried out across 7 sectors involving approximately 800 people. This fed into



the development of a new prototype and improved platform which will be launched in October 2014.

- **International programme** – worked with the British Council on the development of a number of skills solutions for Egypt's film, TV, journalism, publishing and textiles industries.

### **Training Programmes**

During the year we received £1.5m of income for the facilitation and delivery of the following training programmes.

- **Open Channels – England**

Through Open Channels; the BBC, Channel 4 and Creative Skillset worked together in collaboration. 2 new Higher Apprenticeships were created and over 1,400 individuals completed a 4Talent day boot camp, traineeship or apprenticeship.

Channel 4 created a new online learning platform with over 2 hours of modules in TV production and the BBC piloted an 'over hire' model to aid the independent TV industry with pre-trained and HR supported individuals.

- **Stepping Up programme – Scotland**

The programme included placements in BBC Scotland Drama Development and training on productions such as Waterloo Road, River City, Casualty and Peaky Blinders through bespoke mentoring arrangements and placements. Trainees were also supported with leadership and management courses.

- **Skills for the Digital Economy programme – Wales**

The Skills for the Digital Economy programme set out to support the creative economy in Wales and trained 212 participants (50% of whom were women)

### **Grants, Awards and Bursaries**

Awards and bursaries are made primarily from Creative Skillset's restricted funds; Creative Skillset's Skills Investment Fund, the BFI Lottery delegation and the TV Skills Fund.

During the year we distributed 878 awards and bursaries, worth over £12.6m, to organisations and individuals with all awards and bursaries being match funded to private investment.

- **Creative Skillset's Skills Investment Fund (SIF)**

Following the introduction of new tax credits for the digital media sectors, Creative Skillset successfully secured £16m from Government to invest in skills development across film, high-end TV, animation, games and VFX over two years, 2013 – 2015.

Throughout 2013 – 2014, the first year of funding, Creative Skillset's Skills Investment Fund has catalysed significant change in the creative industries falling under its remit. Successes include:

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- Established employer commitment to new levels of funding.
  - Established 2 new voluntary levies in TV and animation.
  - Put in place 5 sector skills councils comprising senior industry representatives to advise on priority industry needs.
  - Collected over £1.7m in levy contributions.
  - Raised or committed over £8m in industry cash/in-kind match funding for approved projects.
  - Engaged employers to design new systems and training interventions.
  - Invested in training of 3,236 learners, including 415 new entrants via Trainee Finder.
  - Placed trainees with 88 companies, and supported employer-specific training interventions for 38 companies through the Challenge Fund.
  - Invested £2.2m for Nations and regions training initiatives.
  - Initiated systematic research to identify skills gaps and shortages.
- **British Film Institute Lottery Delegation (BFI)**  
During the year, in line with the BFI's new 'Film Forever' five-year plan and strategic priorities, Creative Skillset was awarded £5.1m of lottery funding for film. Activities included grants to organisations and individuals along with investment in capital projects and film academies which benefitted:
    - 2,844 individuals.
    - 334 new entrants.
    - 911 people in new technologies.
    - 706 creative professionals.
    - 352 people in business skills.
    - 476 people in 'emerging needs' training.
    - 132 people benefited from other training interventions.
  - **TV Skills Fund (TVSF)**  
The TV Skills Fund is a restricted fund sourced by BBC, Channel 4 and Channel 5. This year income received was £0.6m and was used to address skills gaps and shortages specifically within the TV freelance market as identified by our TV sector skills councils and regional and national boards.  
Within this year, across a range of activities and programmes, the fund has benefitted 1,508 participants.

## INFRASTRUCTURE

The Creative Skillset key strategic business priorities of: *Owning our Industrial Growth, Opening Doors and Raising the Bar, Quality Skills for Individuals and Support for Companies* - set the framework and focus of our infrastructure work on employer ownership. These help ensure and improve our quality of provision, research, development and diversity activities.

### **Industry Partnerships and Ownership**

The Creative Industries Council (CIC) recommendations are that the creative industries show strong collective ownership and investment in skills and talent.

Through our partnerships with industry and trade bodies via our Boards within the Nations and our Sector Skills Councils, employers have taken more direct ownership of skills and talent development across the creative industries.

During the year we received £1.7m of income directly related to our employer ownership activity plus a further £1m in donations in kind from industry.

This year saw the inauguration of the Employer Training Networks. Networks have been set up in 7 specific regions across England supporting employer collaboration and co-investment in a range of training solutions, including apprenticeships, internships and professional development courses for employees and freelancers. During the year we;

- Training needs analysis conducted with 270 employers, helping plan and deliver training locally through co-investment and collective activities.
- More than 1,302 employees and freelancers accessed professional development courses.
- 368 new apprentices were recruited.
- 340 internship placements achieved.
- Engaged with 1,134 employers and 569 stakeholders including schools, training providers and third sector organisations.
- Over 180 employers were directly involved in providing guidance and feedback on a range of activities through either the Sector Skills Councils, or via the National Industry Boards.

### **Quality Provision and Accreditation**

During the year we received £0.3m of income directly related to our accreditation services which were subsidised by £0.5m of voluntary income.

In September 2013 we launched our accreditation service, the Tick, to the education market at a subsidised charge, opening out Higher Education accreditation services to all sectors in the Creative Industries.

- Assessed 44 courses.
- Visited 24 institutions.
- Received 46 formal expressions of interest to apply for accreditation.

In addition, the Creative Skillset Tick accreditation was introduced to higher education fashion design courses. The project was spearheaded by Betty Jackson CBE and Anne Tyrell MBE who led an accreditation panel of high profile and influential designers from across the UK.

- 23 courses applied.
- 7 courses were awarded the Creative Skillset Tick

### **Research and Development**

Creative Skillset operates a comprehensive, UK wide, industry-endorsed programme of research into the Creative Industries and the training provision available.

