



Creative Skillset – Sector Skills Council Limited

TRUSTEES' REPORT and FINANCIAL STATEMENTS

**For the year ended
31 March 2018**

**Company Registration No. 02576828
Charity Registration No. 1015324
Scottish Charity Registration No. C039556**

Creative Skillset – Sector Skills Council Limited
TRUSTEES' REPORT and FINANCIAL STATEMENTS
For the year ended 31 March 2018

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Creative Skillset – Sector Skills Council Limited
TRUSTEES' REPORT INCORPORATING STRATEGIC REPORT
Year Ending 31 March 2018

Introduction

Under the Companies Act the Trustees of a charity are required to present an annual report and accounts.

The financial statements in this report, for the year ended 31 March 2018, comply with Creative Skillset Sector Skills Council Limited's (Creative Skillset) Articles of Association, the Companies Act 2006, the Charities Act 2011 and 'Accounting and Reporting by Charities: Statement of Recommended Practice', which applies to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS102) effective from 1 January 2015.

Reports from Creative Skillset's Chair and CEO set the context for the 2017/18 Trustees' Report and Financial Statements.

Chair's report

Creative Skillset develops skills and talent for the UK's screen-based creative sectors: film, high-end TV, unscripted TV, children's TV, VFX, animation and games. During 2017/18 we built on progress achieved during the previous year, consolidating our focus on the screen industries and starting to deliver against our new industry skills strategy.

We have strengthened our financial position through to 2021. We submitted a successful bid for Lottery funding to deliver the British Film Institute (BFI) 'Future Film Skills' programme; and we also secured four years of Arts Council England (ACE) funding. During 2017/18 we scoped and planned delivery against these major contracts, integrated with our targeted skills investment through other sources – such as the film and high-end TV (HETV) levy funds.

The UK production boom, coupled with better quality evidence of the value from investing in industry skills, helped to drive an increase in 2017/18 film and HETV levy income. During the year we also started developing a proposal for a new TV skills contribution to boost industry skills investment.

I am delighted that Creative Skillset has continued to build its industry partnerships, which are essential to ensure relevance and currency across all we do. One particularly successful example is the HETV working groups, comprising around fifty practitioners who direct levy investment in priority skills. Creative Skillset is also developing new partnerships to support delivery.

We have been lobbying more effectively on issues relevant to our industry's skills. Our contribution to the debate around the Apprenticeship Levy has been particularly effective in highlighting the flexibilities which our sectors need if we are to provide more apprenticeship opportunities.

Creative Skillset has continued to strengthen its in-house practitioner expertise, recruiting experienced industry experts to help deliver against strategic priorities. Our merger with the Indie Training Fund (ITF) – planned during 2017/18 and scheduled for Autumn 2018, to coincide with a major activity phase and brand repositioning – will strengthen delivery capability through a unified organisation to be called 'ScreenSkills'.

I would like to acknowledge the Executive team for their hard work and leadership during another challenging year. I am grateful to members of our Board, Finance and Audit Committee, Skills Councils and industry working groups for their continued guidance and support. Creative Skillset is well placed to deliver a comprehensive, targeted industry skills development programme over the next few years under its new name: ScreenSkills.



Richard Johnston
Chair, Creative Skillset Board

CEO's report

After our 'turn-around' year in 2016/17 Creative Skillset focused during 2017/18 on consolidating its new screen skills strategy (see page 14). We have secured core income to 2021, strengthened our industry partnerships and developed activity plans across priority skills areas.

2017/18 achievements include: stabilised finances and operations; enhanced practitioner capabilities across the Creative Skillset team; strengthened industry engagement; and more targeted delivery in key industry skills areas. These are some of the year's industry-focused highlights:

- The establishment of representative industry advisory panels – including the practitioner groups who have guided the refocusing of our HETV skills investment.
- The scoping of a skills forecasting framework to provide regular data on skills gaps which will enable more effective screen skills investment targeting.
- The review of our careers advice and information, including the delivery of two well-received career pathway maps covering key production roles.
- The completion of the 'Tick' quality-mark pilot across higher education (HE) courses relevant to our industries, which will shape a more effective approach across further education (FE) and CPD.
- The successful delivery of pilot entrant schemes, including outreach activities to engage new talent across under-represented communities and a 'bootcamp' to provide foundation skills.
- The development of a portfolio of apprenticeship standards reflecting priority industry needs.
- More effective targeting of our support for continuing professional development (CPD).

We have strengthened our delivery partnerships to support our increased delivery commitments. Key partners include: the National Film and Television School (NFTS) – who will work with us to develop Centres of Excellence; Creative and Cultural Skills (CCS) – our 'sister' sector skills body – who will work with us on delivering against the ACE contract and on potential Sector Deal opportunities; and Into Film – with whom we will work in schools, as part of our new approach to careers engagement.

During 2017/18 we also completed the groundwork for various significant initiatives to build our capability from 2018/19. They include:

- Identifying policy priorities to ensure maximum impact from our skills lobbying on industry's behalf
- Engaging support for a new TV skills contribution to boost skills investment for unscripted TV.
- Establishing new practitioner advisory groups to guide and support our skills development work.

We continue to invest in the skills which will help to drive the success of UK film, TV, VFX, animation and games.



Seetha Kumar
Chief Executive Officer, Creative Skillset

1. Objectives and activities

Creative Skillset is an independent UK-wide organisation which works with employers, individuals, trade associations, unions, learning and training providers, government and public bodies to develop skills and talent for the UK's screen-based creative industries.

Creative Skillset's principal objectives are to promote, advance and provide training and education opportunities for those working in, or intending to work in, the screen industries – whether as employees or as independent freelancers and contractors.

Our mission is to lead on building inclusive skills and talent to power sustainable growth for the UK's screen industries – film, high-end TV, unscripted TV, children's TV, VFX, animation and games.

We deliver against our mission by identifying key skills gaps; improving entry-level diversity and work-readiness; supporting professional development; and engaging industry in skills development activities.

We are industry-led and industry-funded. We invest industry skills levy contributions and other funding secured through bids to deliver targeted skills development programmes. We do not raise funds through donations from individuals or charitable foundations.

Our website – including our Hive talent network – provides information on education, employment and skills development for the screen-based creative industries. Further details of Creative Skillset's activities can be found at www.screenskills.com

2. Structure, governance and management

Creative Skillset is a company limited by guarantee (Company number 02576828); a registered charity in England and Wales (Charity number 1015324); and a charity registered in Scotland (Charity number SC039556). The charitable company is governed by Articles of Association which were amended and updated on 11 February 2018 (replacing the Articles of Association and Memorandum of Association dated 11 February 2015).

2.1 Board

Creative Skillset's Board of Directors and Trustees operates under agreed terms of reference, which include fixed terms of office. There are role descriptions for the Chair, Vice-Chair and Board members.

Board members, acting as Trustees of the Company, are senior and influential representatives from the screen-based and wider creative industries – including the Chairs of our Film, HETV and TV Skills Councils. They contribute broad-ranging expertise and credibility, and they do not represent an individual company or organisation. Trustees receive no remuneration for their Board role, although the Board may approve Trustees to serve as consultants and deliver additional services to the charity in line with the charity's governing documents.

2.1.1 Appointment of Trustees

The Board Chair is selected through a recruitment process led by a sub-group; and the Vice-Chair is elected from among Board members.

The recruitment process for Board members is led by the Chair, supported by the Chief Executive Officer (CEO). The Chair suggests potentially suitable candidates for Board membership; and, after appropriate conversations, the Chair proposes nominees and seeks Board endorsement for their appointment. Initially Trustees serve for terms of two or three years, after which they may put themselves forward for one further re-appointment. In exceptional circumstances, determined by the Board, Trustees may be appointed for a third term of up to three years. New Trustees receive a one-to-one induction with the CEO and are provided with an induction pack (which includes information and guidance on their duties as Trustees).

The majority of our Trustees are active in the screen industries and involved in continuous professional development. Due to their seniority and responsibilities they are likely to have the skills and experience needed for their roles. However Creative Skillset aims to ensure that Trustees' understanding of their responsibilities is up-to-date, by ensuring that any specific training needs are met. This support may be delivered through Board away-days or bespoke sessions provided by an external organisation.

2.1.2 Board structure

The Board of Trustees operates with a minimum of 10 and a maximum of 16 members.

At regular Board meetings the Trustees review progress against the strategy and objectives and consider areas for potential development. From 2018/19 there are five Board meetings and an away-day each year (an increase compared with the four meetings and away-day in 2017/18). Day-to-day operations are delegated to the CEO and Senior Management Team.

2.2 Finance and Audit (F&A) Committee

The Finance and Audit (F&A) Committee is a sub-committee of the Board of Trustees, reporting to the Board. The Committee includes a minimum of two Board Trustees, with the remaining members drawn from the industries we serve. During 2017/18, this comprised the following members:

Committee member	Organisation	Committee role and any related role	Appointment/resignation date
Stephanie Mills	Group Financial Controller, Channel 4	Member, Committee Chair	
Richard Johnston	Chief Executive Officer, Endemol Shine UK	Member and Board Chair	
Ivan Dunleavy	Non-Executive Chairman of Milk Visual Effects	Member and Board member	
Jo Bromley	Scrapps Networks	Member	
John Graydon	Partner, Saffery Champness	Member	
Derek O'Gara	Chief Finance Officer, Endemol Shine UK	Member	
Richard Philipps	Consultant, Reed Smith LLP	Member	
Dee Vassill	Executive Director of HR, Vue International	Member	Appointed 12 September 2017
Richard Pooles	Finance Director- UKTV	Member	Appointed 5 September 2018

The Committee meets regularly (at least four times a year, and additionally as required). The Committee Chair and the CEO recruit Committee members, who are appointed for a term of two or three years. One further term may be served following reappointment.

