



Creative Skillset - Sector Skills Council

FINANCIAL STATEMENTS

For the year ended
31 March 2013

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

Creative Skillset Sector Skills Council

CONTENTS

1.	Introduction	3
2.	What is Creative Skillset?	3
	Vision & Mission	3
3.	A Well Run Organisation: Reference & Administrative Information	3
4.	Structure & Governance	3
5.	Key Achievements and Performance	6
6.	Finance Review	11
7.	Plans for the future	14
8.	Funds Held as Custodian	18
9.	Trustee's Liability Insurance	18
10.	Connected Charities	18
11	Auditor	18
	STATEMENT OF TRUSTEES' RESPONSIBILITIES	19
	INDEPENDENT AUDITOR'S REPORT	20
	STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)	22
	BALANCE SHEET	23
	CASHFLOW STATEMENT	24
	ACCOUNTING POLICIES	25
	NOTES TO FINANCIAL STATEMENTS	27

Creative Skillset Sector Skills Council

TRUSTEES' REPORT

1. Introduction

This Trustees' Report covers activity between 1st April 2012 and 31st March 2013 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

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.

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 Mission

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

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 wealth creation, and have further enhanced their global reputation for quality.

3. A Well Run Organisation

Reference & Administrative Information

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 15th January 1991. These can be found on the website www.creativeskillset.org/creativeskillset/governance.

4. Structure & Governance

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 5 shows Creative Skillset's structure and functions and how these groups relate to each other.

Creative Skillset 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 do the Chair and Vice Chair.

Creative Skillset Sector Skills Council

TRUSTEES' REPORT

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 or expertise across a number of sub-sectors of 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-group of the Finance and Audit Committee. The current process is that the Board makes suggestions of potential suitable new Board members for nomination. In the case of multiple memberships, the services of headhunters have been secured in the past. This leads to the creation of a long list. The sub-group revises this into a shortlist and 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 Chair is selected by an open recruitment process led by the sub-group. The Vice Chair is elected from within its 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 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
- **Eileen Gallagher, OBE**, Chief Executive, Shed Media Plc. (resigned 29/11/2012)
- **Andrew Harrison**, Chief Executive Officer, RadioCentre and Chairman, MGGB
- **Betty Jackson, CBE**, Founder, Betty Jackson Limited
- **Christine Payne**, General Secretary, Equity (on behalf of the Federation of Entertainment Unions)
- **Professor Stephen Heppell**, Founder, Heppell.net (resigned 29/11/2012)
- **Peter Salmon**, Director, BBC North
- **Stephen Woodford**, Chairman & CEO of DDB
- **Tim Richards**, Founder and CEO of VuE Entertainment
- **Stephen Page**, CEO, Faber and Faber
- **Alex Hope**, Managing Director and Founder, Double Negative (appointed 29/11/2012)
- **Stephen Garrett**, Chairman of Kudos and Executive Chairman of Shine Pictures (appointed 29/11/2012)

National Boards

The National Boards are responsible for guiding Creative Skillset's work in the nations, as authorised and delegated powers of the Creative Skillset Board of Directors and Trustees. These Boards 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 Sector Skills Council

TRUSTEES' REPORT

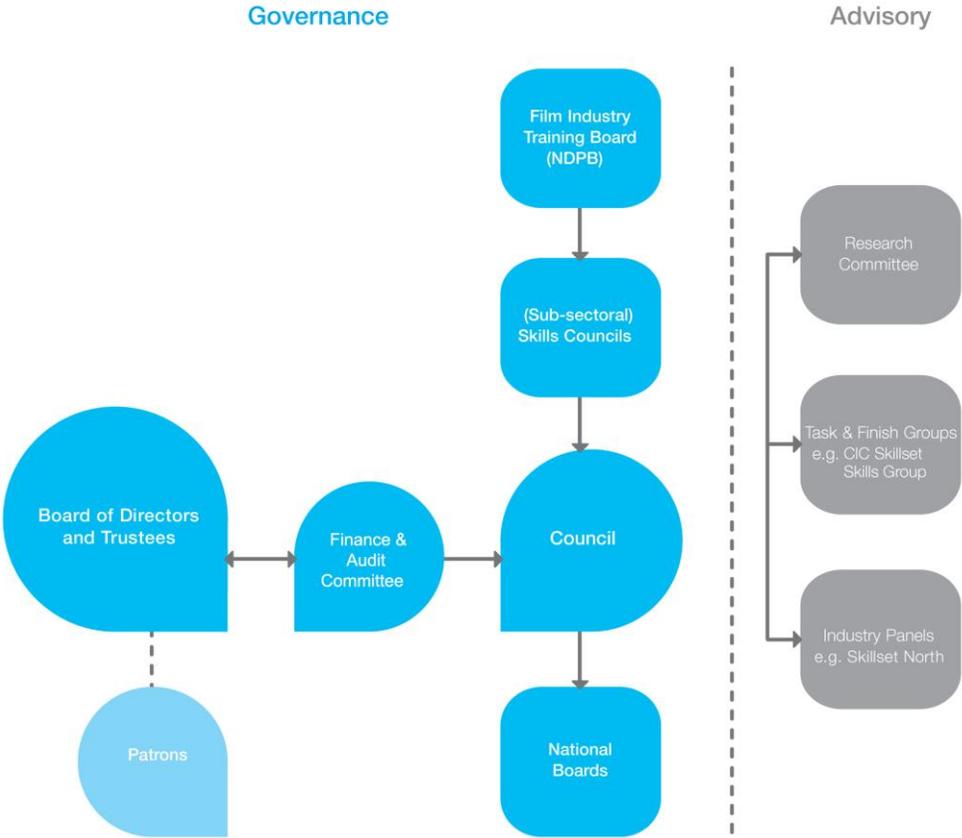
- Creative Skillset Cymru National Board
- Creative Skillset Northern Ireland National Board

(Sub-Sectoral) Skills Councils

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

Creative Skillset Finance & Audit Committee

This Committee provides guidance and assistance to the Chief Executive 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 and ensuring that our budget plan is in line with our Strategic Plan, and advising on human resources systems. It is also responsible for ensuring that internal procedures, governance systems and processes are in line with best practice and are reviewed regularly.



Creative Skillset Sector Skills Council TRUSTEES' REPORT

Creative Skillset Operational Structure

Creative Skillset's Executive Team

Creative Skillset is led and managed by the CEO supported by its Executive Team who attends the Board. As we are a charity, the CEO 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.

Kate O'Connor, Executive Director - Deputy CEO

Kate is responsible for Creative Skillset's research, development and training and education delivery functions across the UK and including the Nations. She is also responsible for overseeing the sector strategy work and managing the teams responsible for employer engagement and partnership.

Gary Townsend, Executive Director – Operations & Organisational Development

Gary is responsible for the strategic overview and implementation of operations and organisational development. This includes leading on business strategy and planning, bids management, HR, facilities management, information technology, internal communications, training and development, diversity and governance. Gary is also Company Secretary.

Natalie F Carsey, Executive Director - Finance & Investments

Natalie manages the financial affairs of Creative Skillset, oversees projects and contracts and manages the investment funds. Natalie develops with the rest of the Executive Team the overall strategic direction for Creative Skillset, also ensuring that Creative Skillset remains on a sound financial footing. Natalie has overall responsibility for Creative Skillset's Finance and Investment teams and is responsible for ensuring that the organisation remains financially viable.

Registered Office

Focus Point
21 Caledonian Road
London
N1 9GB

Independent Auditor

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

Bankers

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

5. Key Achievements and Performance

Products & Services

In April 2012 Creative Skillset was awarded £6m of UK Commission of Employment and Skills (UKCES) funding over the period of two years. One element of this funding is for a project, Creative Solutions, which is an integrated proposal to design, develop, test and launch a range of products and services specifically aimed at employers and individuals in the creative industries. Through developing and implementing these high quality and specialist products and services, Creative Skillset will drive investment and increase skills levels by ensuring that our employers and workforce are supported with the tools, advice and guidance needed.

Creative Skillset Sector Skills Council

TRUSTEES' REPORT

During 2012-13 Creative Skillset has carried out a variety of activity to support employers and individuals in the creative industries. Fast Train and Talent Aggregator events were held, providing training for hundreds of individuals and bringing together students and employers to facilitate networking.