During the year we conducted some specific research within the Nations including Skills for the Digital Economy in Wales and Training Needs Analysis across the TV/Film industries in Scotland.

We received £1.8m of income directly related to our research and development activity plus a further £0.4m in donations in kind from industry.

- **A New Definition of the Creative Industries**

Creative Skillset in partnership with Creative and Cultural Skills and Nesta reviewed and proposed an updated classification of the Creative Industries (first developed by DCMS in 1999).

The new methodology defined the Creative Industries based on two new factors:

- Identification of creative occupations, both within and outside of the Creative Industries.
- Calculation of creative intensities, which, along with the above, defines a sector as creative where it employs a significant number of creative people.

The new definition of the Creative Industries has 9 rather than 13 sub-groups and the main results show:

- A higher estimate for total employment in the industries of 2.55m (70% increase).
- A higher number of people employed in creative occupations outside the Creative Industries,
- Greater differences in employment within the Creative Industries themselves (1.68m compared to 897,000) = 87% increase.

It is vital to be able to accurately measure the size and economic contribution of the Creative Industries in terms of public policy and the crucial need for the industries to have access to data which allows them to chart business trends and plan for the future.

DCMS fully adopted the proposals for the new definition and it was used in the new Creative Industries Economic Estimates published in January 2014:

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/271008/Creative\\_Industries\\_Economic\\_Estimates\\_-\\_January\\_2014.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/271008/Creative_Industries_Economic_Estimates_-_January_2014.pdf)

- **Census, Employer and Workforce Panels**

As of end of March 2014:

- The Employer Panel consisted of 1,187 members where we over-achieved our target of 1,000.
- The Workforce Panel achieved 836 members (as of 1st April 2014) over-achieving our target of 750.

- **Identifying the Potential UK FE and HE Market**

HE/FE supply mapping research during the year identified the number of courses available that are within the scope of the Creative Skillset's "Tick" accreditation across Creative Skillset sub-sectors and nations/regions. This allowed us to identify the size of the potential within the FE/HE markets in the UK. Our research showed:

- 239,840 full-time equivalent students within UK HE institutions are studying Creative industries' relevant courses, with 7,720 on Tick accredited courses.
- 53,399 enrolments on Creative Skills relevant FE courses in 2012/2013.

This analysis found that *'accredited course leavers are generally twice as likely as non-Tick graduates to find employment'* in industries or occupations relevant to the creative industries (defined by official data).

- **Futures Dataset**

Creative Skillset developed the Futures dataset this year. An Industry forecasting tool, the Futures dataset is aimed at informing the development of strategies and solutions to address the future skills needs of the workforce and meeting employer demand for skills.

### **Apprenticeships and Vocational Qualifications**

In 2013, funding by the Higher Education Funding Council for England (HEFCE) enabled the development of a project to address a key requirement of Government policy.

- Delivered 62 course titles.
- 893 individual enrolments by media professionals across all courses.
- Developed and delivered 6 industry tailored qualifications.
- 13,640 credits were achieved.

Achievements across the UK and specific to the Nations:

#### **All UK**

- In the UK new standards have been developed for Laundry and Dry Cleaning and Broadcast Media Tech.
- Created Apparel and Manufacturing Technology standards for the fashion & textiles industry.

#### **England**

- All current English Apprenticeship provision extended to 2016 to allow for transition to Trailblazer Standards.
- Developed and implemented the first tranche of Stitching School Level 1 entry units, (L1 Award in Fashion and Textiles) accessible in England and Wales to build a talent pool to progress into Apprenticeships. 100% cohort gain jobs or HE/FE entry.
- Major review of our flagship Creative and Digital Media (CDM) Advanced Apprenticeship.
- Launched the Craft and Tech Apprenticeship for film.

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- Updated 3 English Higher Level Apprenticeships in Interactive Design and Development, Technical Textiles and Product Sourcing, and Advertising, Marketing Communications to a new 90 credit standard of excellence.

**Scotland**

- 2 Modern Apprenticeships revised- Creative and Digital Media and Fashion and Textiles.
- Developed a new Modern Apprenticeship in Technical Textiles and Product Sourcing, which will energise and offer real progression to Scotland's Textiles industry.
- Reviewed 4 SVQ: Level 3 Leather Manufacture, Level 3 Kilt Making, Level 2 & 3 Manufacturing Textiles Products.

**Wales**

- A new Wales HLA in Interactive Media.
- 29 Qualifications approved.
- Fashion and Textiles Apprenticeship re-issue and supported Welsh Office on Welsh government bid to pilot.

**Northern Ireland**

- Our English Apprenticeships are now live in NI for the first time.

## b. Financial Review

As a charity our income generated is split into unrestricted and restricted funds: restricted funds include Creative Skillset's Skills Investment Fund (SIF), the BFI Lottery delegation (BFI) and the TV Skills Fund (TVSF).

Total income for 2013/14 was £28.6m (2012/13: £14.2m) made up of £13.2m unrestricted income and £15.4m restricted funds. The table below summarises the split of incoming resources and the resources expended for 2013/14.

	Unrestricted	Restricted			TOTAL 2014
		Skills Investment Funds	BFI Funds	TV Skills Funds	
	£m	£m	£m	£m	£m
Incoming resources	13.2	9.7	5.1	0.6	28.6
Resources expended	13.5	9.4	4.6	0.7	28.2
<b>Surplus/(Deficit)</b>	<b>(0.3)</b>	<b>0.3</b>	<b>0.5</b>	<b>(0.1)</b>	<b>0.4</b>

## **Unrestricted Funds**

Unrestricted income supports our delivery and infrastructure costs for underpinning activities, such as research and development. Unrestricted income in 2013/14 amounted to £13.2m (2012/13: £9m) which includes £0.6m (2012/13: £0.7m) from Broadcasters and donations in kind of £3.1m (2012/13: £1m) from industry.