Finance and Audit Committee meetings are conducted in an atmosphere conducive to constructive and open dialogue, with each member having an equal standing in the Committee's recommendations.

F&A Committee members receive no remuneration for their role.

The F&A Committee is responsible for

- Advising on financial operations and controls.
- Reviewing internal procedures, governance, systems and processes in line with best practice.
- Monitoring Creative Skillset's financial performance and confirming that our financial plan is credible and can support our strategy.
- Advising on legal and human resource issues.

As part of its role the F&A Committee also liaises with our external auditors, reviews the annual audited financial statements and assesses the organisation's risk appetite and strategy. The Committee may make recommendations to the Board.

2.3 Related parties, conflict of interest and conflict of loyalty

Board approval is required in the event that any professional services (where permitted in the governing documents) are sought from any Trustee (i.e. from any Board or F&A Committee member).

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Details of Trustees' expenses and related party transactions are disclosed in note 6 and note 21 to the accounts.

Trustees are required to disclose all relevant interests, register them with the Company Secretary and withdraw from decisions where a conflict of interest arises. Conflicts of interest may occur, for example, where an organisation submits a grant funding application to Creative Skillset and the Trustee serves in a key role on the Board of that organisation.

Trustees are also required to declare any conflicts of loyalty. Conflicts of loyalty may occur if, for example, an individual is a trustee for two charities planning to bid for the same service provision contract. A conflict of loyalty would arise where there is no benefit to the trustee but their decision at either charity could be influenced by their knowledge of and duty to the other charity.

2.4 Patrons

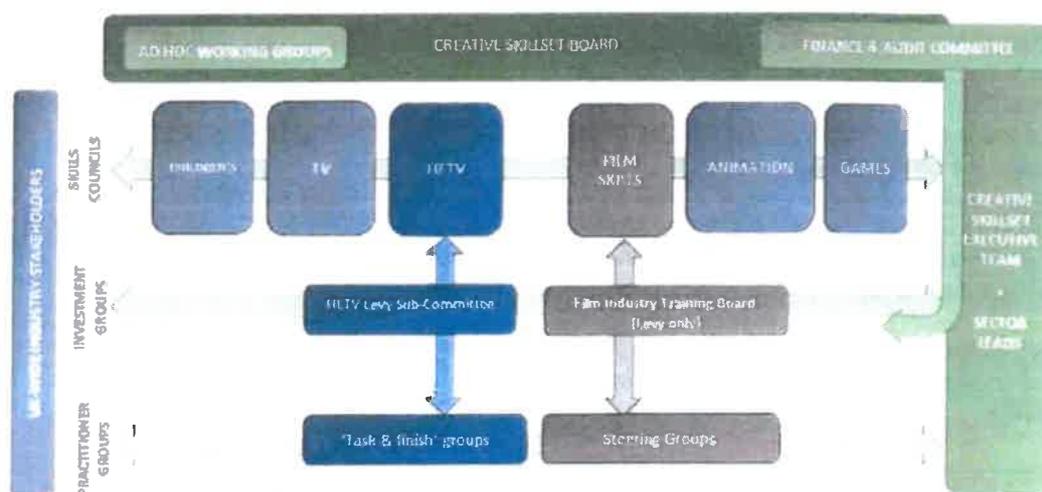
A number of influential senior industry figures are invited to join the Creative Skillset Patrons group, currently chaired by Clive Jones, CBE. Individual patrons are approached, when appropriate, to provide advice and support related to their areas of interest and influence.

Patrons are volunteers and receive no remuneration.

2.5 Creative Skillset's operating structure

Industry practitioners help to direct Creative Skillset's activities through various groups – all of which (apart from any ad hoc advisory groups) are formally constituted. The diagram below shows Creative Skillset's operating structure, illustrating how the various groups contribute to Creative Skillset's governance and operations.

Film and HETV currently have both investment groups and practitioner groups. A similar approach may be adopted for other Skills Councils, if relevant and helpful.



2.6 Skills Councils

Skills Councils ensure that Creative Skillset's activities reflect and adapt to changing skills needs. The chair of the larger Councils – for High-End TV, Film Skills and TV Skills – have ex officio

representation on Creative Skillset's Board. Councils are responsible for targeting skills development activity and ensuring delivery in relation to their respective sub-sectors, within the strategic framework endorsed by Creative Skillset's Board.

Some sectors collect industry contributions for investment in skills development – either through levies (Film, HETV, Children's TV and Animation) or through broadcaster contributions (TV Skills). Their relevant Skills Councils have delegated authority from the Board to oversee their sub-sector's investment, with Council meetings' frequency reflecting the sector's activity schedule.

Skills Council members are not remunerated and voluntarily give their time.

2.7 Investment groups

The HETV Levy Sub-Committee is a sub-group of the HETV Skills Council, and the Film Industry Training Board is a Non-Departmental Public Body. These investment groups allocate investment in line with skills development priorities identified by their relevant Skills Council and the Board. Each investment group is required to meet at least three times a year.

Members are not remunerated and voluntarily give their time.

2.8 Practitioner groups

Industry practitioners shape our skills investment agenda at policy and planning levels. They advise on pragmatic approaches which meet industry's priority skills needs during a period of buoyant sector growth and rapid change.

Practitioner groups comprise industry experts who advise on skills development investment in their area. HETV has, for example, nine 'task-and-finish' groups – with groups including: Directors, Writers, Producers, Craft & Technical Training and Nations & Regions.

2.9 UK-wide industry partners and stakeholders

Creative Skillset delivers against its objectives through various partnerships. Key partner organisations include:

- the National Film and Television School (NFTS) – which, as one of the world's leading institutions in film and the moving image, works with us in areas including continuing professional development (CPD) design and delivery;
- Creative and Cultural Skills (CCS), a 'sister' Sector Skills Council, whose activities across sub-sectors such as theatre and crafts are complementary and enable cross-over skills development;
- Into Film – with whom we work on engagement through schools; and
- the Indie Training Fund (ITF), with whom Creative Skillset is merging during Autumn 2018.

Other partners include trade associations, such as Fact and the UK Screen Alliance, and representative bodies, such as the Creative Industries Council (CIC) and Creative Industries Federation (CIF).

Creative Skillset works in partnership with relevant organisations on areas of mutual interest, including lobbying on skills issues and shaping skills provisions in the Creative Industries Sector Deal.

Creative Skillset's wider stakeholder engagement includes industry employers, employees and freelancers. Their feedback and advice – collected through working groups and wider networking – helps to shape Creative Skillset's delivery priorities.

3. Reference and administrative information

3.1 Creative Skillset's 2017/18 Board of Directors/Trustees and Company Secretary

Board member	Organisation	Board role and any related role	Appointment/resignation date
Richard Johnston	Chief Executive Officer, Endemol Shine UK	Trustee, Chair	
Dinah Caine CBE	Member of Creative Industries Council (CIC)	Trustee	
Ivan Dunleavy	Non-Executive Chairman of Milk Visual Effects	Trustee	
Louise Grainger	Representing Federation of Entertainment Unions	Trustee	
Bella Lambourne (Arabella Clare McCabe)	Human Resources Director, Endemol Shine UK	Trustee, Chair of TVSF Council	
Alex Hope OBE	Managing Director, Double Negative Visual Effects	Trustee	
Stephen Page	Chief Executive Officer, Faber & Faber	Trustee	
Iain Smith OBE	Chair, British Film Commission	Trustee, Chair of Film Skills Council	
John Woodward	Chairman, Park Circus	Trustee	
Nicholas Catliff	Managing Director, Lion Television	Trustee	Appointed 7 December 2017
Lisa Ople	Managing Director of Factual, BBC Studios	Trustee	Appointed 4 June 2018
Christine Healy	Head of Productions, New Pictures	Trustee, Chair of High-End TV Skills Council	Appointed 8 June 2018
Caroline Ross	Chief Human Resources Officer, Channel 4	Trustee	Appointed 27 June 2018
David Abraham	Chief Executive, Channel 4	Trustee	Resigned 23 August 2017
Ian Livingstone CBE	Non-Executive Chairman, Sumo Digital Limited	Trustee	Resigned 2 January 2018
MT Rainey OBE	Deputy Chair, Channel 4	Vice-Chair	Resigned 16 March 2018
Mark Linsey	Director, BBC Studios	Trustee	Resigned 16 March 2018
Sam Jukes-Adams	Director, SJA Associates (London) Ltd	Trustee, Chair of High-End TV Council	Resigned 31 May 2018
Clive Goss	Finance & Operations Director, Creative Skillset	Company Secretary	Appointed 22 June 2017
John Turner	Finance & Operations Director, Creative Skillset	Company Secretary	Resigned 22 June 2017

3.2 Chief Executive

Creative Skillset's Chief Executive Officer (CEO), Seetha Kumar, leads the organisation with support from a Senior Management Team. As we are a charity the CEO is accountable to the Board but does not have voting rights. The day-to-day management of the Charity is delegated to the CEO by the Charity's Board of Trustees.