Market research was carried out and published, providing evidence for the specification of new services and target markets and sectors. A Creative Record passport scheme was launched and a new web portal through which TV and film employers can access their workforce's training records is now accessible.

During 2011 the Creative Industries Council (CIC) convened the CIC Skillset Skills Group to instigate industry-led approaches and proposals for addressing skills and talent issues in order to boost the growth and competitiveness of the Creative Industries, chaired by Dinah Caine, and with broad representation. The group's recommendations were endorsed and adopted at the CIC meeting in January 2012, chaired by the Secretaries of State for DCMS and BIS.

Creative Skillset proceeded to submit a proposal to the UKCES's Growth and Innovation Fund (GIF), to implement 12 of the working group's 17 recommendations. The project was designed to address a key challenge identified by the CIC: that underinvestment in skills and talent by both employers and individuals is a barrier to growth and innovation in the Creative Industries. By coming together in partnership and investing directly in the development of Creative Catalyst, the industries continue to rise to that challenge. The project includes the development of a professional learning network for employers and individuals, encouraging the establishment of "virtual boards" and establishing a careers resource for the Creative Industries.

In April 2012 Creative Skillset was awarded £2m from the National Apprenticeship Service over a one year period for two projects; Creative Breakthrough and Higher Level Apprenticeships (HLA).

Higher Level apprenticeships were designed to focus on the building of high-level skills identified by creative employers and the Creative Industries Council by developing an innovative Level 4 Framework. The goal was to engage 300 employers to stimulate more ambitious uptake of apprentices, especially among SMEs and to developing an employer engagement toolkit resource thus creating 500 apprenticeship places

- During the course of the project consultations took place with 426 employers.
- Creative Skillset developed England's first ever 3 higher apprenticeships in Fashion & Textiles, Advertising & Marketing Communications and Creative & Digital Media.
- 12 training providers were identified and prepared to deliver the higher apprenticeships throughout the year across the 3 sectors.
- Quality Accreditation of Apprenticeship provision offered under Creative Skillset Apprenticeship frameworks through the Creative Skillset Tick quality mark was awarded to 18 new apprenticeship pathways across 7 training providers.
- Creative Skillset researched and tested how employers could come together to address their training needs, with a national Fashion & Textiles Group Training Association leading the way followed by a number of Employer Training Networks.

This year Creative Skillset are embarked on a number of innovative international projects which acted as pilot programmes which to build into our wider international strategy which is being developed. Projects included work with the European Sector Council for employment and skills in the Textile, Clothing and Leather sector, work with the British Council in Egypt developing key infrastructure elements and UKIERI (UK-India Education and Research Initiative) work on skills development and capacity building in India.

Creative Skillset Sector Skills Council

TRUSTEES' REPORT

In September 2012, Creative Skillset Cymru was awarded £1.2m from the Welsh Assembly Government over a 2 year period. The project aims to widen access for new entrants and develop new talent in the areas of digital content and technology.

Creative Skillset will establish and co-ordinate the delivery of a Level 2 and 3 Apprenticeship in Fashion and Textiles in Wales and address the need to focus on improving the industry relevance of courses within FE and HE.

Donated services from employers for the year were valued at £81k for products and services

Training Programmes

Open Channels is an innovative and unprecedented partnership between the BBC and Channel 4, supported by Creative Skillset and funded by UKCES Employer Ownership Programme (EOP). The project aims to create a new 'end to end' programme of training, work placements, Internships and Apprenticeships to support recruitment into production and technology roles in the broadcast TV sector. The programme will break the cycle of closed recruitment and ad hoc entry level training to attract a more diverse range of young people entering and working in skill shortage roles. The BBC and Channel 4 are committed to working together and importantly, to working with SME independent production companies and others in the broadcasting supply chain.

Creative Skillset was awarded £4.5m of European Social Funding in 2010-11 over a period of 4.5 years. This project is developing and delivering industry-led, flexible, higher level skills provision which meets the needs of Creative Media employers and freelancers working in West Wales and the Valleys, supporting the knowledge economy and safeguarding the performance and productivity of the sector in these regions. The project also seeks to significantly increase training opportunities for New Entrants/Junior Professionals in these regions.

The Modern Apprenticeship in Scotland for Creative and Digital Media has now bedded down well since its introduction in 2011. The first group of BBC Scotland apprentices graduated at a ceremony held at BBC Scotland's Pacific Quay headquarters in August 2012.

The 2012-13 cohorts of 10 have now almost finished their apprenticeship programme and feedback continues to be consistently strong, with high hopes that they will continue to find employment with the BBC.

We also worked with Young Scot to recruit apprentices in non-creative organisations. This innovative programme saw young people take up creative roles in marketing and digital communications departments in organisations as diverse as the Scottish Police service and Creative Scotland.

A total of 23 Creative and Digital Media Modern Apprentices were registered during 2012-13, with 20 now issued with their certificates.

The project for Modern Apprenticeships in Scotland in textiles has worked closely with training provider Cardonald College to develop an integrated delivery partnership with the Scottish Borders knitwear sector that was a finalist in the Scottish Modern Apprenticeship Awards in late 2012. This model is being extended to the wider Scottish Textiles sector.

With Reid Kerr College we have seen success during the year with take up of the Leather Production and Manufacturing framework and Laundry and Dry Cleaning continues its early success.

Creative Skillset Sector Skills Council

TRUSTEES' REPORT

Across all Fashion and Textiles Heritage frameworks we registered 217 apprentices during 2012-13. Nearly 300 certificates were issued in the same period.

Awards and Bursaries

Activities undertaken within the Skills Investment Fund (SIF) are carried out together with activities set out in the BFI lottery delegation; together they work to achieve the aims set out in Creative Skillset's UK film skills strategy, *A Bigger Future 2*.

During 2012-13, Creative Skillset raised £4.5m of investment income for film which benefitted 3,345 individuals

- 200 trainees
- 1,003 people in new technologies
- 825 creative talent
- 371 students at our Film Academies
- 825 people in business skills
- 121 people in health and safety skills

The TV Skills Fund (TVSF) is a restricted fund sourced by a small number of contributors from the TV industry and used by Creative Skillset to specifically support the TV sector. This year approximately £1m was distributed in awards benefitting over 1,000 individuals.

A pilot bursary scheme for radio was run this year with £50k investment from the BBC. This resulted in a total of 126 individuals benefiting from the fund.

A bursary scheme that is run on behalf of the Welsh language broadcaster S4C, investment of £15k has led to a total of 33 individuals benefiting from the funds.

Quality Provision & Accreditation

In 2011-12, Creative Skillset was awarded funding from the UKCES and industry to extend its higher education accreditation programme to cover all sector strategic subjects across the Creative Industries. The aim of the new accreditation approach was to extend the current range of subjects in the Creative Industries where accreditation is currently unavailable and to better articulate and communicate effectively the essential industry demands for a fusion of creative, technological and business skills.

The first two stages of the project were completed in 2011-12. The third stage of the project (April 2012 – September 2012) saw 27 accreditation visits to applicant institutions with up to 10 industry representatives on each panel. At the end of the visits accreditation recommendations were sent to 8 separate subject boards and finally the Creative Skillset Board who set the benchmark for the successful accreditation. Outcomes from the project were announced in October 2012 with 97 courses receiving the Creative Skillset Tick.

Creative Skillset developed agreed standards and guidelines for best practice delivery in a wide range of courses in further and higher education, Apprenticeship and Internship programmes, and professional development programmes, including mentors.

In addition, Creative Skillset was awarded further funding from UKCES and industry to proactively target and support 60 "on the cusp" higher education courses that had been turned down for the Tick. Through employer mentoring, curriculum advice and guidance and through the sharing of best practice these courses were supported to successfully gain accreditation in a short period of time.

Creative Skillset Sector Skills Council

TRUSTEES' REPORT

20 individual 2 hour curriculum surgeries were held, providing one on one advice on how to refocus course structures and curriculum to a more industry centered approach. A 2 day Best Practice event was held at Goldsmiths, University London, with key speakers from industry including Claire Enders, David Docherty and David Abrahams, and a series of 6 workshops to focus on themes arising from the accreditation process. Over 80 course leaders from the "on the cusp" courses attended. And finally the project trained 40 Employers to act as mentors to higher education courses and over 48 courses received up to 3 days targeted advice and support from individual mentors.