Income is generated from a combination of sources such as voluntary contributions from the broadcasters and independent production industry and a number of projects co-funded through public and private investment.

Unrestricted expenditure in 2013/14 amounted to £13.5m (2012/13: £8.9m) and was spent on staffing, direct activity and support costs of our charitable activities.

The unrestricted deficit for the year of £256k was deducted from the brought forward reserves of £707k and the charity finished the year with unrestricted funds carried forward of £451k.

## **Restricted Funds**

Creative Skillset manages a range of training funds contributed to by industry and public sources. The funds have enabled Creative Skillset to support entry-level, continuing professional development and management training programmes for freelancers and employees in order to address current and future skills gaps in the industries and key city regions.

### **Creative Skillset's Skills Investment Fund (SIF)**

Following the introduction of new tax credits for digital media sectors, Creative Skillset successfully secured £16m from Government to invest in skills development across film, high-end TV, animation, games and VFX over two years. The funds will match fund £1 for £1 investment in training from companies and across these sectors.

Income for the year was £9.7m (2012/13: nil) made up of an £8m grant from DCMS and £1.7m from voluntary levies from Film, High-end TV and Animation sectors. Working with employers, over the past 12 months we have invested £9.4m in a wide range of activity to support growth of these sectors to ensure they can capitalise on the opportunities presented by the tax credits.

There was a surplus of £319k and these reserves will be used for activities in 2014/15.

### **BFI Lottery Delegation (BFI):**

A new investment plan for the next 4 years started from April 2013 in line with the BFI's 'Film Forever' new five-year plan. In 2013/14 Creative Skillset received £5.1m (2012/13: £3.9m). This includes an additional miscellaneous income of bank interest of £22k (2012/13: £5k).

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Restricted expenditure for this fund was spent on direct grants, front line activity and administration that support 'Film Forever, the strategic objectives agreed with the BFI. Expenditure in 2013/14 including administration costs was £4.6m leaving a surplus of £477K increasing the reserves fund from £542k to just over £1m. £471k is already committed in soft commitments leaving a small net increase to free reserves of £548k.

### TV Skills Fund (TVSF)

The TV Skills Fund specifically supports the TV sector. Throughout this year we received £0.6m from Broadcasters (2012/13: £0.7m).

Expenditure in 2013/14 was £0.7m (2012/13: £1.1m) and this was mainly used to fund bursaries to individuals and grants to training providers, who put on courses for a range of TV industry professionals.

There was a deficit of £119k on the TV skills fund and consequently the reserves decreased from £352k to £233k. These reserves will be used for activities in 2014/15.

### Investments

All of Creative Skillset's funds are invested in deposit accounts held at HSBC. Interest received for the year was £36k (2012/13: £8k).

### Movement on Reserves

The net incoming resources for the year were £421k (2012/13: £489k)  
The surplus/(deficit) for the year is analysed between funds as follows:

<b>Funds</b>	<b>B/f balances</b>	<b>Movement</b>	<b>C/f balances</b>
Unrestricted Funds	£707k	(£256k)	£451k
TV Skills Fund	£352k	(£119k)	£233k
BFI Lottery Delegation Fund	£542k	£477k	£1,019k
Skills Investment Fund	£342k	£319k	£661k
<b>TOTAL</b>	<b>£1,943k</b>	<b>£421k</b>	<b>£2,364k</b>

### Grant-making Policy

The BFI Lottery delegation, the Creative Skillset Skills Investment Funds and the TV Skills Funds exist to support freelancers (both new entrants and those already in the workforce) and training providers to access substantial training in priority areas of need for the Creative industries. Bids are received and the relevant Committee meets and assesses the bids against applicable priorities.

As part of Creative Skillset's Skills Investment Funds, an Industry Review Group has been set up comprising leading employers whose role is to maintain oversight of investments ensuring that all are made in line with agreed principles, particularly for the Challenge Fund Programme which offers co-investment for eligible employers to deliver creative and



practical ways to boost skills and develop talent in the UK.

### Reserves Policy

The Finance and Audit Committee review the reserves policy annually. The Committee takes into account general guidance contained in Charities SORP and considers what level of reserves is appropriate for us as a charity to hold in order to demonstrate appropriate financial management, stewardship and sustainability.

### Unrestricted Reserves

The Committee believes that the target amount of funds to be held as unrestricted free reserves by Creative Skillset should be £750k. The Committee arrived at this amount after taking into account potential financial risk factors, working capital requirements and areas of business development.

Unrestricted funds at the end of March 2014 were £451k (2012/13: £707k). However, actual free reserves were £261k as defined as unrestricted funds less amounts invested in fixed assets. It is intended that the shortfall between planned reserves and actual free reserves will be closed over the next 2-3 years consistent with Creative Skillset's overall financial position and its need to develop and deliver its charitable objectives.

## c. Plans for Future Periods

### Strategic Objectives 2014-16

Our revised strategic plan for 2014-16 looks at the key challenges facing our industries and what actions we propose to take to support future growth. We hope that our strategic plan for skills development and investment in our industries (**creative media, fashion and textiles, advertising, and publishing**) will help raise overall **Gross Value Add (GVA) by 1-2% (£524-£1,048m) by 2016**.

Creative Skillset, through the delivery of its strategic plan, will also share and help deliver the Creative Industries Council's (CIC) industrial strategy #CreateUK recommendations with regard to skills and education. In doing so, we intend to **help boost the industries'** competitiveness by creating an industry-led skills system that enables growth in companies of all sizes and access in, and progression within, these industries for individuals from all backgrounds.