3.3 Relevant addresses

Registered Office
 94 Euston Street
 London NW1 2HA

Independent Auditor
 RSM UK Audit LLP
 25 Farringdon Street
 London EC4A 4AB

Bankers
 HSBC Bank plc
 PO Box 260, 46 The Broadway
 London W5 5JR

4. 2017/18 strategic priorities and investment

4.1 Creative Skillset's strategic priorities

The demand for skills in the UK screen industries is greater than ever. The UK is one of the world's most important production hubs and UK film is one of the country's fastest-growing sectors. Production expenditure has increased across film and HETV, driven by the success of tax reliefs for the creative sector, a weak sterling and our continuing reputation for world-class screen skills.

External trends and global competition affect skills requirements. Technological change has had a disruptive impact, and Britain's impending exit from the EU will affect the supply of creative and technical talent to the screen sector.

The Work Foundation's 2016 skills audit for the BFI highlighted major areas of skills shortage across UK film and related screen industries, from production to exhibition. Informed by these and other relevant research findings Creative Skillset has been developing a reliable, consistent skills forecasting capability.

Although an effective skills and talent pipeline is vital to continued sector growth and creativity it is hard to achieve, given the fragmented nature of our sector. A unified approach across screen is essential – given the cross-over skills between film, television, VFX, animation and games – to achieve inclusivity through improved access to opportunities, and to grow and retain talent so that skilled people flourish and our industries thrive.

Creative Skillset's 2017/18 strategic priorities and enablers are shown below:



These are the main 2017/18 activities which enabled delivery against our strategic priorities:

Strategic priority 1:

- The scoping of a skills forecasting framework to provide regular data on skills gaps which will enable more effective screen skills investment targeting.
- Effective lobbying on relevant skills topics, including the Apprenticeship Levy.

Strategic priority 2:

- The review of our careers advice and information.
- The completion of the "Tick" quality-mark pilot across higher education (HE) courses relevant to our industries, which will shape a more effective approach to accreditation across further education (FE) and CPD.

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- The successful delivery of pilot entrant schemes, including outreach activities to engage new talent across under-represented communities and a 'boot camp' to provide foundation skills.

Strategic priority 3:

- The development of a portfolio of apprenticeship standards reflecting priority industry needs.
- More effective targeting of our support for continuing professional development (CPD).
- The provision of targeted bursaries to support workforce skills development, particularly among those relatively new to the industry and those facing barriers to progression.

Enabler A:

- The strengthening of delivery partnerships and industry networks across the UK.
- The establishment of representative industry advisory panels – including the practitioner groups who have guided the refocusing of our HETV skills investment.

Enabler B:

- The confirmation of several major funding agreements – including with the BFI and Arts Council England (ACE) – which have helped to stabilise our finances.
- Strengthened practitioner capabilities through recruitment into new delivery roles across the Creative Skillset team.
- Reviews of key financial and operational processes to ensure they support our delivery.

4.2 2017/18 funding to support delivery against the strategic priorities

4.2.1 BFI 'Film Forever' Lottery delegation

Wind-down of this programme continued during 2017/18, with £113,000 supporting CPD.

4.2.2 Future Film Skills programme: scoped and developed during 2017/18

From April to September 2017 Creative Skillset scoped and drafted a major bid submission against the BFI's 'Future Film Skills' action plan. Following two intensive interviews the BFI confirmed that Creative Skillset had secured funding of up to £19.1 million to 2021. Investment over the four-and-a-half year programme will be phased in line with activity plans (2017/18 through to 2021/22).

4.2.3 Film Skills Investment Fund (SIF) and HETV Levy Fund

Contributions to the Film Skills Investment Fund (SIF) reached £935,000 in 2017/18, an increase of 17% on the previous year. There was a 24% increase in the number of films contributing to the Fund.

The booming television drama production schedule resulted in a record £2.6 million paid in contributions to the HETV Levy Fund during 2017/18 – an increase of 8% on the previous year.

4.2.4 Broadcaster contributions supporting TV skills development

TV skills development is currently supported by broadcaster contributions which, during 2017/18, totalled £438,000 – of which £385,000 was invested via the TV Skills Fund (TVSF). Investment was up 6% on 2016/17.

4.2.5 Other funding

£136,000 was collected via the Children's TV Levy during 2017/18, 9% up on 2016/17.

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In summer 2017 we secured £44,000 of funding from the Federation for Industry Sector Skills & Standards (FISSS) to support the development of two frameworks – for a Skills Passport and for short course accreditation.

4.2.6 Commercial income

A total of £238,000 commercial income was received during 2017/18. This comprised £12,000 of 'Tick' income, £82,000 of income through Hiive and £30,000 of rental income. Overall commercial income was £66,000 lower than budgeted – due changes to the Higher Education (HE) 'Tick' programme and an over-estimate of potential Hiive income.

As well as strengthening the 'Tick' accreditation process we have streamlined our administration processes, reducing Creative Skillset costs. HE institutions pay £3,999 for their course to complete the 'Tick' accreditation process and an annual £499 fee to maintain their accreditation status.

Hiive commercial income was generated through fees for hosting job vacancies, online competitions for creative ideas and related projects. 2017/18 income was 50% lower than budgeted, with the shortfall due to challenges in securing new business in a competitive market for building online networks.

4.2.7 Other restricted funds

Other restricted funds include the 'Anne Tyrrell Fund', a legacy fund which provides annual awards to fashion design students. £5,000 is awarded annually to the winner and £3,000 to the runner-up. Expenses are kept to a minimum and covered by the 'Tick' budget.

5. 2017/18 activities and outcomes

5.1 Strategic priority 1: Key skills gaps and screen skills lobbying

In order to deliver against this strategic priority Creative Skillset worked with various industry groups to identify key skills needs and prioritise skills development programmes to address screen skills gaps.

One example was Creative Skillset's contribution through a BFI research group, which identified 38 key screen skills gaps. We then developed a partnership with the Work Foundation (the organisation which conducted the research) and, in February 2018, we commissioned them to define and scope our new skills forecasting process, including mapping research requirements. Another example was the establishment of nine HETV working groups through which around 50 practitioners contribute advice and guidance. This industry input, along with well-received HETV qualitative research, has been essential to targeting HETV levy investment in areas of priority skills need.

During 2017/18 we continued to lobby on relevant skills issues, including proposing changes to the new Apprenticeship Levy in order to increase the number of screen industry employers who are able to take on apprentices.

5.2 Strategic priority 2: Entry-level diversity and work-readiness

5.2.1 New entrants and support for those starting screen industry careers

We engaged with and supported nearly 9,000 young people through our 2017/18 careers and new entrant activities. Our activities and events included eight 'Open Doors' events (UK-wide site visits to employers, providing valuable 'tasters' to those interested in working in the screen industries). Sessions were also provided for freelancers, career-changers, educators and students. We contributed to various major careers events including the Pinewood Careers Fair, the Radio 1 Academy Careers Fair and the Liverpool City & Region Skills Show.

The careers team partnered with Bauer Academy to deliver a one-week intensive 'boot camp' called 'Making Creativity Work'. The boot camp covered employability training for unemployed people who want to work in the screen industry. Trainees had the opportunity to learn about freelancing, CV writing, interview techniques, networking and creating content. Here are some examples.



Isabel had dropped out of university to pursue her passion for casting in entertainment TV. After the boot camp she went on to do an internship at Shine TV, participate in the Edinburgh Network and work on shows such as *Undateables*, *Ant and Dec's Saturday Night Takeaway* and *The Apprentice*.

William had left his job as an M&S manager to pursue a career in filmmaking. The boot camp gave him the skills and confidence to apply successfully for Film Trainee Finder – as result of which he has worked on *The One and Only Ivan* and *Maleficent 2*.



Before taking part in the boot camp Simone was keen to start her career in TV drama but only had experience from one runner role. Having broadened her understanding of how to get freelance work in TV drama and film she got a runner job on *Poldark* a few weeks after the boot camp. She continued to work at Sassy Films, Avalon and STV; and she is now on the Film Trainee Finder scheme.

Another successful engagement programme to attract talented new entrants resulted from Creative Skillset's partnership with 3Dami, a non-profit organisation founded to promote digital art for 14-18 year olds through summer camps. Groups of students run their own studios and make a short 3D animated film using the Blender programme/app. Participants experience every aspect of production, from scriptwriting through to VFX and premiering content.

The event combines creative and digital learning; and young people are supported in thinking about a career in animation. Here are two testimonials from summer camp participants.

“ ”

Matt studied a BTEC in software development in a college near York, experiencing a small amount of 3D animation during a games module. He explained: "At the 3Dami event I worked on character and animation development and helped to mentor some of the younger students. 3Dami allowed me to meet like-minded people and work on my technical and interpersonal skills. Through 3Dami I found out about the VFX apprenticeship scheme and used my coursework for my application showreel. I'm now an apprentice at One of Us, working on *Star Wars* and *Jurassic Park*."

“ ”

Chago studied A-level computer science, graphics and maths at college in London. 3Dami was his first experience of working in 3D. He said: "For the first time I met and worked with like-minded people, and the 3Dami model gave me valuable insight into working in the industry." Chago went on to study animation at university, with reduced entry requirements due to his work with 3Dami. He has also worked for Double Negative and Framestore

5.2.2 Trainee Finder: Film and HETV

The Film and HETV Trainee Finder schemes – entry-level placement programmes – were updated and aligned during 2017/18 to strengthen the placement experience and ensure consistency.