Creative Skillset received funding from HEFCE to build the capability of the Consortium of Creative Skillset Media Academies to engage in industry Continuous Professional Development. All participating Media Academies engaged with the initiative, some particularly focusing upon the Foundation Degree Internships, others upon Build Your Own MA, and some both. A range of new products were developed during the project, in particular, Build Your Own MA, Foundation Degree Internships, and a Creative Media Leadership qualification.

Donated services from employers for the year were valued at £36k for quality and accreditation.

Research & Development

UKCES funded Creative Futures work aims to steer the development of key new products and services required by industry to encourage and promote greater synergy and exchange between Science, Technology, Engineering and Maths (STEM) and our Creative Industries.

During 2012-13 a variety of research pieces were carried out in order to inform the work that will be delivered and supported in 2013-14.

Creative Industry Schools Policy Group meetings were held and research commissioned providing details about the impact of policy changes. A research report was produced providing details about the impact of policy changes, with consultation responses to DfE and Creative Industries Council.

Innovative research which defines the types of fusion practice in the marketplace, maps current skills provision against a definition framework assesses the quality and relative value of defined activities and recommends sustainable investments was carried out and will be published.

Creative Skillset commissioned BAFTA to deliver a series of industry master classes on the Fusion/STEAM agenda delivered to students at our media academies. One master class has already been delivered.

Creative Skillset Intelligence project, funded by UKCES, also delivered essential labour market information (LMI), research and evaluation, enabling employers across the UK Creative Industries to better plan for, invest in, and measure the impact of skills and talent interventions. During the year much work has been undertaken to collate, analyse and disseminate this information.

An Employer Census of the creative media industries was carried out, 832 companies participated in this research and a comprehensive report was produced. In addition, a new Employer Panel and Workforce and Freelance Panel was established with surveys completed and reported achieving a minimum 25% response rate.

A mapping and tracking exercise was also completed to capture HESA and FE data and we worked on a collaborative project (Industry definitions) involving the Department of Culture, Media and Sports and Nesta was undertaken with the aim of creating a framework of official data and a definition for further testing was agreed.

Creative Skillset Sector Skills Council

TRUSTEES' REPORT

During 2012-13 Creative Skillset undertook 9 National Occupational Standards (NOS) reviews across the UK, with an aim to update the NOS and their associated Functional Maps. Creative Skillset also reviewed the level 2 and 3 Fashion and Textiles Apprenticeships and their component pathways to meet the associated Specifications for Apprenticeship Standards in England and Wales. During the year, Creative Skillset was allocated an additional activity to input into the Welsh Qualifications Priority list, which involved reviewing qualifications with regard to industry relevance and demand.

Donated services from employers for the year were valued at £53k for research and development.

Employer Engagement

Funded by UKCES, Creative Skillset undertook an integrated programme to encourage collaboration and support collective action among employers and individuals to overcome the structural barriers to acquisition of, and investment in skills. Investment will support the creative industries to improve workforce diversity, provide more opportunities for employment and enable cross sectoral innovation.

UK, national, regional and sub-sector action plans were developed and published. Industry Councils for each sub-sector have identified priority progression routes to be mapped. A marketing dissemination plan has been devised and website with personalisation functionality and personal profiles has been launched. An interim survey indicates that 60% of users are satisfied with the website's personalisation functionality.

Creative Skillset was awarded £4.7m of UKCES funding across a two year period to develop the online project, Creative Catalyst service and set up Employer Training Networks. Creative Skillset has undertaken significant partnership and stakeholder consultations across the regions to ensure the scope of each individual Employer network is shaped in response to industry demand.

Donated services from employers for the year were valued at £791k for employer engagement.

6. Finance Review

Unrestricted Funds

Our unrestricted income in 2012-13 amounted to £9,024k and was generated from a combination of sources: voluntary contributions from the Broadcasting and Independent Production industry and income received in respect of work undertaken on various projects to deliver our charitable activities. This year we have also included Contributions in Kind of £960k from industry.

Unrestricted expenditure in 2012-13 amounted to £8,945k and was spent on staffing, direct activity and support costs and includes the Contributions in Kind from industry. £2,345k was spent on delivery activities to support the charity objectives and £6,600k was spent on under-pinning activities.

The surplus for the year of £79k was added to the brought forward reserves of £628k and the charity finished the year with unrestricted funds carried forward of £707k.

Further Analysis of unrestricted income by source

TV Broadcasters

Creative Skillset received £724k contributions this year directly from Broadcasters and the Independent Production industry to support our core activities. The main contributors this year were BBC, Channel 4, five, ITV and the Indie Training Fund. We conduct consultation, work with industry,

Creative Skillset Sector Skills Council

TRUSTEES' REPORT

publish research and strategic documents and provide information about the challenges that face the industry and what we need to do to overcome them.

Projects

Creative Skillset receives specific project funding from different sources such as UKCES, HEFCE, the Scottish Funding Council, The Welsh Assembly Government and European Social Fund, amongst others, which helps support activities around specific charitable activities such as quality provision, research and development and employer engagement across the UK as well as sector specific activity.

Governance

The £43k costs of governance included the expenses associated with external audit.

Restricted Funds

The TV Skills Fund (TVSF)

Funded by a small number of contributors and issued to fund the training of freelancers and other professionals in the TV sector, these funds form part of our restricted funds and specifically support the TV sector. Throughout this year we received £683k from Broadcasters.

Expenditure in 2012-13 was £1,083k 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 £399k on the TV skills fund and consequently the reserves decreased from £752k to £352k. These reserves will be used for activities in 2013-14.

Creative Skillset Film Skills Fund, this fund has two income streams:

BFI Lottery Delegation Fund (BFI)

This was the final year of the current phase of Creative Skillset's UK film skills strategy, A Bigger Future 2. A new investment plan for the next 4 years will come into operation from April 2013 in line with the BFI's 'Film Forever' new five-year plan.

In 2012-13 Creative Skillset received £3,876k. Additional miscellaneous income of bank interest amounted to £5k.

Restricted expenditure for this fund was spent on direct grants, front line activity and administration that support 'A Bigger Future 2', the strategic objectives agreed with the BFI.

A Bigger Future 2 comprised five strands; Supporting New Industry Trainees, Training in New Technologies, Developing Creative Talent, Improving Business Skills and Enhancing Health and Safety. Expenditure in 2012-13 including administration cost, was £3,752k leaving a surplus of £129K in 2012-13 increasing the reserves fund from £413k to £542k.

The Skills Investment Fund (SIF)

This fund is made up of contributions from productions partially or wholly shot in the UK and which are due for theatrical release. Collected through a voluntary levy, the SIF receives 0.5% of the production budget (up to a maximum amount of £39,500). The investment is used to fund grants and cost of supporting the development of the Film Skills strategy 'A Bigger Future 2'. In 2012-13 the voluntary levy generated £647k income and in addition there was investment income of £1k. With

Creative Skillset Sector Skills Council

TRUSTEES' REPORT

expenditure costs of £946k there was a deficit for the year of £298k. This reduced the reserves of this fund from £639k to £341k.

Both of these funds also form part of our restricted funds and specifically support the film sector.

Investments

All of Creative Skillset's funds are invested in deposit accounts held at HSBC. Interest received for the year was £7.5k.

Movement on Reserves

The net outgoing resources for the year were £489k (2012: £57k)

The surplus/(deficit) for the year is analysed between funds as follows:

Unrestricted Funds	£79k
TV Skills Fund	(£399k)
BFI Delegation Fund	£129k
Skills Investment Fund	(£298k)

Grant-Making Policy

The TV Skills Fund and the Film Skills Fund 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 priority areas.

Reserves Policy

The Finance & Audit Committee reviewed our reserves policy. The Committee took into account general guidance contained in Charities SORP and considered 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 total amount of funds to be held as unrestricted free reserves by Creative Skillset is £756k and is reviewed annually.