During this next period we will be developing a longer term sustainability plan for Creative Skillset and the skills and talent needs of our industries. Creative Skillset must adapt and evolve to look to a sustainable future through diversification of its activities, adopting a more commercial approach where this is appropriate, and opening a dialogue with industry about their investment in us, and our activities going forward. We will seek to reduce our reliance on the ratio of public investment and to increase the ratio of industry investment in order to continue to deliver and meet the needs of industries going forward.

Our strategic plan is structured around 7 key pillars, which in turn tell a story about how we support the skills and training needs of our industries. Our strategic pillars are:

**1. Owning our Industrial Growth**

**Aims:**

- a) UK Creative Industries show strong collective ownership and invest in skills and talent.
- b) The case for the link between skills and growth is understood and Creative Skillset is recognised as the authority on skills, education and training in the Creative Industries.

**2. Opening Doors**

**Aim:** There are clear entry pathways into our industries for diverse new talent, focusing on careers, apprenticeships, internships and traineeships.

**3. Raising the Bar**

**Aim:** Learning and training is of the highest quality, aligned to industry needs, and signposted to individuals and employers.

**4. Quality Skills for Individuals**

**Aim:** The workforce, including the large freelance community, can access and invest in high quality, affordable training and development.

**5. Support for Companies**

**Aims:**

- a) UK creative businesses have world-beating leaders who are inspirational, innovative and visionary entrepreneurs.
- b) SME's and micro enterprises are supported and partnered to address their skills and growth ambitions.

**6. Sustaining our Business**

**Aim:** Creative Skillset provides excellent and continually improving support services within a sustainable model.

**7. Communicating Effectively**

**Aims:**

- a) Focus on understanding our audiences, boosting our profile, raising our activity, improving strategic partnerships, fully exploiting opportunities, rationalising information systems, developing new online platforms and building up our content resource bank.

## **d. Principal Risks and Uncertainties**

### **Risk management**

Our risk strategy sets out our policies and main processes for ensuring that together we manage and respond to risk effectively. For the purpose of simplicity, risks are classed as

being of two main types, operational and strategic. Whilst there is overlap, they follow different procedures for identification and reporting to an agreed cycle.

### **Operational risks**

Operational risks are at project level and are the responsibility of the Project Lead who is responsible for conducting regular risk identification activity.

Each project has a Programmes Team Lead attached to it who is responsible for quality assuring this activity and escalating where risks exceed agreed tolerances. Project risks that exceed tolerances are reported monthly to the Senior Management Team.

### **Strategic risks**

Strategic risks are identified and managed at Senior Management Team level and above. Strategic risks are assigned an Executive Team owner who formally records and reports on the risk and its mitigation quarterly. The Corporate Risk Register is also presented to the Finance and Audit Committee quarterly.

The Trustees have conducted a review of the **key risks** to which the charity is exposed:

1. Creative Skillset enjoys high levels of commitment and support from key parts of the Creative Industries, but in some sub-sectors our profile, and buy-in, is not so strong. As an employer led, owned and managed organisation it is critical to the future of our industries, and the organisation, that we reach out and connect with all. We must demonstrate to them the added value and benefit of working together collaboratively on skills. We must be relevant and responsive, as without a broader base of employer engagement, support and investment, the industries may begin to question our worth, and as a result, may seek other ways to meet their needs.
2. Over the last five years we have seen the balance between public and private investment shift dramatically in favour of increased private investment. This shift has happened because public investment has incentivised the growing commitment in private investment. However, our industries investment in skills and training is extremely low in relation to the broader economy and comparable growth sectors. There is a double challenge and opportunity to be faced in how we encourage our industries to invest more, and how we work to protect the public investment flow which has incentivised private investment to date.
3. We have successfully moved from a predominately grant based organisation, with steady and predictable income, to one which is entirely project-based and where public investment has been successfully won in open competition. As current Government policy shifts away from support for infrastructure and investment in intermediary bodies, it is imperative that we build future sustainability plans that will provide a compelling model where industry will be prepared to invest in our core infrastructure. In addition, we have the opportunity to lobby to seek to influence evolving party policy to secure positive manifesto commitments on skills and training in the run up to the General Election in 2015.
4. Following the referendum on Scottish Independence it is clear, that the effect of the 'No' vote, and the promise of additional devolution of powers, will have profound and on-going impact on the debate around devolution, not just in Scotland, but in Wales and Northern

Ireland, and in English City Regions. We expect to see an increase in the flow of devolution of powers on a national and regional level and this provides both opportunities and challenges to how we position ourselves within that changing infrastructure.

## 6. Funds held as Custodian

The following funds are held as custodian as at 31 March 2014:

David Fraser Fund	£35,838
Film Industry Training Board	£14,778

### David Fraser Bursary Fund

David Fraser was a very well respected figure in the television industry that tragically died at a young age. He was very committed to skills and talent development in this industry and prior to that in the theatre. A Trust Fund has therefore been established in his memory, with contributions from organisations and individuals. Its purpose is to make bursaries available to support up and coming theatre directors in getting experience of working in television. Creative Skillset's contribution to the Fund has been to manage its finances and administer it on behalf of the Trustees.

### Film Industry Training Board

This fund was set up in anticipation of the film levy becoming mandatory.

## 7. Trustees' Liability Insurance

Trustee's Liability insurance premiums charged to the accounts was £2,115 (2012/13: £1,535)

## 8. Connected Charities

The company has no connected charities.

## 9. Auditor

Baker Tilly UK Audit LLP has indicated its willingness to continue in office.

As far as each of the trustees is aware

- (a) There is no relevant audit information of which the charitable company's auditor is unaware;  
and
- (b) They have taken all the steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information;

Creative Skillset  
TRUSTEES' REPORT

The Trustees' Report incorporating the Strategic Report is being signed by the Trustees in their capacity as Directors.