Along with other schemes and initiatives to improve workforce skills and diversity the Film Trainee Finder scheme was a key area for investment. 50 trainees were accepted onto the 2017/18 scheme, and the majority of contributing productions used trainees supported by the Film Skills Investment Fund (SIF). Testimonials from trainees and productions contributing to the SIF are shown below.

“ ”

Nadine, a hair and make-up trainee, said: “Getting my place as a Creative Skillsset film trainee was a huge deal for me, and I will be eternally grateful. I felt so fortunate when I found out, and within two weeks I had secured a trainee hair and make-up position with Warner Bros on *Fantastic Beasts: The Crimes of Grindelwald*. I haven't looked back since.”

“ ”

Peter, a sound trainee whose placements included Disney's *Artemis Fowl*, said: “Being a part of Trainee Finder was such an invaluable experience. It's given me an incredible base to launch my career and provided some great new knowledge in a variety of topics outside of these placements – such as finance, networking and even a first aid course.”

“ ”

David Livingstone of Calamity Films, producer of *Judy*, said: “Contributing to the Film SIF brings fantastic benefits all round – to the film which gains subsidised trainees, to the trainees who get valuable experience and opportunities, and to the wider industry in ensuring that the next generation of talent behind the camera has the skills and support to carve out successful careers.”

“ ”

Bennett McGhee, of Silvertown Films, producer of the low-budget drama *VS*, said that operating with a budget of around of £1m had been a real challenge. “It was incredible added value to have fresh, ambitious, hard-working – and industry-vetted – people joining the team. We were able to select from a diverse group of trainees in various departments to help maintain the diversity standards we had set for ourselves as a production.”

“ ”

Yaw Basoah, of Dark Pictures, producer of the dystopian thriller *Zero (Kill Her Witch)*, said: “Producing an ambitious and compelling film like *Zero* on £150,000 was an extremely challenging undertaking. Crucial to the process was collaboration with skilled, hard-working and determined trainees, vetted by Trainee Finder, all of whom enhanced their departments' artistic, practical and technical offering.”

“ ”

Matthieu de Braconier, of The Bureau, producer of the love story *Only You*, said: “The trainee is encouraged to dive in the deep-end. It's their opportunity to make themselves indispensable. On *Only You* Laura, Cora, Rosa, John and Elias have done just that.”

Here are two examples of Film Trainer Finder beneficiaries.



Nichola worked as an assistant director on national TV in China before studying for an MA in film directing at Bournemouth University. Her initial experience was in the camera department, where she worked unpaid as a trainee while supporting herself through translation work. Nichola appreciated the structure and the support (financial and otherwise) provided by Film Trainee Finder, through which she completed a six-month placement on Warner Bros.' *Fantastic Beasts: The Crimes of Grindelwald* at Leavesden Studios. Since then she has followed the same crew to work on BBC Films' *His House*, supporting her ambition to become a feature film focus puller.

While at university Kirsty did some work experience on a low-budget feature film, filling in for a member of the sound team. Having completed the NFTS production sound MA Kirsty was unclear about next steps and had little financial flexibility to support relocation for work opportunities. Her Film Trainee Finder placement on Universal's *Mamma Mia! 2* boosted her confidence and experience, as a result of which she has been working as a second assistant sound and boom operator on projects in Yorkshire. Her ambition is to become a feature film production sound mixer who can inspire other women to pursue careers in sound.



Creative Skillset's HETV Trainee Finder scheme is particularly effective in developing the next generation of talent. During 2017/18 67 trainees benefited from 95 production placements. Here are two examples.

“ ”

Emma explained that: “After my A-levels I completed an art and design foundation course. I realised that I didn't want to build a career in that area so I did a film production degree, specialising in post-production. Once I was introduced to editing I knew that I wanted to work towards a career as an offline film or TV editor. Having worked for a while as an editor on low-budget productions I found that there were limited opportunities to access the jobs I wanted in high-end TV drama – partly due to the very small number of post-production houses where I was based, in County Durham. While I was working as a runner on a TV drama I met a production trainee who told me about HETV Trainee Finder. I applied in April 2017 and was accepted in July. Creative Skillset kept in touch throughout, letting me know about potential placements. As I was living in the North of England, advance notice really helped me to plan ahead. I got a call from the first assistant director on *The Good Karma Hospital* who explained the role, asked me about my skills and then confirmed my placement. Creative Skillset provided a training plan so that there was some structure to my learning. I worked on the drama series for ten weeks alongside the first assistant editor. I learned about the overall workflow and was particularly involved in ingesting and organising rushes. In addition to broadening my technical skills, I gained a lot of confidence by developing my experience and knowledge of drama production. The Creative Skillset Trainee Finder team also provided support on setting up as a freelancer, networking and building a CV. The skills and confidence I gained through the scheme meant that I no longer felt like a beginner. Having developed understanding around the key skills needed to become a TV drama editor I secured my next job as a second assistant director. I wouldn't be where I am now if it weren't for Trainee Finder ”

Mackenzie hadn't been successful in his 2017 application to Trainee Finder. He was advised to gain more camera set experience – which he did, working on *The Coroner* and *Poldark* and as a camera trainee doing dailies on *Doc Martin*. This insight contributed to his successful Trainee Finder reapplication in early 2018. Mackenzie's first Trainee Finder placement was with *ABC Murders* (Mammoth Screen) in Yorkshire. The team valued Mackenzie's hands-on approach as well as his enthusiastic and calm attitude. As part of the placement, Mackenzie provided support across all aspects of camera kit, including cables and lenses. He also supported the wider team as required, broadening his set experience.



5.2.3 Apprenticeships

During 2017/18 we continued to develop a range of English Apprenticeship Standards to meet screen industry needs. We also completed National Occupational Standards (NOS) work in Wales, Scotland and Northern Ireland.

An English standard takes some time to develop, working with employer advisory groups. The standard is then submitted to the Institute for Apprenticeships (IFA) for approval, after which an assessment plan is developed. These are the standards on which we worked with industry practitioners during 2017/18.

English apprenticeship standards for approval

- Broadcast and Media Systems Engineer Degree Apprenticeship (Level 6)
- Broadcast and Media Systems Technician (Level 5)
- Broadcast and Media Systems Technical Operator (Level 3)
- Post Production Technical Operator (Level 4)
- Photographic Assistant (Level 3)
- Production Manager (Level 7)
- Storyboard Artist (Level 7)

English standards for which assessment plans were developed

- Junior Content Producer (Level 3)
- Props Technician (Level 3)

English standards resubmitted to include additional options

- Junior Animator (Level 4)
- Production Coordinator (Level 4)

English assessment plans developed but not approved

- Broadcast and Media Systems Technical Operator (Level 3)
- Production Manager (Level 7)
- Photographic Assistant (Level 3)

NOS work in Wales, Scotland and Northern Ireland

- New Welsh Apprenticeship framework Junior Journalist (Level 3) developed
- NOS for Grips reviewed and revised
- NOS translated into Welsh: Post Production, Sound, Physical Special Effects and Radio & Audio Content Creation

5.3 Strategic priority 3: Continuing professional development to support careers

5.3.1 Film CPD through the Skills Investment Fund (SIF)

The Film Skills Investment Fund (SIF) supports continuing professional development (CPD) and funds bursaries. During 2017/18 a total of 328 people benefited from career development support.

Continuing professional development (CPD) courses funded by the SIF included many in areas of skills shortages or high demand. Here are some examples (with the delivery partner shown in brackets):

- Production management for feature films (BECTU)
- Pro-level make-up effects and prosthetics essentials (Creative Media Skills)
- Steadicam operator regional workshop (GBCT)
- Film location sound recording (NFTS)
- Moving up to production accountant in film (The Production Guild)
- Film accounts: Trainee Finder (The Production Guild/Creative Skillset)
- Production buying and props training (Talking Point).

One example of SIF-funded CPD was the modular Production Management Course aimed at those ready to step up to the role of production manager. The course ran in London during October/November 2017 and has since run in Manchester. An average of eight to ten participants attended each week's modules, with all the delegates attending at least two modules and around half the delegates attending all the modules. Topics included:

- The role of a production manager during pre-production, production, post and delivery
- Budgeting and contracting
- Health and safety – eg risks and stunts
- Working with a team and post-production
- Movie Magic for scheduling.

60% of the 71 film bursaries distributed during 2017/18 were awarded to women. Awards were distributed to applicants from London, the South East, South West, East of England, East Midlands, West Midlands, the North West and Yorkshire and Humber as well as applicants in Northern Ireland, Scotland and Wales. Here are some examples of the feedback we received during 2017/18.

“ ”

Assistant production co-ordinator Paul secured a bursary towards his attendance at a drama production management course. He said: “I wanted to broaden my knowledge of working at a higher grade, with the aim of using the new-found knowledge to build my experience. I now have a better understanding of the scheduling and budgeting process, and I can now better understand how certain decisions get made throughout the production run. Since attending the course I've been contacted about a line-producing job.”