The Committee arrived at this amount after taking into account potential financial risk factors such as the failure to achieve required outcomes on a major project, repayment of income on a project that could be deemed to be illegal state aid, possible adverse VAT classification of a contract and failure to measure realistic long-term impact results in claw back of funding. Creative Skillset sets aside an amount of funds for Business Development each year as part of the budgetary process and therefore reserves are not required for future development purposes. In addition Creative Skillset has a strong cash flow due to the profile of its incoming which means that reserves are not required for working capital purposes

Unrestricted funds at the end of March 2013 were £707k. However, actual free reserves were £464k as defined as unrestricted funds less amounts invested in fixed assets. It is intended that the shortfall of £292k between the planned reserves of £756k and actual free reserves of £464k will be closed over time consistent with Creative Skillset's overall financial position and its need to maintain and develop its charitable activities.

Creative Skillset Sector Skills Council

TRUSTEES' REPORT

Risk Management

Risk management is a structured approach to identify those opportunities that will produce the greatest benefit in return for our investment and, through a focused and effective management response, will have the greatest chance of success. It is also about making sure that as an organisation we manage ourselves well in meeting our legal, financial and ethical responsibilities.

Ensuring our success and the confidence that industry and other stakeholders have in us to deliver, and therefore how we manage risk, is the responsibility of all employees of Creative Skillset. Our risk strategy sets out our policies and main processes for ensuring that together we manage and respond to risk effectively.

The Finance and Audit Committee reviews proposed changes to the risk register and refers these to the Board for agreement as necessary, as well as formally reviewing the Risk Management Strategy each year. Accordingly the trustees have been able to identify the major risks facing Creative Skillset and have implemented responses to mitigate those risks where appropriate. Such responses can only provide reasonable but not absolute assurance that risks have been mitigated.

The Senior Management Team will maintain the risk register. This describes the risks; consider the likelihood of these and their financial impact. It also clearly defines the owner of the risk, the mitigating action to be taken and a time scale for each action. The risk register is reviewed at the quarterly Finance and Audit committee.

The Board has identified the following as the main areas of risk faced by the organisation:-

Employment Investment Fund (EIF2)

This project is scheduled to conclude in March 2014. EIF2 is important for Creative Skillset as the income from this project supports the costs of approximately 50% of our staff. We anticipate being able to continue both our activity in England and in the nations through new government and employer funds.

On-going funding issues

The Board recognises that we are in an environment that is becoming increasingly competitive with similar organisations bidding for funds from limited sources. Even if we are successful in our bid for the EOP2 scheme we recognise that this funding will be available for only two years. Therefore we will be seeking and bidding for funding on an on-going basis and regularly monitor the financial position.

7. Plans for the future

Our strategic plan for skills development and investment in the sectors (Creative Media, Advertising, Fashion and Textiles and Publishing) will help raise overall GVA by 1-2% (£440-880m) in 2016.

This will be achieved by improving the competitiveness and efficiency of existing businesses (of all sizes), as well as creating the seedbed for a greater number of Creative Enterprises to emerge, survive and thrive. In tandem, there will be a larger and more highly-skilled talent pool to meet labour market demand and rising employment rates, which will increase overall exports.

The 'Digital and Creative Industries' have been highlighted as a key growth sector in the Government's Plan for Growth which acknowledges that the sector has the potential to drive significant growth in the UK, and a role to play in leading the country out of recession. The Scottish and Welsh Government's also identify the Creative Industries as one of a small number of key

Creative Skillset Sector Skills Council

TRUSTEES' REPORT

sectors whilst in Northern Ireland; the Creative Industries for the first time have been recognised as an emerging sector.

In an increasingly competitive global context the UK's Creative Industries rely on the skills and talent of our people, and our people's skills and talent are, in turn, defined by the quality of the education and training they receive. It is well-acknowledged that improvements in education and training lead to rises in economic activity. National and International research clearly links greater skills investment to increased growth and wealth.

Creative Skillset research carried out to develop a forecasting tool for the sector estimates that between 2013 and 2020 the UK creative industries will grow on average at 2%, about double the rate of the rest of the economy.

Some parts of our industries, such as film, in which sector GVA has grown 16% from £163m in 2009 to £188m in 2012, have become convinced of the transformative power of skills and talent development and the dramatic impact it can have on growth and competitiveness. For some time they have been investing collaboratively in the skills they need to succeed. Others, such as high-end television and animation, are beginning (the 2012 Budget saw the introduction of tax reliefs for animation and high-end television and the expectation that they will be introduced for video games and VFX).

With the announcement earlier this year of the Treasury is providing a £16m boost of match-funding over the next two years to support skills provision in the film, high-end television, animation, and vfx and video games sectors. This requires industry match funding to drawdown the Treasury investment. The new Creative Skillset Skills Investment Fund commenced in April 2013.

The development of workforce planning and forecasting tools for each sector will give improved LMI on skills gaps/shortages (on a continuous basis) enabling better succession planning, help reduce staff turnover, lowering costs and raising profits. Real-time LMI will ensure interventions like boot camps, traineeships and internships; the accreditation of university degrees (via Tick) and apprenticeships target the direct needs of the existing and emerging talent pipeline. This will produce appropriately skilled employees/freelancers and work ready graduates that meet the evolving demands of the labour market increasing industry output. High quality learning provision in management and leadership (including the fusion of technical and creative skills) provided to employers in the sector will raise business productivity and confidence.

New training products and services developed in collaboration with employers, for employers, will improve the quality of work undertaken by existing staff, leading to greater job satisfaction and clearer progression routes.

Attracted by tax reliefs Foreign Direct Investment (FDI) will increase bringing new technologies and modern management practices, leading to intensified competition. These mechanisms will create positive spill-overs raising the productivity of domestic businesses and increased entrepreneurship.

By harnessing and co-ordinating the collective commitment of employers, trade associations and trade unions across the Creative Industries, and by forming an Industrial Partnership which connects our industries with Government, training and education providers, and others across the UK, then together we can help our sectors realise their enormous growth potential through our relentless focus on skills and talent. We cannot afford not to.

Creative Skillset Sector Skills Council

TRUSTEES' REPORT

Over the next three years the strategic priorities we will deliver across the UK in support of our ambitious vision are that:

Strategic Priority 1: UK Creative Industries show strong collective ownership and invest in skills and talent

Encouraging creative businesses to work together will support a focus on maintaining economic growth and increasing exports. As technologies have converged creative businesses need to collaborate. By working together, investment in skills can be aggregated and multiplied with public co-investment. Horizontal knowledge migration will retain and redistribute talent within the creative industries ensuring they remain highly competitive.

Strategic Priority 2: 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

Creative Skillset is owned by, and can only succeed through the democratic mandate of our industries. This is a powerful totem, and we must build and capitalise on our support and extend our market penetration and awareness, so that when we speak on behalf of our industries we speak with both their full authority and a clear mandate. Key to this is strong, effective and creative communication that reaches out, engages and inspires; and a strong and compelling evidence base built on the excellence of our research activities. We will be a champion for the power of skills and be seen as the "Intel Inside" catalyst that brings people, businesses, trainers and educators together to ensure that the UK is the world-leader in skills for the Creative Industries.

Strategic Priority 3: UK Creative Businesses have world-beating leaders who are inspirational, innovative and visionary entrepreneurs

The UK has superb creative talent. But our creative businesses need to demonstrate that they can grow and this requires leaders equipped with both "hard" and "soft" leadership skills, management expertise, entrepreneurial skills and the strategic insight to scale business and drive growth. While our creative businesses are highly innovative, the transformative opportunities provided by technological change will pose a strong, entrepreneurial challenge that needs to be anticipated and addressed. There are also challenges around diversity at leadership levels; with low representation of Black and Minority Ethnic and female leaders specifically. Together we must therefore develop a new generation of diverse and innovative leaders able to nurture and exploit the creativity within the industry and power growth in this time of change and opportunity.

Strategic Priority 4: SME's and Micro Enterprises are supported and partnered to address their skills and growth ambitions

SME's and Micro Enterprises form the backbone of all sectors across our Creative Industries. We know that innovative new services and products spring from our start-ups and small companies. In 2012 there were an estimated 4.8 million business in the UK which employed 23.9 million people, and with over 100,000 SMEs in our sector, they are a key, but fragile, source of innovation and new ideas, developments, content and services. But, they require different kinds of support from that needed by larger organisations, particularly to assist their growth and wealth. By their very nature they do not have the resources to support either recruitment or training for new recruits or professional/business development activity. We will target our support to assist SME's and micro enterprises (including sole traders and freelancers) both individually, and in aggregated clusters where advantageous, in order to provide professional assistance on training development, recruitment, and business management and leadership skills.