On behalf of the Board,

Director MT Rainey  
MT Rainey

Date 25/9.....2014

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also Directors of Creative Skillset for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities Statement of Recommended Practice (SORP);
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Creative Skillset  
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CREATIVE SKILLSET –  
SECTOR SKILLS COUNCIL

## INDEPENDENT AUDITOR'S REPORT

We have audited the financial statements of Creative Skillset Sector Skills Council for the year ended 31 March 2014 on pages 25 to 47. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made exclusively to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the **Charity's Trustees**, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the members **and the charity's Trustees those matters we are required to state to them in an auditor's report** and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity, its members as a body, and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective Responsibilities of Trustees and Auditor

As explained more fully in the Statement of Trustees' responsibilities set out on page 22, the Trustees' (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditors under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report to you in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### Scope of the Audit of the Financial Statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>

### Opinion on Financial Statements

In our opinion the financial statements: give a true and fair view of the state of the **charitable company's affairs as at 31 March 2014 and of its incoming resources and application of resources**, including its income and expenditure, for the year then ended; have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Creative Skillset  
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CREATIVE SKILLSET –  
SECTOR SKILLS COUNCIL

**Opinion on Other Matter Prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Report and the incorporated Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Matters on Which we are Required to Report by Exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

the charitable company has not kept proper and adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or the financial statements are not in agreement with the accounting records and returns; or certain disclosures of trustees' remuneration specified by law are not made; or we have not received all the information and explanations we require for our audit.

Signature..... Baker Tilly UK Audit LLP

HANNAH CATCHPOOL (Senior Statutory Auditor)  
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor  
Chartered Accountants  
25 Farringdon Street  
London  
EC4A 4AB

Baker Tilly UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Date: 25 September 2014.....



Creative Skillset  
STATEMENT OF FINANCIAL ACTIVITIES (including INCOME AND EXPENDITURE  
ACCOUNT)  
For the year ended 31 March 2014

	NOTES	Unrestricted Funds £	Restricted Funds £	Total 2014 £	Total 2013 £
<b>Incoming resources</b>					
Incoming resources from generated funds					
Voluntary income	1	3,741,057	15,323,911	19,064,968	6,889,709
Investment income		9,710	25,965	35,675	7,526
Incoming resources from charitable activities					
Delivery					
Products & Services	2	4,169,311	-	4,169,311	2,461,051
Training Programmes		1,446,309	-	1,446,309	1,387,909
Awards & Bursaries		54,035	-	54,035	53,432
Other income		21,454	-	21,454	20,929
Infrastructure					
Quality Provision & Accreditation		255,519	-	255,519	1,043,526
Research & Development		1,817,194	-	1,817,194	1,400,875
Employer Engagement		1,709,855	-	1,709,855	971,073
<b>Total incoming resources</b>		<b>13,224,444</b>	<b>15,349,876</b>	<b>28,574,320</b>	<b>14,236,031</b>
<b>Resources expended</b>					
Costs of generating funds					
Charitable activities					
Delivery					
Products & Services	2	4,914,008	666,607	5,580,615	2,652,839
Training Programmes	2	1,265,556	13,000	1,278,556	1,189,744
Awards & Bursaries	2	54,034	12,561,736	12,615,770	4,236,253
Infrastructure					
Quality Provision & Accreditation	2	808,107	16,777	824,884	1,438,656
Research & Development	2	2,418,468	467,007	2,885,475	2,425,679
Employer Engagement	2	3,966,662	947,453	4,914,115	2,731,802
Governance costs	3	52,223	-	52,223	43,134
Other expenditure		1,683	-	1,683	6,587
<b>Total resources expended</b>	<b>3</b>	<b>13,480,741</b>	<b>14,672,580</b>	<b>28,153,321</b>	<b>14,724,693</b>
<b>Net income/(expenditure)</b>	<b>4</b>	<b>(256,297)</b>	<b>677,296</b>	<b>420,999</b>	<b>(488,662)</b>
<b>Transfer</b>		-	-	-	-
<b>Net movement in funds</b>		<b>(256,297)</b>	<b>677,296</b>	<b>420,999</b>	<b>(488,662)</b>
Total funds brought forward 1 April 2013		707,104	1,235,650	1,942,754	2,431,416
<b>Total funds carried forward 31 March 2014</b>		<b>450,807</b>	<b>1,912,946</b>	<b>2,363,753</b>	<b>1,942,754</b>

*The statement of financial activities includes all gains and losses recognised in the year. All activities are classified as continuing. The 'Notes to the Financial Statements' on pages 31 to 47 form part of these accounts.*

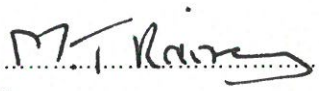
Creative Skillset  
BALANCE SHEET as at 31 March 2014

Company Registration No. 2576828  
Charity Registration No. 1015324  
Scottish Charity Registration No. SC039556

	<i>Notes</i>	2014 £	2013 £
<b>Fixed Assets</b>			
Tangible Assets	6	189,735	243,027
<b>Current Assets</b>			
Debtors	7	8,524,086	1,780,165
Cash at bank and in hand		7,305,878	7,465,878
		15,829,964	9,246,043
<b>Creditors : Amounts falling due within one year</b>	8	13,454,363	7,464,658
<b>Net Current Assets</b>		<u>2,375,601</u>	<u>1,781,385</u>
<b>Total Assets less Current Liabilities</b>		2,565,336	2,024,412
<b>Creditors: Amounts falling due after more than one year</b>	9	201,583	81,658
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u><b>2,363,753</b></u>	<u><b>1,942,754</b></u>
<b>CAPITAL AND RESERVES</b>			
Unrestricted funds		450,807	707,104
Restricted funds	14	1,912,946	1,235,650
		<u><b>2,363,753</b></u>	<u><b>1,942,754</b></u>