“ ”

Hair and make-up artist Heather was awarded a bursary to attend a course on applying facial hair. She said: “It will change the entire level of what I can do and have a hugely positive impact in terms of my confidence. I feel a lightbulb has gone on and I have finally grasped the skills I was hoping to achieve. I feel very lucky to have benefited from this bursary.”

“ ”

Props and model maker Noel secured a bursary to attend a compositing (2D) for visual effects course, with the aim of developing his confidence in applying and understanding the tools used in 2D compositing. His assessment after the course was that it had: “...broadened the range of potential work available to me in a new medium in the film and television industry. I've gained skills and confidence around moving over into digital effects”.

5.3.2 BFI CPD through Future Film Skills Fund (FFSF)

Thirty-nine skills development programmes were supported by BFI transitional funding, with delivery by organisations including: Raising Films, 104 Films, Bird's Eye View, Film Cymru and Lighthouse Arts & Training. £915,000 was invested in CPD activities to build the industry's professional skills-base during 2017/18. Beneficiaries developed skills across various areas – including craft, technical and broader professional skills. Of the 455 people benefiting from the courses and other skills development activities 53% were women, 19% were from BAME backgrounds and 9% had a disability.

5.3.3 HETV CPD

During 2017/18, the HETV Levy supported 1,019 individuals in progressing their HETV careers (including directors, writers, producers, craft and tech and production grades, post-production and VFX personnel as well as new entrants across various grades). Examples include:

- 73 individuals across 45 productions through the Make a Move programme, which offers on-the-job training for crew identified by productions as ready to move into a more senior role. 'Step-up' funding was provided for accountants, producers, those working in costume, line producers, production managers and production co-ordinators (e.g. enabling a production runner to move to being a production secretary and a costume assistant to move on to work as a junior costume standby on *Come Home*).
- 224 people attending four intensive HETV boot camps across the country.
- Five new HETV producers, ten directors, 17 production accountants and 17 line producers benefited. New producers, for example, were supported across productions including *The Virtues* (for Warp), *Les Misérables* (BBC One) and *Safe* (for Red).
- Fifty mid- to senior-level crew strengthened their industry connections as part of the HETV Connect programme.

Other beneficiaries of HETV funding include a producer/director who participated in the co-producers scheme and a production runner who took part in the Make a Move scheme.

As a result of Creative Skillset's co-producers scheme Louise was able to move from working on documentaries with Ross Kemp to recreating the Battle of Waterloo in the BBC adaptation of *Les Misérables*. Louise, based in Glasgow, had a successful TV documentary career but wanted to return to her original interest – drama. During her scheme placement on *Les Misérables* producer Chris Carey (of Lookout Point) quickly realised her potential and Louise was made second unit director as well as co-producer – working with dozens of extras, live-firing cannons, VFX and green screen. Louise said: "It was a unique opportunity. I can't think of any other way this would have happened. I thought my drama ship had sailed."



As a dancer, Rachel often found herself on TV and film sets but became more interested in the other side of the camera. After securing production-related work experience she was taken on as a full-time production runner on ITV's *Marcella*. When her line producer was hired on *Dark Heart* Rachel's production team contacts enabled her to move with them. She was nominated for the HETV 'Make a Move' scheme, as a result of which she became a production secretary. Her current role, mainly based at ITV Studios' London offices, involves liaison with the cast and crew on set and with suppliers. She also spends a day each week at filming locations. "I swap over with the production co-ordinator and get to see things from both sides. I've learned loads about suppliers, logistics and technical equipment."

During 2017/18 HETV also launched a new Skills Passport scheme to support skills training, particularly for freelancers. The passport identifies short courses that can benefit screen professionals. Having completed a course participants can apply for a 'badge' to save onto their mobile device or attach to their Hiive profile via the Creative Skillset website. The online badge verifies the newly-acquired skills.

39% of the 18 high-end TV bursaries were awarded to women during 2017/18. 72% were awarded to applicants outside London, with 61% going to applicants in Wales, Northern Ireland and Scotland. The remainder were distributed between the North West and the South West.

5.3.4 TV Skills Fund (TVSF) CPD

Programmes supported by the TVSF include the Rising Director single-camera directing scheme (managed by the ITF), which received 115 applications for eight places. The participants took part in a two-day technical refresher before working with an industry executive producer to create a three-minute film.

We produced a career map detailing production management and editorial roles in the TV industry, distributing the map at the National Career Guidance shows during March 2018. A second map, covering craft and technical/studio roles, was also scoped during 2017/18. Career maps will be downloadable via the Creative Skillset website.

There were 107 applications for the third Series Producer programme (exceeding previous years' totals). The standard of applications was so high that four additional places were offered, increasing the 2018 cohort to 24. Ten participants were from outside London and the South East, there were seven men, four participants were from BAME backgrounds and three had a notified disability.

“ ”

Sarah Joyce, the Creative Skillset Associate Adviser who leads on the TVSF Fund, explained that: "The Series Producer programme meets an undeniable need in the industry and offers a unique blend of group training, bespoke training, industry masterclasses, 'money-can't-buy' networking and commissioner-level mentors. Its reputation continues to grow among participants, indies and commissioners – with alumni often the first choice for indies when crewing up."

Following the second Series Producer programme, which ended in February 2018, 70% of alumni are now in more senior roles. Nine are series producing, two are working as series directors, two are commissioners, one is a channel executive and three are heads of department.

During 2017/18, a proposal was developed to increase significantly the funding available for unscripted TV skills development. Creative Skillset's Chair and CEO met various senior executives to gauge support for a new TV skills contribution scheme, and a 'task and finish' group was established to audit skills needs and progress the proposal during 2018/19.

5.3.5 Children's TV CPD

Examples of training programmes supported by Children's TV Levy investment include Get The Knowledge! – a two-day children's training course about editorial guidelines and practice – which ran during February and March 2018 in London, Salford, Glasgow and Belfast. Two-day camera and sound workshops also ran during March, providing around 40 beneficiaries with the opportunity to step up from junior roles.

Here are three testimonials on the benefits of the Children's TV Levy investment managed by Creative Skillset.

“ ” Val Ames, Director of Production at Kindle Entertainment, said that: “Kindle Entertainment’s experiences of accessing the levy for training have all been positive from both a company and personal point of view. Using the levy fund has enabled the company to up-skill members of our staff from the entry-level positions we had employed them in to recognised and credited roles on children’s live-action TV productions. Zina, a trainee script editor, became a script editor and is now on her way to becoming a producer thanks to levy fund support. Without the Children’s TV Levy Fund we would not have been able to afford this training – which could have meant losing Zina to a larger company.”

“ ” Zina, the training beneficiary mentioned above, said: “Thanks to Creative Skillset, Kindle were able to give me the kind of one-on-one training and development that I don’t think I could have received anywhere else. Having a dedicated project manager meant that I could ask questions and hone skills that have helped to fast-track my career.”

“ ” Liza Abbott, formerly at 7 Wonder (as Co-Founder), commented on her experience of the levy: “As a young production business – working hard to establish a long-term foothold in kids television – contributing to the levy allowed us to invest in training much earlier than if we were working in isolation and without having any external support. I can highly recommend both the levy and the training fund.”

5.3.6 ‘Tick’ accreditation framework

During 2017/18 we completed the pilot of our new ‘Tick’ HE accreditation framework. As a result we streamlined application and assessment processes, strengthened industry ownership through panels and improved demonstrable value for money. Where applications are unsuccessful course leaders receive targeted guidance on how to improve their learning and training content in order to deliver to the ‘Tick’ standard required by industry.

Eleven new courses relevant to our sectors were accredited during 2017/18: five games courses (four from Abertay and one from Teesside); four film courses (from Leeds, London Southbank and LFS); and two VFX courses (from Teesside and Bolton). A fashion course was also accredited.

As part of our responsibility as a FISSS member Creative Skillset is also the certificating body for various qualifications frameworks and provider institutions. Details of the certificates issued between April 2017 and March 2018 are shown below:

England: total number of certificates issued – 286

- Largest framework for which we issue certificates: Creative and Digital Media (250 in 2017/18)
- Largest provider for which we certificate: Arch Apprenticeships group (30 in 2017/18)

Scotland: total number of certificates issued – 39

- Largest framework for which we issue certificates: Creative and Digital Media (39 in 2017/18)
- Largest provider for which we certificate: Glasgow Kelvin College (27 in 2017/18)

Wales: total number of certificates issued – 39

- Largest framework for which we issue certificates: Creative and Digital Media (33 in 2017/18)
- Largest provider for which we certificate: Sgil Cymru (39 in 2017/18)

5.4 Marketing, communications and brand development

During 2017/18, we supported our delivery through more effective, targeted marketing and communications activity. We also started planning for our 2018/19 rebrand, which will support our merger with the ITF and rebranding as ScreenSkills.

We worked with partners and training providers to promote scheme launches and support recruitment across a wide range of programmes, including: the Film Accounts Trainee Finder strand (including online ads with accountancy bodies), the TV Skills/ ITF Rising Directors scheme and various film CPD programmes (e.g. Guiding Lights, Inside Pictures and the development lab programme, iFeatures). We invested in appropriate combinations of website, social media and leaflets to help boost engagement and take-up among target audiences.

During the second half of 2017/18 we used high-profile new team members to start raising our profile across the wider industry. One example was the late-March *Screen International* interview with our CEO and our new Head of Film. Our CEO was also quoted in two creative sector features (*Times* and *Guardian*) during the March 2018 National Apprenticeship Week.