Strategic Priority 5: The workforce, including the large freelance community, can access and invest in high quality, affordable training and development

Creative Skillset Sector Skills Council

TRUSTEES' REPORT

Our Creative Industries are both a priority growth sector for the UK economy and – due to the phenomenally rapid pace of technological change in these industries – a key UK skills shortage sector. The fragmented structure of our industries, with a high proportion of freelancers and micro-enterprises, gives us the capacity to adapt quickly and flexibly to meet new opportunities, but impedes collective action to address shared challenges.

Yet in the last few years, the Creative Industries have begun to act in partnership – through initiatives such as the industry-led, government-sponsored Creative Industries Council – to address shared opportunities and threats together in order to boost enterprise, jobs and growth. Meanwhile, individuals in our workforce increasingly understand that there is no such thing as a job for life and that there is a new imperative to take responsibility for driving their own career management and skills development.

With a government supportive of both these endeavours, we will maximise the potential of this moment. By 2016, a step-change will be achieved in collaboration with the industries so that: it has become the norm for employers to forge industrial partnerships to invest strategically in learning and training; and so that the infrastructure has been established to provide the workforce with access to excellent careers guidance and mentoring, and affordable and high quality training.

Strategic Priority 6: There are clear entry pathways into our industries for diverse new talent, focussing on careers, apprenticeships, internships and traineeships

Our Creative Industries are still a long way from reflecting the population as a whole with certain groups remaining significantly under-represented. We want to democratise access and ensure that there is a new entrant talent pipeline that supplies the right people, with the right skills that businesses need. In doing so, we will ensure that we don't miss out on talented individuals who have the potential to drive innovation. We want to draw talent from the most diverse pools that reflect and speak to their users and in doing so create progression opportunities for a new generation of creative managers and leaders who come from under-represented backgrounds. To aid this we must ensure equality of access to freely available, industry endorsed quality careers information, advice and guidance and a range of accessible apprenticeship, internship, traineeship and mentoring opportunities.

Strategic Priority 7: Learning and training is of the highest quality; aligned to industry needs; and signposted to individuals and employers

The education and training system needs to support new skills and talent at every level to provide the range of skill sets and the range of people to fill the roles in key occupations to drive innovation and growth, and to continue to support and protect existing talent. Together we will analyse the education learning and training needs required by our Industry and provide the source point for distributing this information, informing quality provision by accrediting and signposting and guiding learners, trainers and employers on the range of programmes on offer. We will inform all aspects of the talent pipeline through formal and informal education systems by informing the school curriculum, further and higher education programmes and qualifications as well extra-curricular, 'ground-up' wider developments and professional and employer based training.

Strategic Priority 8: Creative Skillset provides excellent and continually improving support services within a sustainable model

Our success in achieving our priorities for our industries depends critically on our people, the funding we obtain, and our ability to manage our own delivery. We will ensure that we have the right people and skills to secure operational delivery of plans in an efficient and effective way, and we will diversify our income streams and increase the proportion of our income from non-Government funding in order that our organisation is more self-reliant and sustainable.

8. Funds held as Custodian

The following funds are held as custodian as at 31 March 2013:

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 who 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.

9. Trustee's Liability Insurance

Trustee's Liability insurance premiums charged to the accounts was £1,535, (2011-12: £2,115)

10. Connected Charities

The company has no connected charities.

As far as each of the trustees is aware

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- 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.

11. Auditor

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

By order of the Board

Director

Stewart Till

Date 3/10/2013

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of Creative Skillset Sector Skills Council 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 Sector Skills Council
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CREATIVE
SKILLSET

We have audited the financial statements of Creative Skillset for the year ended 31 March 2013 on pages 22 to 42. 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 19, 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 APB's website at www.frc.org.uk/apb/scope/private.cfm.

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 2013 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).

Opinion on other matter prescribed by the Companies Act 2006

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

Creative Skillset Sector Skills Council
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CREATIVE
SKILLSET

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*

Date... *6 November 2013*

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

Creative Skillset Sector Skills Council
STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND
EXPENDITURE ACCOUNT)
For the year ended 31 March 2013

	NOTES	Unrestricted Funds £	Restricted Funds £	Total 2013 £	Total 2012 £
Incoming resources					
Incoming resources from generated funds					
Voluntary income	1	1,683,922	5,205,788	6,889,709	7,606,176
Investment income		1,679	5,847	7,526	4,334
Incoming resources from charitable activities					
Delivery					
Products & Services		2,461,051	-	2,461,051	384,287
Training Programmes		1,387,909	-	1,387,909	736,556
Awards & Bursaries		53,432	-	53,432	46,246
Other income		20,929	-	20,929	4,701
Infrastructure					
Quality Provision & Accreditation		1,043,526	-	1,043,526	1,325,967
Research & Development		1,400,875	-	1,400,875	15,000
Employer Engagement		971,073	-	971,073	140,447
Total incoming resources		9,024,396	5,211,635	14,236,031	10,263,714
Resources expended					
Costs of generating funds					
Charitable activities					
Delivery					
Products & Services		2,291,775	361,064	2,652,839	1,654,488
Training Programmes		1,189,744	-	1,189,744	599,202
Awards & Bursaries		53,432	4,182,821	4,236,253	3,181,554
Infrastructure					
Quality Provision & Accreditation		1,393,620	45,036	1,438,656	1,128,569
Research & Development		1,903,772	521,907	2,425,679	1,890,232
Employer Engagement		2,062,892	668,910	2,731,802	1,827,150
Governance costs		43,133	-	43,133	35,106
Other expenditure		6,587	-	6,587	4,323
Total resources expended	3	8,944,955	5,779,738	14,724,693	10,320,624
Net incoming/(outgoing) resources	4	79,441	(568,103)	(488,662)	(56,910)
Transfer					
Net movement in funds		79,441	(568,103)	(488,662)	(56,910)
Total funds brought forward 1 April 2012		627,663	1,803,753	2,431,416	2,488,326
Total funds carried forward 31 March 2013		707,104	1,235,650	1,942,754	2,431,416

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 27 to 42 form part of these accounts. During the year, the Trustees reviewed the analysis of Creative Skillset's charitable activities and proposed an amended analysis which has been applied to the 2012-13 financial statements. Accordingly, the 2011-12 comparative balances have been restated to take account of the necessary reallocation of income and expenditure to the revised activity analysis.

Creative Skillset Sector Skills Council
BALANCE SHEET

	Notes	2013 £	2012 £
Fixed Assets			
Tangible Assets	6	243,027	123,098
Current Assets			
Debtors	7	1,780,165	1,047,714
Cash at bank and in hand		7,465,878	8,782,938
		9,246,043	9,830,652
Creditors : Amounts falling due within one year	8	7,464,658	7,291,984
Net Current Assets		1,781,385	2,538,668
Total Assets less Current Liabilities		2,024,412	2,661,766
Creditors: Amounts falling due after more than one year	9	81,658	230,350
TOTAL ASSETS LESS CURRENT LIABILITIES		1,942,754	2,431,416
CAPITAL AND RESERVES			
Unrestricted funds		707,104	627,663
Restricted funds	14	1,235,650	1,803,753
		1,942,754	2,431,416

Approved by the Board and authorised for issue on 3/10/2013

Signed on behalf of the Board by:

Director.....
Stewart Till

The 'Notes to the Financial Statements' on pages 27 to 42 forms part of these accounts.

Creative Skillset Sector Skills Council
 CASH FLOW STATEMENT
 For the year ended 31 March 2013

	Notes	2013 £	2012 £
Net cash (outflow)/ inflow from operating activities	13a	(1,083,190)	1,328,630
Returns on investments and serving of finance	13b	7,526	4,334
Capital expenditure	13b	(241,396)	(38,453)
Cash (outflow)/inflow in the period		<u>(1,317,060)</u>	<u>1,294,511</u>
		2013 £	2012 £
(Decrease)/ Increase in cash in the period		(1,317,060)	1,294,511
MOVEMENT IN NET FUNDS IN PERIOD		<u>(1,317,060)</u>	<u>1,294,511</u>
NET FUNDS AT 1 APRIL 2012		8,782,938	7,488,427
NET FUNDS AT 31 MARCH 2013	13c	<u>7,465,878</u>	<u>8,782,938</u>

The 'notes to the financial statements', on pages 27 to 42 forms part of these accounts.