The Financial Statements were approved by the Board and authorised for issue on 25 September 2014

Signed on behalf of the Board by:

Director .....  .....  
MT Rainey

*The 'Notes to the Financial Statements' on pages 31 to 47 forms part of these accounts.*

Creative Skillset  
CASH FLOW STATEMENT  
For the year ended 31 March 2014

	<i>Notes</i>	2014 £	2013 £
Net cash (outflow) from operating activities	<b>13a</b>	(131,901)	(1,083,190)
Returns on investments and serving of finance	<b>13b</b>	35,675	7,526
Capital expenditure	<b>13b</b>	(63,774)	(241,396)
<b>Cash (outflow) in the period</b>		<b>(160,000)</b>	<b>(1,317,060)</b>
		<b>2014 £</b>	<b>2013 £</b>
(Decrease) in cash in the period		(160,000)	(1,317,060)
<b>MOVEMENT IN NET FUNDS IN PERIOD</b>		<b>(160,000)</b>	<b>(1,317,060)</b>
NET FUNDS AT 1 APRIL 2013		7,465,878	8,782,938
NET FUNDS AT 31 MARCH 2014	<b>13c</b>	<b>7,305,878</b>	<b>7,465,878</b>

*The 'notes to the financial statements', on pages 31 to 47 forms part of these accounts.*

## Basis of Accounting

The financial statements have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) and with applicable United Kingdom accounting standards and under the historical cost accounting rules.

The financial statements comply with the requirements of the "Statement of Recommended Practice Accounting and Reporting by Charities" (SORP 2005) published in March 2005.

The Trustees have considered cash flow forecasts for a period of at least twelve months from the date of signing this report. The Trustees believe these assumptions are reasonably prudent and consequently, in their opinion, the charity is a going concern.

### Income

Income represents the value excluding value added tax of contributions received from organisations in the United Kingdom.

Charitable and voluntary income is recognised when entitlement has been established and as soon as the amount and receipt can be adequately measured and is known with certainty. Performance related grants are recognised as services are performed. Contractual income is recognised based on the level of activity carried out. All other income is recognised on an accruals basis.

Estimated value of Donations in Kind is included within Voluntary Income when the amounts are material and readily quantifiable. Such estimates are based on the market price Creative Skillset would otherwise have paid at open market value.

### Tangible Fixed Assets

Fixed assets are stated at historical cost. Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:-

Office equipment	over 3 years
Fixtures and fittings	over 3 years
IT Equipment & Software	over 3 years
Leasehold Improvements	over the lower of lease term or 5 years

All assets over a value of £1,000 are capitalised. Assets of a lower value are also capitalised if they are expected to have a useful life of three years or more.

## **Funds**

Unrestricted funds support our infrastructure costs for delivery and underpinning activities, such as research and development, of the organisation. These funds are not considered 'restricted' as per SORP.

Restricted funds are used for specific purposes as laid down by the donor or grant making body. Expenditure which meets the necessary criteria is allocated against the funds, together with a fair allocation of support costs. The individual assets and liabilities of each fund are shown in the notes to the balance sheet.

## **Pensions**

Creative Skillset offers membership of a Group Personal Pension Scheme with Aviva. This operates on a salary sacrifice basis. The standard contribution is 7% from the employer and a minimum of 3% from the employee. Benefits are eventually dependent on investment performance with Aviva and the subsequent underlying value of funds at retirement. Employees become eligible to join the scheme on completion of 3 months service with Creative Skillset. For the defined contribution scheme, the amount charged to the statement of financial activities in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

## **Grants Payable**

The Creative Skillset's Skills Investment Fund, the BFI Delegation Funds and the TV Skills Fund commit grants to be paid once the conditions of the grant have been successfully completed. For the TV Skills Fund grants are made available for a period of 12 months after which time the offer of the grant is withdrawn. Grants offered from the BFI Delegated Fund are reviewed after 6 months. Amounts committed at the end of the period but not taken up are shown in "financial commitments" in note 11 to the financial statements.

## **Expenditure**

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Resources expended are allocated to the particular activity where the cost relates to that activity. The costs of governing the charity and supporting the charitable activities are based on specific costs and overheads apportioned on an estimated basis of the amount of the costs attributable to each activity. See note 3(b) for allocations and the apportionment basis used.

## **Governance Costs**

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees. Support costs are not allocated as most governance is

**6 Tangible Fixed Assets**

	Office Equipment	Fixtures & Equipment	IT Equipment (including Software)	Leasehold Improvements	Total
	£	£	£	£	£
<b>Cost:</b>					
<b>1 April 2013</b>	406,512	1,500	348,254	575,055	1,331,321
<b>Additions</b>	15,732	-	48,042	-	63,774
<b>31 March 2014</b>	422,244	1,500	396,296	575,055	1,395,095
<b>Depreciation</b>					
<b>1 April 2013</b>	291,382	250	221,607	575,055	1,088,294
<b>Charged in the year</b>	44,604	500	71,962	-	117,066
<b>31 March 2014</b>	335,986	750	293,569	575,055	1,205,360
<b>Net book value</b>					
<b>31 March 2014</b>	<b>86,258</b>	<b>750</b>	<b>102,727</b>	<b>-</b>	<b>189,735</b>
<b>31 March 2013</b>	115,130	1,250	126,647	-	243,027

**7 Debtors**

	2014 £	2013 £
Due within one year:		
Trade debtors	339,313	191,074
Amounts recoverable on Contracts	974,180	136,710
Other debtors	212,011	20,440
Prepayments and accrued income	6,998,581	1,431,941
<b>Total</b>	<b>8,524,086</b>	<b>1,780,165</b>