By the end of March 2018:

- Our film and HETV mailing lists both had more than 2,000 subscribers (averaging +20% growth each month). Bespoke @SkillsetFilm and @SkillsetTV Twitter accounts (each with 2,000+ followers) continued to grow at 5-6% per month (compared with 1% for the main @SkillsetSSC account, which has 63,000 followers).
- The monthly HETV newsletter continued to average a 39% open-rate (compared with 20-22% industry averages for education/training/entertainment).

Work was completed during 2017/18 to scope an organisation-wide social media and digital marketing strategy. This review included an assessment of the potential to integrate the Creative Skillset and Hiive websites into a single digital platform. This combined platform will provide more effective support for our engagement and delivery activities.

6. Plans for 2018/19

Our 2017/18 strategic priorities (see section 4.1, above) continue into 2018/19. These are our priority activity areas for targeted screen skills development:

Industry intelligence and influencing

- Industry-informed skills forecasting
- Policy development and lobbying to help shape the skills agenda
- Industry engagement and support

Entry-level diversity and work-readiness

- Careers Information, advice and guidance
- Trainee Finder
- Industry-specific foundation skills
- Targeted apprenticeships and other technical/vocational training

Professional development

- Targeted CPD
- Accreditation and quality-marking
- Regional excellence hubs
- Mentoring and bursaries

Industry engagement and partnerships

- Partnerships, including across nations and regions, to engage influencers, industry and individuals
- Partnerships to deliver targeted new entrant and professional skills development activities

Financial and operational effectiveness

- Longer term financial stability
- Improved operational effectiveness
- Strengthened team capability

We will increasingly operate in an integrated way – across sectors and with partners. For example we will identify cross-over skills areas between film and HETV; and we will develop and deliver major projects with partners who see advantages in working with Creative Skillset, while we also benefit from their contribution. This will ensure that screen skills investment delivers maximum value back – while also reducing complexity and confusion. Our merger with ITF will both provide a stronger overall organisation and increase our mutual delivery capability.

As a result of the merger with ITF – and to reflect our renewed focus on the screen industries – we will change our name from Creative Skillset to ScreenSkills, launching a new visual identity, branding and integrated website.

We are developing more effective data-tracking capability, to support our major funders' stringent reporting requirements and to enable more effective communication with our industry stakeholders. This will also support progress against our commitment to improve industry inclusivity at all stages of the talent pipeline.

We will continue to strengthen our in-house practitioner capability, to ensure that we understand and respond to industry skills needs.

7. Financial review

As a charity our generated income is categorised into unrestricted and restricted funds. Our total income for 2017/18 was £8.0m (2016/17: £12.4m), made up of £1.7m unrestricted income and £6.3m restricted funds.

Our restricted funds include Creative Skillset's Film Skills Investment Funds (SIFs), the BFI Lottery delegation (BFI), the TV Skills Fund (TVSF), Heritage Lottery Fund (HLF) and the Anne Tyrrell Fund (ATS).

The table below summarises the split of income and the resources expended in the year

	Unrestricted	Restricted				TOTAL 2018
		Skills Investment Funds	BFI	TVF	AT	
	£m	£m	£m	£m	£m	£m
b/fwd	0.88	3.06	0.52	0.21	0.02	4.69
Income	1.7	3.71	2.07	0.49	0	7.97
Expenditure	(1.87)	(3.36)	(2.15)	(0.39)	(0.01)	(7.78)
Surplus/(Deficit)	(0.17)	0.35	(0.08)	0.1	(0.01)	0.19
c/fwd	0.71	3.41	0.44	0.31	0.01	4.88

7.1 Funds

7.1.1 Unrestricted funds

Unrestricted income supports the delivery of work-readiness through training, continuous professional development and accreditation. In 2017/18 this amounted to £1.7m (2016/17: £2.45m), which includes voluntary income from broadcasters and new funding from the BFI and 'Future Film Skills' Fund (FFSF). Income is also generated through projects co-funded through public and private investment.

Unrestricted expenditure in 2017/18 amounted to £1.87m (2016/17: £2.4m) and was spent on direct activity, staffing and support costs related to our charitable activities.

The unrestricted deficit for the year, £0.17m (2016/17: surplus £0.05m), was £0.07m better than budgeted. The deficit reduced the brought-forward reserves to £0.71m.

7.1.2 Restricted funds

Creative Skillset manages a range of restricted funds which enable the charity to support skills development for those wanting to join the screen skills industry and those already working in the industry (freelancers and employees). Contributions to the funds are made by industry. Total income was £6.27m (2016/17: £10.0m) with expenditure at £5.91m (2016/17: £10.6m). The net

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surplus of £0.36k was added to the brought-forward reserves from 2016/17. The restricted funds carried forward are £4.17m.

Restricted funds are explained in sections 7.1.2.1 to 7.1.2.4.

7.1.2.1 Creative Skillset's Skills Investment Funds (SIF)

Fund income for the year was £3.71m (2016/17: £5.6m) made up of voluntary levies collected across the film, HETV, children's TV and animation sectors.

The surplus of £0.35m will be allocated into the budgeted spend for 2018/19.

7.1.2.2 BFI Lottery delegation (BFI)

2016/17 was the last year of a four-year investment plan in line with the BFI's 'Film Forever' strategy. However the work continued during 2017/18 with restricted expenditure focused on direct grants, targeted delivery activities and administration, in line with the strategic objectives agreed with the BFI. The programme also included £2.07m transitional funding.

Total expenditure in 2017/18, including administration costs, was £2.15m (2016/17: £3.6m), reducing the reserves fund to £0.44m (2016/17: £0.52m).

7.1.2.3 TV Skills Fund (TVSF)

The TV Skills Fund specifically supports the unscripted TV-related sector. In 2017/18 the fund received £0.49m from broadcasters (2016/17: £0.44m). Expenditure in 2017/18 was £0.39m (2016/17: £0.36m), mainly used to fund bursaries for individuals and grants to training providers who run courses for a range of TV industry professionals.

A surplus of £0.11m was generated during the year and, consequently, the reserves increased to £0.31m (2016/17: £0.21m).

7.1.2.4 Anne Tyrrell Fund (ATS)

This is a legacy fund that aims to benefit up-and-coming fashion students. No income was received during the year (2016/17: £0). Two bursaries totalling £8k (2016/17: £8k) were awarded, leaving £18k (2016/17: £24k) in reserves.

7.2 Investments

All of Creative Skillset's funds are invested in bank accounts held at HSBC. Interest received for the year was £15k (2016/17: £24k.). A policy is currently being developed to ensure effective measures for maximising funds and generating sustainable and reliable income to support Creative Skillset's objectives, in line with Charities Commission guidelines.

7.3 Balance sheet

Fixed assets

Fixed assets reduced to £2k (2016/17: £19k). Following a complete review of the Fixed Asset register during the year £701k of fully depreciated assets were written off, reflecting assets which are no longer in use.

There were no additions during the year.

Current assets less liabilities

Cash increased from £7.0m to £8.0m.

The debtors balance decreased to £2m (2016/17: 5.7m). This reduction was largely owing to the receipt of £2m from the DCMS (Digital, Culture, Media & Sport government department) and £2.5m from the BFI related to programmes which completed by end of 2016/17.

Creditors due within one year also reduced by £2.7m to £5.1m (2016/17: £7.9m), mainly within grants payable for programmes completed during 2017/18.

Creditors due after one year increased by £32k to £40k (2016/17: £8k). By the end of March 2018 four grants (2016/17: 2 grants) were due to be completed after March 2019.

7.4 Reserves policy

The Finance and Audit Committee regularly reviews the reserves policy. The Committee takes into account the Charity Commission's guidance on charity reserves and considers what level of reserves is appropriate to achieve a balance between delivering against the charity's objectives and maintaining financial sustainability.

The Committee's view is that the target amount of funds to be held as unrestricted 'free reserves' by Creative Skillset – defined as unrestricted reserves, excluding fixed assets – should be in the region of £750k. The Committee arrived at this amount after taking into account potential financial risk factors, working capital requirements and areas of future business development. The amount represents an equivalent of six months' running costs.

Unrestricted funds at the end of March 2018 decreased to £710k (2016/17: £881k). Free reserves (unrestricted funds less fixed assets) decreased to £708k (2016/17: £863k). This was £72k better than budgeted and only £42k down on the targeted reserves position of £750k. Creative Skillset intends to revisit its reserves policy during 2018/19 to ensure that levels remain appropriate.

Monitoring and oversight of the reserves held by the charity are undertaken throughout the year through monthly management accounts, monthly cash-flow monitoring and quarterly financial forecasts. The reserves policy is reviewed formally by the Finance and Audit Committee and confirmed by the Board as part of the annual strategic and business planning process. Additional reviews are undertaken if there is a material change to the charity's operations and/or risk profile.

As with unrestricted reserves Creative Skillset has considered what would be an appropriate target level of restricted reserves in order to demonstrate appropriate financial management and stewardship and to ensure the restricted funds' sustainability.

At the end of March 2018 significant reserves were held within some restricted funds (£4.2m), mainly related to the voluntary HETV and film levies. These levy funds accumulated when there was DCMS/SIF co-investment from 2013, coinciding with the introduction of tax relief for these sectors.