Creative Skillset Sector Skills Council

ACCOUNTING POLICIES

For the year ended 31 March 2013

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 cash flow forecasts contain assumptions about the outcome of bids for funding contracts which have not yet been decided. 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 in in 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.

Restricted Funds

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 TV Skills Fund, Skills Investment Fund and the BFI Delegation Funds commit grants to be paid once the conditions of the grant have been successfully completed. For the TV Skills Fund and Skills Investment 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 9 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 **1(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 provided free of charge by external industry leaders.

Support Costs

Support costs comprise all costs relating to accommodation and overheads, communications and indirect staff costs for finance and operations and business affairs and organisational development divisions and are allocated per headcount.

Leased Assets and Obligations

All leases are “operating leases” and the annual rentals are charged to the Statement of Financial Activities on a straight line basis over the lease term.

Creative Skillset Sector Skills Council
 NOTES TO THE FINANCIAL STATEMENTS
 For the year ended 31 March 2013

	2013	2012
1 Voluntary Income		
Broadcasters	1,406,980	1,480,480
BFI	3,875,962	3,432,038
SIF Voluntary levy	646,846	608,395
UK Commission for Employment & Skills (UKCES)	-	2,085,263
Donations in Kind (Note 2)	959,921	-
Total	6,889,709	7,606,176

2 Project Summary

	Project incoming resources			Surplus/ (deficit)
	Voluntary income – donated services	Charitable activities	Resources expended	
Delivery				
Products & Services				
GIF2 Co-investment - Online	2,213	188,794	(167,730)	23,277
EU-TCL European SSC	-	5,308	-	5,308
British Council Egypt	-	9,265	(9,265)	-
GOPA	-	2,336	-	2,336
News International	-	24,590	(6,591)	17,999
EIF: Creative Force (Solutions)	5,014	780,857	(70,438)	715,433
Growth and Innovation Fund: Round 2 Dev Funding	-	11,700	(18,720)	(7,020)
NAS: Creative Breakthrough	-	509,033	(240,960)	268,073
NAS: HLA Project	73,625	720,325	(452,951)	340,999
Radio Centre: Route Into Radio 10/11	-	10,100	(10,100)	-
WAG Apprenticeship 2012/13 Project	-	74,476	(42,640)	31,836
WAG Freelance Bursaries 2012	-	10,245	(10,245)	-
WAG Apprenticeship Week 2012 Event funding	-	500	(500)	-
WAG SPF2	-	75,532	(45,118)	30,414
Scotland Modern Apprenticeships	-	18,490	-	18,490
Belfast Media Festival 2012	-	19,500	(27,050)	(7,550)
Indirect costs allocated to Projects	-	-	(1,189,467)	(1,189,467)
Total Products & Services	80,852	2,461,051	(2,291,775)	250,128

Creative Skillset Sector Skills Council
NOTES TO THE FINANCIAL STATEMENTS

2 Project Summary - continued

	Project incoming resources			Surplus/ (deficit)
	Voluntary income – donated services	Charitable activities	Resources expended	
Training Programmes				
Employer Ownership Pilots	-	559,307	(542,186)	17,121
WAG ESF Wales - Skills for the Digital Economy	-	736,084	(586,414)	149,670
Creative Scotland	-	50,518	(43,395)	7,123
Creative Scotland Drama/Factual Project	-	58,726	(41,975)	16,751
Creative Scotland Drama Project 11/12	-	(16,726)	24,226	7,500
Total Training Programmes	-	1,387,909	(1,189,744)	198,165
Infrastructure				
Quality & Accreditation				
Growth and Innovation Fund: Round 1	12,500	498,335	(427,268)	83,567
Employer Investment Fund: Innovation EIF3	-	92,175	(69,957)	22,218
HEFCE	23,070	211,626	(235,235)	(539)
Indirect costs allocated to Projects	-	241,390	(228,588)	12,802
	-	-	(432,572)	(432,572)
Total Quality & Accreditation	35,570	1,043,526	(1,393,620)	(314,524)
Research & Development				
EIF: Creative Force (Futures & Intelligence)	52,843	1,062,517	(281,174)	834,186
Universal Services	-	320,000	(191,127)	128,873
Ashbrook Research and Consultancy	-	5,400	-	5,400
Interreg	-	12,958	(720)	12,238
Indirect costs allocated to Projects	-	-	(1,430,751)	(1,430,751)
Total Research & Development	52,843	1,400,875	(1,903,772)	(450,054)
Employer Engagement				
EIF: Creative Force (Ambition)	788,592	844,073	(835,225)	797,440
Scottish Funding Council	-	72,000	-	72,000
GIF2 Co-investment - GTAs	2,064	55,000	(38,202)	18,862
Indirect costs allocated to Projects	-	-	(1,189,465)	(1,189,465)
Total Employer Engagement	790,656	971,073	(2,062,892)	(301,163)
Total	959,921	7,264,434	(8,841,803)	(617,448)

Creative Skillset Sector Skills Council
NOTES TO THE FINANCIAL STATEMENTS

3 Total Resources Expended

(a) Breakdown of Total Resources Expended

	Direct Costs £	Grants £	Support Costs £	2013 Total £	2012 Total £ (as restated)
Infrastructure - Accreditation & Quality provision	1,006,084	-	432,572	1,438,656	1,128,569
Infrastructure - Research & Development	794,951	-	1,630,728	2,425,679	1,890,232
Infrastructure - Employer Engagement	1,300,574	-	1,431,228	2,731,802	1,827,150
Delivery - Products and Services	1,448,294	-	1,204,545	2,652,839	1,654,488
Delivery - Training Programme	1,189,744	-	-	1,189,744	599,202
Delivery - Awards & Bursaries	-	4,236,253	-	4,236,253	3,181,554
Other	6,587	-	-	6,587	4,323
Governance Costs	-	-	43,133	43,133	35,106
Total 2013	5,746,234	4,236,253	4,742,206	14,724,693	-
Total 2012	3,306,631	3,181,554	3,832,439	-	10,320,624

Support Cost Breakdown by Activity

(b) Analysis of support costs

Activity	Staff Support £	Other £	Accomm- odation £	Other Cost £	Comms £	Total 2013 £	Total 2012 £ (as restated)	
Infrastructure Accreditation & Quality provision	-	180,605	26,801	64,516	147,880	12,770	432,572	332,391
Infrastructure - Research & Development	846,245	293,492	39,969	96,214	260,672	94,136	1,630,728	1,254,584
Infrastructure - Employer Engagement	598,599	292,472	43,262	104,141	304,417	88,337	1,431,228	1,105,179
Delivery - Products and Services	498,504	291,528	43,262	104,141	244,963	22,147	1,204,545	1,105,179
Governance Costs	-	-	-	-	43,133	-	43,133	35,106
Total	1,943,348	1,058,097	153,294	369,012	1,001,065	217,390	4,742,206	3,832,439

Support costs are all allocated on the basis of the number of full-time equivalent people employed within an activity

Creative Skillset Sector Skills Council
NOTES TO THE FINANCIAL STATEMENTS

Prior Year Information

3 Total Resources Expended

(a) Breakdown of Total Resources Expended

	Direct Costs	Grants	Support Costs	Total 2012 (as restated)
Infrastructure - Accreditation & Quality provision	796,178	-	332,391	1,128,569
Infrastructure - Research & Development	635,648	-	1,254,584	1,890,232
Infrastructure - Employer Engagement	721,971	-	1,105,179	1,827,150
Delivery - Products and Services	549,309	-	1,105,179	1,654,488
Delivery - Training Programme	599,202	-	-	599,202
Delivery - Awards & Bursaries	-	3,181,554	-	3,181,554
Other	4,323	-	-	4,323
Governance Costs	-	-	35,106	35,106
Total Charitable Activity 2012	3,306,631	3,181,554	3,832,439	10,320,624

Support Cost Breakdown by Activity

(b) Analysis of support costs

Activity	Staff Support	Other	Accom	Other	Comms	Total 2012 (as restated)
£	£	£	£	£	£	£
Infrastructure Accreditation & Quality provision	80,400	116,417	9,921	45,350	76,845	332,391
Infrastructure - Research & Development	485,540	350,449	29,867	136,518	20,883	1,254,584
Infrastructure - Employer Engagement	407,149	318,764	27,166	124,175	17,512	1,105,179
Products & Services	407,149	318,764	27,166	124,175	17,512	1,105,179
Governance Costs	-	-	-	-	35,106	35,106
Total	1,380,238	1,104,394	94,121	430,219	764,103	3,832,439

Support costs are all allocated on the basis of the number of full-time equivalent people employed within an activity.