Creative Skillset  
NOTES TO THE FINANCIAL STATEMENTS

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**8 Creditors: Amounts falling due within one year**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Trade creditors	7,895,183	951,880
Other creditors (*)	102,685	77,202
Other taxation and social security costs	130,529	109,049
Funds held in trust for third parties (see note 18)	50,616	50,616
Accruals	887,789	1,005,179
Deferred income (see note 19)	754,028	1,685,866
BFI Lottery grants payable	3,633,533	3,584,866
<b>Total</b>	<b><u>13,454,363</u></b>	<b><u>7,464,658</u></b>

\*Other creditors include pension contribution liability at year end; £28,965 for 2013/14 (2012/13: £7,202)

**9 Creditors : Amounts falling due in more than one year**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
BFI Lottery grants payable	-	81,658
Other grants payable	201,583	-
<b>Total</b>	<b><u>201,583</u></b>	<b><u>81,658</u></b>

**10 Share Capital**

The company is limited by guarantee and, as such, does not have any authorised share capital.

**11 Financial commitments**

The TV Skills Fund and Creative Skillset's Skills Investment Fund are ongoing funding programmes. Committed monies relate to projects which must be completed within 6-12 months.

With the BFI Delegated Fund, committed monies relate to programmes with duration periods of up to 2 years. The commitment is treated as a hard commitment once the offer letter has been signed by the awardees and the conditions of the offer are met. Hard commitments are included in the Balance Sheet as BFI Lottery Grants payable. Soft commitments arise at the point the award is approved by Creative Skillset. Soft commitments are not treated as financial liabilities but as financial commitments and are disclosed in the accounts, as set out below:

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
BFI Lottery Delegation Fund: Commitments	<u>471,465</u>	<u>228,550</u>

Creative Skillset  
NOTES TO THE FINANCIAL STATEMENTS

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Met Film Ltd	1	62,115
Guild of British Camera Technicians (GBCT)	2	56,670
Lighthouse Arts & Training	4	52,930
Amersham & Wycombe College	1	50,000
Ravensbourne College of Design and Communication	1	50,000
Independent Cinema Office	1	45,000
Karrot Entertainment Ltd	1	43,717
LBP Outlander Ltd	16	42,857
Carnival Productions Limited	10	41,649
Power to the Pixel Ltd	2	40,000
Screen South	1	35,000
Escape Studios Ltd	1	35,000
Birds Eye View	1	30,000
B3 Media	1	30,000
Conley Consultants Ltd & Gerrard Consulting Services	1	30,000
Lovely Day (Grantchester) Ltd	1	29,732
20th Century Fox UK Productions Ltd	10	29,091
Gillerd Production Services Ltd	9	28,161
More Muppets Productions Ltd	2	27,720
HIT Entertainment	1	27,698
Balloon (50 Year Special) Ltd	1	27,100
Red Planet Pictures Limited	1	26,880
Atlantic Film Group	1	25,000
Filmtiki Limited	1	25,000
Monika Barnes Limited	1	24,000
Tiger Aspect	1	23,805
Blue-Zoo Productions Ltd	3	23,381
FinBlade Limited	3	22,500
Hat Trick Productions	4	21,263
Kudos Film and Television Ltd	4	20,954
LOCO - The London Comedy Film Festival	1	20,000
Directors Guild	1	18,234
Celia Thornley Skills Consultant c/o Bebop Dancewear Ltd	1	17,500
Untitled 13 Ltd	2	15,498
Ukie	1	15,100
Sara Putt Associates	1	15,000
Digicub Ltd	3	13,500
Cutlass Productions Ltd	1	13,405
Untitled 13	3	13,361
Roll7	2	11,502
Drama Republic	1	11,080
Tiger Aspect Drama Ltd	4	11,014
Protagonist Pictures	1	10,804



Creative Skillset  
 NOTES TO THE FINANCIAL STATEMENTS

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45 Years Films	5	10,395
Perfect Motion Ltd	1	10,050
Women in Film & Television	1	10,000
Institute of Professional Sound	1	9,820
NellyVision Ltd	3	9,300
Thistle Films Ltd	4	9,135
Grafton House Productions Ltd	3	8,775
August Street Films	1	8,697
Cinesite VFX Ltd	1	8,000
Double Negative	1	7,864
Munky	1	7,330
BFI Southbank	1	7,000
Hoxton Redsox	1	6,900
Origin Pictures	3	5,680
Milk Visual Effects Limited	1	5,625
Brandnew-U Ltd	5	5,303
MB Films Ltd	1	5,040
nDreams Ltd.	2	5,000
Mammoth Screen Ltd	4	4,758
Par Films	2	3,780
Bill Films Productions	2	3,638
Suite Distribution	1	3,465
Nightjack	2	3,450
FormerDroid Ltd	1	3,375
Our Kind of Traitor Ltd	1	3,150
Proud Films Productions Ltd	1	2,835
Stone City Films	1	2,572
Electricity Film Productions	1	2,257
Second Coming Productions Ltd	1	2,218
Norfolk Film Ltd	2	2,145
EMU Films Ltd	1	2,000
Plastic Reality Ltd	1	1,960
Hartswood Films	4	1,381
ITV Studios	1	1,350
Emma Beattie	1	1,137
Honourable Woman Ltd	1	1,002
ThinkBIGGER! Ltd	1	1,000
Hutch Games Ltd	1	600
Bossa Studios	1	562
Another Place Productions Ltd	1	450
Rebellion Developments Ltd	1	447
SKARA The Blade Remains Ltd	1	300
Glitch Games	1	250

Creative Skillset  
NOTES TO THE FINANCIAL STATEMENTS

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Bectu	1	(80)
	<b>243</b>	<b>7,991,458</b>