The Skills Councils intend to reduce these funds over the next few years, now that industry-led working groups have been established to ensure that the investment is fully endorsed.

7.5 Risk management

Creative Skillset is committed to managing risk efficiently and effectively in order to deliver against its strategic priorities; and we aim to follow best practice in the identification, assessment and control

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of risk in making decisions and in implementing its strategic and operational plans. We have applied a standard risk management model to evaluate risks. For each risk the potential severity of their impact and likelihood of occurrence has been reviewed – using an overall weighting towards impact. Each risk is assessed to reflect the level of risk before and after mitigation.

The Board delegates responsibility for setting parameters of the risk management process to the Finance and Audit Committee. The Committee requires the Creative Skillset Senior Management Team regularly to review its risks and controls and to report back on the findings.

The Senior Management Team maintains a Corporate Risk Register which contains all significant (high- and medium-level) risks affecting Creative Skillset and its work. This Register is updated on a regular basis and reviewed by the Finance and Audit Committee. The findings are then reported to the Board for further review and overall approval.

Risks recognised in the register are those which could have a significant impact on some or all of the following areas:

- Governance and Strategy
- Operations
- Finance
- External factors – public opinion, government policy, and funder relationships
- Legal and regulatory compliance.

The Finance and Audit Committee last reviewed the Corporate Risk Register in September 2018. The updated Risk Register reflects the organisation's new strategic direction and related risks. The Trustees then reviewed the major risks to which the charity is exposed and approved the Senior Management Team's recommended actions and mitigations.

Current major risks and related mitigations are summarised below.

Risk	Impact	Key Mitigations
Strategic Inappropriate organisational structure, capability and culture to support delivery.	Inability to deliver – on schedule – against industry-agreed objectives.	Accelerated recruitment, clear structure and reporting lines, objectives and performance management, culture change with effective mairix working and regular reports to Councils & Board.
Strategic Failure to maintain and deliver through key strategic partnerships.	Inability to achieve industry-agreed outcomes and negative reputational impact (generally and/or with specific stakeholders and influencers).	Building strategic alliances, e.g Pact, Bafta, RTS, CCS, ACE, nations and regions bodies. Effective contracting (e.g. with NFTS), relationship building, account management and performance management.
Strategic Perception of failure to deliver against strategic priorities in an expanding market with finite resources.	Negative impact on reputation, funding and industry skills-base in an increasingly buoyant market	Effective expectation management, objective setting, delivery planning and performance management.

Risk	Impact	Key Mitigations
<u>Financial</u> Loss of a significant income stream against which operational plans have been developed and resources committed.	Negative impact on ability to deliver on time and against industry-agreed objectives, with related impact on reputation.	Full GDPR compliance implemented during the year. Effective financial planning and stakeholder management (including contingency planning), plus delivery against objectives.
<u>Financial</u> Failure to implement streamlined, timely and/or integrated management systems (including CRM) which adequately support operations and outcomes/delivery.	Negative impact on ability to deliver on time and against industry-agreed objectives.	Ongoing process review and improvement reflecting SMT feedback on requirements. Effective management of contractors and monitored implementation of new systems.
<u>Operational</u> Failure to deliver against industry-agreed objectives and targets – including against one/more major funder-identified skills development priorities (e.g. mentoring, apprenticeships, revised 'Tick' or CoE)	Major negative impact on reputation, funding and industry skills-base.	Effective objective-setting, delivery planning, prioritisation, responsible delegation and performance management.

The Trustees believe that – through the Risk Register process – a wide range of risks faced by the organisation have been identified and quantified. They also feel that, where appropriate, action is being taken to manage the identified risks.

7.6 Grant-making policy

Creative Skillset awards funding up to a maximum of £1k per 12-month period to individuals who are freelancers in the screen industries. By providing funding we are subsidising the cost of training that is often a barrier to developing the right skills to progress a career. These awards support our objectives of improving entry-level work-readiness and professional development.

Creative Skillset also commissions training and co-invests in organisations to deliver training that directly addresses identified skills gaps and shortages. The amount available depends on the individual programme and its funding guidelines. By partnering with industry we ensure that our investment supports industry business activity and growth by developing skilled professionals to work across the screen skills industry. Our interventions also help training providers and educational institutions to develop and deliver courses that address industry skills needs. Applications are sought throughout the year by publishing on our website the guidelines for our various funding programmes. Funding decisions are made regularly with advice taken from groups of industry experts.

Creative Skillset reserves the right not to approve any recommendation or nomination if, through its decision-making, it determines that the resulting grant would not be charitable or would conflict with the organisation's stated policies.

8. Going concern

The Board of Trustees has assessed the organisation's sustainability as a going concern and has expressed its confidence in the organisation as a going concern.

9. Funds held as custodian

The following funds are held as custodian as at 31 March 2018:

David Fraser Bursary Fund	£35,838
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David Fraser was a well-respected figure in the television industry who, tragically, died at a young age. He was very committed to our industry's skills and talent development and, before that, to theatre skills development.

A trust fund was 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 gaining experience of working in television. Creative Skillset manages the fund's finances and administers the fund on behalf of the Trustees.

10. Trustees' liability insurance

Trustees' liability insurance premiums charged to the accounts were £657 (2016/17: £1,302).

11. Auditor

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

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
(a) Trustees have taken all appropriate steps to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

Signatory on behalf of the Board:

Trustee: 
Richard Johnston

Date: 26 September 2018

Statement of Trustees' responsibilities

The Trustees (who are also Directors of Creative Skillset - Sector Skills Council Limited 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). The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)) the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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 income 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.
- 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 jurisdiction.

The Trustees confirm that they have complied with their duty in Section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales. The Trustees further confirm that the activities of Creative Skillset are carried out in line with its objects, for the public benefit.

Independent auditor's report

Opinion

We have audited the financial statements of Creative Skillset – Sector Skills Council Limited (the 'charitable company') for the year ended 31 March 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the Notes to the Financial Statements and include a summary of significant accounting policies. The financial reporting framework applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard; and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters, in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other Information

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

In connection with our audit of the financial statements: our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material mis-statements we are required to determine whether there is a material mis-statement in the financial statements or a material mis-statement of the other information.

Creative Skillset - Sector Skills Council Limited
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CREATIVE SKILLSET SECTOR
SKILLS COUNCIL LIMITED for the year ended 31 March 2018

If, based on the work we have performed, we conclude that there is a material mis-statement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit we have not identified material mis-statements in the Directors' Report or the Strategic Report included within the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 32 the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material mis-statement, whether due to fraud or error.

In preparing the financial statements the Trustees are responsible for assessing the charitable company's ability to continue as a going concern – disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations or they have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material mis-statement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material mis-statement when it exists. Mis-statements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Creative Skillset - Sector Skills Council Limited
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CREATIVE SKILLSET SECTOR
SKILLS COUNCIL LIMITED for the year ended 31 March 2018

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

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

Date: 28 September 2018

RSM 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 Limited
STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 March 2018

				2018	2017
	Note	Unrestricted Funds	Restricted Funds	Total	Total
		£	£	£	£
Income					
Donations and legacies	1	520,000	6,259,823	6,779,823	10,593,332
Income from charitable activities					
Industry Intelligence and Influencing	2	112,383	-	112,383	-
Entry Level Diversity and work readiness	2	569,871	-	569,871	720,025
Professional Development	2	374,627	-	374,627	937,701
Products and Services	2	82,292	-	82,292	142,049
Other trading activities					
Rental Income		30,664	-	30,664	9,798
Investment Income		4,950	9,776	14,726	23,686
Other		2,100	-	2,100	15,679
Total incoming resources		1,696,887	6,269,599	7,966,486	12,442,270
Expenditure on:					
Charitable activities					
Industry Intelligence and Influencing		96,894	46,796	143,690	409,240
Entry Level Diversity and work readiness		659,487	2,247,572	2,907,059	2,421,789
Professional Development		613,544	3,613,094	4,226,638	9,362,613
Products and Services		498,107	3,205	501,312	858,122
Other		-	-	-	74
Total resources expended	4	1,868,032	5,910,667	7,778,699	13,051,838
Net income / (expenditure)		(171,145)	358,932	187,787	(609,568)
Net movement in funds		(171,145)	358,932	187,787	(609,568)
Total funds brought forward		881,507	3,810,872	4,692,379	5,301,947
Total funds carried forward		710,362	4,169,804	4,880,166	4,692,379

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 15 to the financial statements.

Creative Skillset - Sector Skills Council Limited
 BALANCE SHEET as at 31 March 2018
 Company Registration Number 02576828

	Note	2018 £	2017 £
Fixed Assets			
Tangible Assets		1,571	12,856
Intangible Assets		141	6,004
	7	<u>1,712</u>	<u>18,860</u>
Current Assets			
Debtors	8	2,026,300	5,563,801
Cash at bank and in hand		8,024,300	7,035,625
		<u>10,050,600</u>	<u>12,599,426</u>
Creditors : Amounts falling due within one year	9	5,131,954	7,917,376
Net Current Assets		<u>4,918,646</u>	<u>4,682,050</u>
Total Assets less Current Liabilities		4,920,358	4,700,910
Creditors: Amounts falling due after more than one year	10	40,192	8,531
TOTAL ASSETS LESS CURRENT LIABILITIES	7	<u>4,880,166</u>	<u>4,692,379</u>
CAPITAL AND RESERVES			
Unrestricted funds		710,362	881,507
Restricted funds		4,169,804	3,810,872
	15	<u>4,880,166</u>	<u>4,692,379</u>

The Financial Statements on pages 36 to 60 were approved by the Board and authorised for issue on 26 September 2018.