Creative Skillset Sector Skills Council
 NOTES TO THE FINANCIAL STATEMENTS

(c) Analysis of governance costs	2013	2012
	£	£
		(as restated)
Directors & Non-Executive Directors reimbursed expenses	5,396	1,547
Legal and professional fees	-	2,157
Fees paid to auditors - Financial statements	34,230	30,000
- Other services	5,230	-
- Relating to prior year	(1,722)	1,402
Total governance costs	43,134	35,106

4 Net incoming/ (outgoing) resources

	2013	2012
	£	£
Net incoming/(outgoing) resources is stated after charging:		
Depreciation and amounts written off tangible fixed assets:-		
other assets	66,301	42,052
leasehold improvements	55,166	115,011
Auditor's remuneration:		
- for external audit	34,230	30,000
- prior year external audit	(1,702)	1,402
- Other services – Baker Tilly Tax & Accounting Ltd	5,230	2,157
- Grant audit	3,000	3,000
Operating leases:		
- Land and Buildings	340,793	336,837
- Office Equipment	7,213	8,238

Creative Skillset Sector Skills Council
NOTES TO THE FINANCIAL STATEMENTS

5 Employees

	2013	2012
	£	£
Staff costs:		
Wages and salaries	3,407,627	2,928,375
Social security costs	375,158	339,440
Other pension costs	181,141	171,435
Exceptional item- restructuring costs	-	110,988
Total	3,963,926	3,550,238

The above figure includes £533,838, paid to project contract staff (2011-12: £221,371)

The average number of staff employed, including part-time employees was 88 (2012:79)

	2013	2012
	No.	No.
The average number of employees (excluding directors) calculated on a full time equivalent basis, analysed by function was:		
Support Staff	27	25
Activity Staff	44	41
Project Staff	15	7
Total	86	73

The number of employees whose emoluments as defined for taxation purposes amounted to over £60,000 including redundancy payments in the period was as follows:

£ 60,001 - £ 70,000	1	2
£ 70,001 - £ 80,000	1	-
£ 90,001 - £100,000	1	1
£100,001 - £110,000	1	-
£130,001 - £140,000	-	1
£140,001 - £150,000	1	-
£150,001 - £160,000	-	1
£160,001 - £170,000	1	-
	6	5

All employees earning over £60,000 were members of the group personal pension scheme with Scottish Widows up to 30th November 2012. From 1st December 2012 all such employers joined a group personal pension scheme provided by Aviva. They benefit from employer contributions at rates varying between 7% and 17%

The aggregate total of employer's pension contributions made on behalf of the employees earning over £60,000 was £64,846 (2011-12: £55,291).

Trustee's Liability insurance premiums charged to the accounts was £1,535 (2011-12: £2,115).

DIRECTORS' REMUNERATION

No remuneration was paid to any director in the year (2011-12: £Nil) and £494 was paid to Stewart Till, Chair of Creative Skillset, in respect of expenses for travel (2011-12: £987)

Creative Skillset Sector Skills Council
NOTES TO THE FINANCIAL STATEMENTS

6 Tangible Fixed Assets

	Office Equipment	Fixtures & equipment	IT Equipment (including Software)	Leasehold Improvements	Total
	£	£	£	£	£
Cost:					
1 April 2012	290,135	-	224,735	575,055	1,089,925
Additions	116,377	1,500	123,519	-	241,396
31 March 2013	406,512	1,500	348,254	575,055	1,331,321
Depreciation					
1 April 2012	281,620	-	165,318	519,889	966,827
Charged in the year	9,762	250	56,289	55,166	121,467
31 March 2013	291,382	250	221,607	575,055	1,088,294
Net book value					
31 March 2013	115,130	1,250	126,647	-	243,027
31 March 2012	8,515	-	59,417	55,166	123,098

7 Debtors

	2013 £	2012 £
Due within one year:		
Trade debtors	191,074	107,798
Amounts recoverable on Contracts	136,710	470,359
Other debtors	20,440	31,565
Prepayments and accrued income	1,431,941	437,992
Total	1,780,165	1,047,714

8 Creditors: Amounts falling due within one year

	2013	2012
	£	£
Trade creditors	951,880	639,910
Other creditors (*)	77,202	58,621
Other taxation and social security costs	109,049	92,679
Funds held in trust for third parties (see note 18)	50,616	50,616
Accruals	1,005,179	440,665
Deferred income (see note 19)	1,685,866	1,941,374
BFI Lottery grants payable	3,584,866	4,068,119
Total	7,464,658	7,291,984

*Other creditors include pension contribution liability at year end; £7,202 for 2012-13 (2011-12: £52,170)

9 Creditors : Amounts falling due in more than one year

	2013	2012
	£	£
BFI Lottery grants payable		
Amounts payable by installments falling due:		
In more than one but not more than two years	81,658	230,350
Total	81,658	230,350

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 Skills Investment Fund were on-going 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:

Creative Skillset Sector Skills Council
NOTES TO THE FINANCIAL STATEMENTS

	2013	2012
	£	£
Skills Investment Fund:		
Grants committed but not yet taken up	-	-
BFI Lottery Delegation Fund:		
Commitments	228,550	24,258

12 Operating lease commitments

At 31 March 2013 the charitable company had annual commitments under non-cancellable operating leases as follows:

	2013	2012
	£	£
Land and buildings		
Expiring in less than one year	-	96,000
Expiring in more than 5 years	176,800	241,500
Office Equipment		
Expiring between one and two years	891	1,548
Expiring more than two but less than five years	6,321	6,600

13 Cash flow

a	Reconciliations of net incoming resources to net cash flow from operating activities	2013	2012
		£	£
	Net outgoing resources	(488,662)	(56,910)
	Net interest received	(7,526)	(4,334)
	Depreciation charges	121,467	157,063
	(Increase) in debtors	(732,451)	(60,486)
	Increase in creditors	23,982	1,293,297
	Net cash: (outflow)/inflow from operating activities	(1,083,190)	1,328,630
b	Analysis of cash flows for headings netted in the cash flow	2013	2012
		£	£
	Returns on investments and servicing of finance		
	Bank interest received	7,526	4,334
	Net cash inflow from returns on investments and servicing of finance	7,526	4,334
	Capital expenditure		
	Purchase of tangible assets	241,396	38,453
	Net cash outflow from capital expenditure	241,396	38,453

Creative Skillset Sector Skills Council
NOTES TO THE FINANCIAL STATEMENTS

c Analysis of changes in net funds

At 1 April 2012 £	Cash flow £	At 31 March 2013 £
8,782,938	(1,317,060)	7,465,878

14 Restricted funds

Funding is received from various bodies under strict terms, which determine how the monies can be used. Such funding is ring fenced as restricted funds and specific expenditure and a reasonable proportion of overheads are allocated against the income, as follows:

	Balance b/f 1 April 2012 £	Incoming resources £	Outgoing resources £	Transfer unrestricted £	Balance c/f 31 March 2013 £
TV Skills Fund (TVSF)	752,042	682,980	(1,082,611)	-	352,411
Skills Investment Fund (SIF)	638,688	647,994	(945,664)	-	341,018
British Film Institute	413,023	3,880,661	(3,751,463)	-	542,221
Total	1,803,753	5,211,635	(5,779,738)	-	1,235,650

TV Skills Fund (TVSF)

The TV Skills Fund, which is funded by a small number of contributors from the TV industry, is a restricted fund used specifically to support the TV sector. The overall consolidated reserves of £352,411 will be carried forward to next year.