**Other Regions**

National Film & Television School	6	1,487,329
King Rollo Films	2	224,710
Creative England	3	134,580
Ubisoft Reflections Limited	9	94,471
Aardman Animations Limited	2	92,336
A Productions	3	81,475
Sheffield International Documentary Festival Ltd	3	80,500
Real Visual Ltd	9	58,338
Film Nation UK	1	56,000
Screen Yorkshire	1	55,000
BAFTA	1	52,500
Third Films	1	49,111
Wellington Films Ltd	1	38,236
104 Films Ltd	2	35,000
Encounters Short Film and Animation Festival	1	33,518
Cuba Films North Ltd	7	30,421
Opposable Games	5	30,375
Auroch Digital	3	30,000
Carnival Productions Limited	1	29,706
Spider Eye Ltd	1	25,009
Dubit Limited	6	22,765
Mackinnon & Saunders Digital Studio Ltd	1	21,241
University of York	1	18,000
Four Door Lemon	2	16,200
Nomad Games Limited	3	15,630
Ukie	1	15,550
Eleventh Hour Films (FW) Ltd	4	15,000
Left Bank Pictures Ltd	10	14,397
Anti-Matter Games Ltd	4	14,250
Uclan	1	13,010
Pixel Toys Ltd	3	11,700
Pinewood Studios	5	10,322
Aardvark Swift Rec	1	9,000
Fettle Limited	5	8,960
Wildseed Studios Limited	2	8,363
Plumcourt (Blue Moon) Ltd	5	8,190
Bypass Ltd	3	6,183

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Total Monkeyry	1	4,500
Run 71 Ltd	1	4,494
Mediasmiths International Ltd	1	4,000
Remode Ltd	1	3,763
Echoic Audio Ltd	1	3,038
University of Bradford	1	2,000
EMU Films Ltd	1	1,556
Tiber films Ltd	1	1,556
Nosebleed Interactive	1	1,538
Mobile Gaming Studios Ltd	1	600
PlayDemand Ltd	1	250
	<b>130</b>	<b>2,974,671</b>

**Grants to Organisations in Devolved Administrations**

Fire and Blood Productions Ltd	1	289,718
It's My Shout Productions Ltd	1	210,250
Bradley and Bee Ltd	1	174,518
Napier University	1	149,577
BBC Scotland	1	110,823
Young Films Ltd	1	68,316
Northern Ireland Screen Commission	1	55,000
STV Productions Limited	1	30,942
Media Guardian Edinburgh International Film Festival	1	28,000
Crossover Labs	1	27,000
Film Agency For Wales	1	25,000
Fiction Factory	1	23,892
Channel 4 Television - 4 Talent Networks Scotland	1	22,440
Mental Limited	2	19,500
Green Bay Media Ltd	1	19,281
Lupus Films Limited	1	17,240
Buzzbox	1	8,000
Bait Studio Limited	1	7,500
Blazing Griffin Ltd	1	7,500
Sigma Films	5	6,615
Tall Ship Productions	1	4,750
Taught Media Limited	1	3,955
University of South Wales	1	2,000
Binary Pumpkin Ltd	1	250
	<b>29</b>	<b>1,312,067</b>

**Grants to International Organisations**

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Fundacion Cultural Media – Media Business School	1	39,000
eQuinox Europe	1	15,000
International Film Festival Rotterdam	1	5,386
	<b>3</b>	<b>59,386</b>
<b>Grants to All Organisations</b>	<b>405</b>	<b>12,337,582</b>
<b>Rescinded Grants (Grants not utilised)</b>		
The Production Guild	4	(42,563)
National Film & Television School	2	(29,841)
EM Media	2	(22,494)
London Film School	1	(10,274)
B3 Media	1	(7,035)
Sphere VFX Ltd	1	(4,551)
Film London	2	(3,921)
Crossover Labs Limited	1	(3,641)
The British Documentary Film Foundation, trading as BRITDOC Foundation	1	(1,095)
Scenario Films Limited/BABYLON	1	(1,000)
Creative England	2	(303)
Independent Cinema Office	1	(183)
Napier University	1	(93)
Screen South	1	(54)
	<b>21</b>	<b>(127,048)</b>
<b>Total Grants to Organisations</b>	<b>384</b>	<b>12,210,534</b>
<b>Total Grants and Bursaries to Individuals</b>	<b>494</b>	<b>405,235</b>
<b>Total Grants and Bursaries Awarded</b>	<b>878</b>	<b>12,615,769</b>

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**18 Resources held for a third party**

The following reflects the movement in resources held for a third party which have not been included in the statement of financial activities:	<b>David Fraser Fund</b>	<b>Film Industry Training Board</b>	<b>Total</b>
	£	£	£
<b>B/Fwd and C/Fwd</b>	<b>35,838</b>	<b>14,778</b>	<b>50,616</b>

Amounts held at the year-end are reflected in the creditors balance per note 8.

**19 Incoming resources deferred**

The following reflects the movement in the deferral of incoming resources. Income deferred is from projects that span more than one financial year

	<b>2014</b>	<b>2013</b>
	£	£
Brought forward	1,685,866	1,941,374
Released to income	(17,299,893)	(24,127,240)
Income deferred	16,368,055	23,871,732
<b>Carried forward</b>	<b>754,028</b>	<b>1,685,866</b>

**20 Related Party Transactions**

None of our Trustees receive remuneration or other benefit for their work with Creative Skillset. Included in the Board of Trustees and members of the steering committees are several individuals who are also directors or employees of organisations that fund Creative Skillset's activities.

Further details about these relationships can be found on the Creative Skillset website at [www.creativeskillset.org](http://www.creativeskillset.org).

There were no related party transactions in the current year (2012/13: Nil) which are required to be disclosed under the SORP.