The Skills Investment Fund (SIF)

The Skills Investment Fund is part of the Creative Skillset Film Skills Fund. Its purpose is to give out grants and to support the development of the Film Skills Strategy. It collects contributions from productions which are partially or wholly shot in the UK and which are due for theatrical release. £341,018 was unspent at the end of March 2013 and will be used in furtherance of the objectives of the Film Skills Strategy next year.

British Film Institute Fund

The British Film Institute Fund is part of the Creative Skillset Film Skills Fund. The BFI delegates the authority for the investment of the Fund to Creative Skillset and thus supports the Film Skills Strategy. The funds received are disbursed as lottery grants and pay for the management and administration of the fund. The funds generated a surplus of £129,197 giving a closing reserves position for the year of £542,220.

Creative Skillset Sector Skills Council
 NOTES TO THE FINANCIAL STATEMENTS

15 Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total £
Fixed assets	243,027	-	243,027
Cash at bank and in hand	1,960,039	5,505,839	7,465,878
Other net liabilities	(1,495,962)	(4,270,189)	(5,766,151)
Total	707,104	1,235,650	1,942,754

16 British Film Institute (BFI)

Details of the lottery grants from the British Film Institute to Creative Skillset for the period from 1 April 2012 to 31 March 2013 are as follows:

	£	£
Grants received in the year 2012-13		£3,875,963
Bank interest receivable		4,699
Restricted Fund - incoming resources		3,880,662
Hard commitments made in the year 2012-13	2,814,639	
Overheads released by Creative Skillset	936,822	
Restricted Fund - outgoing resources		3,751,461
Restricted Fund movement for year		129,201
Restricted Fund balance b/fwd		413,020
Restricted Fund balance c/fwd		542,221
Soft commitments at year end 2012-13		228,550

In addition to the Award payments released and grants payable, as noted above, Creative Skillset have also made soft commitments of £228,550, as set out in note 9 to the financial statements.

Combining these items means that Creative Skillset has made total commitments of £2,838,900 in the year 2012-13 this can be broken down into £24,258 soft commitments and new commitments of £2,814,642.

These grants fell within the legitimate scope of Creative Skillset's activities, and have been offered in accordance with plans put forward by Creative Skillset to its funding bodies.

Creative Skillset Sector Skills Council
NOTES TO THE FINANCIAL STATEMENTS

17 Grants payable in furtherance of the charity's objects

- (a) The aggregate value of bursaries payable to individuals for the year ended 31 March 2013 was £367,544 (2011-12: £313,197).
- (b) The aggregate value of grants payable to organisations for the year ended 31 March 2013 was £3,868,709 (2011-12: £2,868,357).

The grants listed below are an aggregate of the grants payable to the organisation and may represent funding for more than one project.

London & South East

Hiive	350,000
London Film School	278,762
Film London	179,125
The Production Guild	150,000
Ravensbourne College of Design and Communication	98,000
Independent Cinema Office	86,785
DV Talent	60,000
Bournemouth University	59,564
The Bureau Film company Limited	49,999
Warren Jane Limited & Julie Witana Limited	47,978
Creative Media Skills Ltd	40,000
Power To The Pixel Ltd	40,000
High Definition and Digital Cinema Ltd	31,000
Talking Point Film and Television Ltd	25,200
LOCO - The London Comedy Film Festival	25,000
SMART Academy of Writing	25,000
The Film and Video Workshop	25,000
Atlantic Film Group	24,500
Savvy Women	24,000
Lighthouse Arts and Training	22,000
Directors Guild	20,000
Guild of British Camera Technicians	19,000
Northern Alliance	17,733
Film Distributors' Association	17,000
BBC Fast Train	15,000
Sound Women	14,000
City Screen Limited	10,000
Kirkbright Limited	10,000
Vision3	10,000
Women in Film & Television	10,000
Ealing Institution Media (EIM)	9,600
London Short Film Festival	7,000
Script Factory	7,000

Creative Skillset Sector Skills Council
NOTES TO THE FINANCIAL STATEMENTS

Larkhall Place LLP	6,800
Indie Training Fund	5,550
Association Of Motion Picture Sound	5,000
BFI Southbank	4,000
The Art institute at Bournemouth	2,800
	1,832,396

Other Regions

NFTS	925,442
21st Century Guild	300,000
Screen Yorkshire	104,771
Sheffield Doc/Fest	95,005
Media City Northern England	70,000
BAFTA	47,095
Peaceful Fish Productions Limited	39,100
First Light Movies	35,000
104 Films Ltd	20,000
thinkBIGGER! Ltd	20,000
Northern Film & Media	19,000
Crossover Labs Limited	17,500
Puma Events and Training	15,686
Skills Channel TV	9,430
BRITDOC Foundation	9,000
Peps Gfx	8,000
Bristol Media	5,000
University College Falmouth	2,666
University of Bradford	2,000
Mighty Sprite	1,500
	1,746,195

Grants to Organisations in Devolved Administrations

Screen Academy Scotland	191,650
Northern Ireland Screen Commission	106,962
Edinburgh International	69,475
Film Agency For Wales	54,350
Wales- Skills for Digital Economy	50,000
Creative Scotland - Factual Project	40,000
Napier University	25,000
It's My Shout Productions Ltd	22,000
Cornwall Arts Centre Trust Ltd	19,800
Skillset Media Academy Wales	15,415

Creative Skillset Sector Skills Council
NOTES TO THE FINANCIAL STATEMENTS

Stirling Film & Television Productions Ltd.	13,800
Media Guardian Edinburgh International Television Festival	10,000
Edinburgh Napier University - Screen Academy Scotl	7,500
John Paroussi and Chris Tandy Ltd	4,000
Belfast Film Festival	4,000
University of Glamorgan	3,000
ScreenHI	3,000
Swansea Metropolitan University	2,000
	641,952

Grants to International Organisations

eQuinox Germany e.V.	15,850
Fundacion Cultural Media - Media Business School	49,000
International Film Festival Rotterdam	5,047
	69,897

Grants to All Organisations **4,290,440**

Rescinded Grants (Grants not utilised)

Edinburgh International	(77,983)
Film London	(56,865)
Production Guild	(43,817)
Independent Cinema Office	(40,000)
NFTS	(31,272)
4K London Ltd	(20,200)
Crossover Labs Limited	(19,657)
Four Corners	(15,612)
LCC, University of Arts, London	(15,099)
Ealing Institution Media (EIM)	(15,000)
Ravensbourne College of Design and Communication	(14,864)
The Bridge Media Training Training	(9,143)
The Bureau Film company Limited	(7,960)
B3 Media	(6,208)
The Tasman Theory Pty Limited	(6,112)
Northern Alliance	(5,876)
Middlesex University	(5,000)
Endemol	(4,975)
Sheffield Doc/Fest	(4,310)
Scottish Screen	(3,808)
Bournemouth University	(3,104)

Creative Skillset Sector Skills Council
 NOTES TO THE FINANCIAL STATEMENTS

Screen Yorkshire	(3,040)
Screen West Midlands	(2,519)
Inspiral Ltd.	(2,042)
Directors Guild	(1,521)
Encounters Festivals Ltd	(1,300)
Talking Point Film & TV	(1,129)
South West Screen	(1,020)
Webra Multimedia Ltd	(800)
Framestore CFC	(781)
Atlantic Film Group	(275)
Lifesize Pictures	(191)
Focal International	(163)
Warp X and Threshold Studios Ltd	(80)
Principal Large Format	(6)
DV Talent	(1)
Screen South	(1)
Total Rescinded Grants	(421,731)
Total Grants to Organisations	3,868,709
Total Grants to Individuals	367,544
Total Grants Awarded	4,236,253

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:

	David Fraser Fund	Film Industry Training Board	Total
	£	£	£
Brought forward	35,838	14,778	50,616
Funds received	-	-	-
Funds expended	-	-	-
Carried forward	35,838	14,778	50,616

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

Creative Skillset Sector Skills Council
NOTES TO THE FINANCIAL STATEMENTS

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

	£	£
	2013	2012
Brought forward	1,941,374	502,514
Released to income	(24,127,240)	(6,630,483)
Income deferred	23,871,732	8,069,343
Carried forward	1,685,866	1,941,374

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.

There were no related party transactions in the current year (2012: Nil).