Signed on behalf of the Board by:

Trustee 
 Richard Johnston

Creative Skillset - Sector Skills Council Limited
 STATEMENT OF CASHFLOWS for the year ended 31 March 2018

	Note	2018 £	2017 £
Cash flow from operating activities	14	973,949	(3,818,448)
Net cash in operating activities		<u>973,949</u>	<u>(3,818,448)</u>
Cash from investing activities			
Interest Income		14,726	23,686
Proceeds from disposal of fixed assets		-	20,564
Net cash from investing activities		<u>14,726</u>	<u>44,250</u>
Net increase/(decrease) in cash and cash equivalent		<u>988,675</u>	<u>(3,774,198)</u>
Cash and cash equivalent at the beginning of the year		7,035,625	10,809,823
Total Cash and cash equivalents at the end of year		<u>8,024,300</u>	<u>7,035,625</u>

The 'Notes to the Financial Statements' on pages 43 to 60 form part of these accounts.

Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)) the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Accounts are presented in sterling, the functional currency of the charity.

Company Information

Creative Skillset is a charity registered in England and Wales and a company limited by guarantee without share capital. It was incorporated on 24 January 1991 (Company number: 02576828) and registered as a charity on 23 November 1992, (Charity number: 1015324). It is also a charity registered in Scotland (Charity No: SC039556).

Public Benefit Entity

Creative Skillset meets the definition of a public benefit entity under FRS 102.

The Trustees confirm that they have complied with their duty in Section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales. The Trustees further confirm that the activities of Creative Skillset are carried out in line with its objects, for the public benefit.

Going Concern

The Trustees have prepared the financial statements on the going concern basis. The Trustees are satisfied that this basis is appropriate as a result of their role in the organisation's strategic review (setting out plans for 2017/18 onwards) and having reviewed the budget scenarios and cashflow forecasts of the organisation which have been prepared and partners to confirm their support for the organisation going forward.

Income

Income represents the value excluding value added tax of contributions receivable 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 probable. 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 the basis of entitlement.

Grants and Contracts

Government grant income that is subject to conditions that require a level of performance before the charity is entitled to the funds, is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is

wholly within the control of the charity and it is probable that such conditions will be fulfilled in the reporting period (see note 3). Equally when work has been performed and conditions have been met income may be accrued for the period it relates to (see note 8).

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 a headcount basis and are attributed to each activity. Note 4 explains the allocations and the apportionment basis used.

Grants Payable

Grants payable are payments made to training providers or individuals to deliver training or to receive training that is in line with the furtherance of the charitable objects of the charity. Across all funds, financial liabilities are recognised from the time an offer is made and are included in grants payable. The notification gives the recipient a reasonable expectation that they will receive funding and the chance of funds being withdrawn before acceptance is received is unlikely. An award is only ever not paid when there has been a breach in contract and the award is rescinded or the awardee advises they are no longer able to deliver.

The majority of funds awarded are expected to complete delivery within one year leaving a few exceptions that are due to complete in more than one year (see note 10). 10% of the grant is usually withheld until all satisfactory reporting requirements have been met. As at 31 March 2018 no grants had any amounts withheld.

Support Costs

Support costs are those functions that assist the work of the charity but cannot be directly attributable to specific charitable activities. Support costs include governance costs, office costs, accommodation and staff costs not directly attributable to activities. These are allocated per activity head count. Governance costs reflect strategic and organisational costs and compliance with constitutional and statutory requirements and are included within support costs under Charities SORP (FRS 102).

Value Added Tax (VAT)

The charity is registered for VAT and is engaged in a mixture of non-business activities, exempt supplies and taxable supplies. In 2013 Creative Skillset applied to HMRC and was successful in achieving a Partial Exemption special combined method in respect of recovering residual input tax incurred by the charity for taxable supplies. We are able to recover costs solely in relation to commercial activity.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

Taxation

Creative Skillset is a registered charity and, as such, is exempt from taxation on its income to the extent that it is applied for charitable purposes.

Fund Accounting

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 Charities SORP FRS 102. 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 - Sector Skills Council Limited offers membership to a Group Personal Pension Scheme with Aviva, which is a defined contribution scheme. This operates on a salary sacrifice basis. The standard contribution is 4% from the employer and a minimum of 4% from the employee. For joiners to the scheme prior to 31st July 2014 the percentages are 3-17% with an employee minimum contribution of 3%. 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 - Sector Skills Council Limited. 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.

Redundancy/Termination payments

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The charity recognises termination benefits when it is demonstrably committed to either (i) terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or (ii) providing termination benefits as a result of an offer made to encourage voluntary redundancy. Redundancy payments are made to staff that have over two years' continuous service as an employee of Creative Skillset (not including service before age 18). This does not include agency temps, apprentices, consultants or freelancers who are not employees of Creative Skillset. Redundancy and termination payments are accounted for in the period in which they are agreed. Payments are calculated on the basis of the following which is inclusive of Statutory Redundancy Pay.

- Staff employed before 23rd June 2014: number of years' service x two weeks' pay.
- Staff employed after 23rd June 2014: statutory redundancy provisions apply.

Leased Assets and Obligations

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

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 and software	over 3 years
Leasehold improvements	over the lower of lease term or 5 years

Intangible Fixed Assets

Intangible fixed assets costs capitalised represent software costs capitalised in accordance with FRS 102. These are stated at historical cost and amortised on a straight-line basis over the period in which revenue is expected to be generated. Creative Skillset considers three years to be the expected useful life from the year of acquisition for all computer software. 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.

Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments and are not considered to be of a financing nature. Basic financial instruments, which comprise cash at bank and in hand, together with trade and other debtors and creditors, accrued income and expenditure, are originally measured at their transaction value and then subsequently at settlement value (see note 12).

Cash at bank and in hand is defined as all cash held in instant and short-term deposit accounts. Grants receivable and payable that are non-contractual/non-exchange are not financial instruments.

Key Accounting Estimates and areas of judgement

Estimates and judgements are reviewed on an ongoing basis and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Creative Skillset makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual result.

Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

There were no significant estimates or judgements made in these Financial Statements.

Creative Skillset - Sector Skills Council Limited
 NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2018

1 Donations

	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Unrestricted Funds £	Restricted Funds £	Total 2017 £
Broadcasters	520,000	485,730	1,005,730	620,000	442,180	1,062,180
BFI	-	2,062,023	2,062,023	-	3,788,239	3,788,239
Heritage Lottery Fund	-	-	-	-	145,215	145,215
Voluntary levy	-	3,712,070	3,712,070	-	3,597,698	3,597,698
CSI - Treasury Match Funding	-	-	-	-	2,000,000	2,000,000
Total	520,000	6,259,823	6,779,823	620,000	9,973,332	10,593,332

2 Unrestricted Project Summary

	Charitable Activities £	Resources Expended £	Surplus / (Deficit) £
<u>Industry Intelligence and influencing</u>			
Federation for Industry Sector- Skills & Standards	34,000	18,511	15,489
British Film Institute	78,383	78,383	-
Total Industry Intelligence and Influencing	112,383	96,894	15,489
<u>Entry Level Diversity and work readiness</u>			
	£	£	£
JP Morgan	157,305	206,873	(49,568)
Series Producer	25,750	33,864	(8,114)
Sky Academy Arts Competition (EOP BBC- Open Channels)	4,800	6,312	(1,512)
New College - Career Clusters	18,388	24,182	(5,794)
Bauer	9,000	11,836	(2,836)
British Film Institute	69,160	90,952	(21,792)
	285,468	285,468	-
Total Entry Level Diversity and work readiness	569,871	659,487	(89,616)

Creative Skillset - Sector Skills Council Limited
 NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2018

Professional Development	Charitable Activities £	Resources Expended £	Surplus / (Deficit) £
Federation for Industry Sector- Skills & Standards	17,024	5,625	11,399
The Tech Partnership	29,128	9,626	19,502
British Film Institute	49,310	49,310	-
Apprenticeships	95,462	64,561	30,901
'Tick'	126,522	203,943	(77,421)
Creative and Cultural Skills	52,000	83,818	(31,818)
British Film Institute	35,895	35,895	-
Accreditation/ Quality provision	214,417	323,656	(109,239)
JP Morgan	30,344	120,006	(89,662)
Sky Academy Arts Competition	24,000	94,917	(70,917)
British Film Institute	10,404	10,404	-
CPD	64,748	225,327	(160,579)
Total Professional Development	374,627	613,544	(238,917)
<u>Products and Services</u>			
Products and Services	82,292	498,107	(415,815)
Total Unrestricted Projects	1,139,173	1,868,032	(728,859)

3 Government Grants receivable for furtherance of the charity's objectives

Organisation (Funder)	Nature of Grant	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
		£	£	2018 £	£	£	2017 £
UK Commission for Employment and Skills (UKCES)	Review of Development of National Occupational Standards, Apprenticeship frameworks and Qualifications	52,000	-	52,000	48,220	-	48,220
Scottish Funding (SFC)	Support the delivery of training in Scotland	-	-	-	112,404	-	112,404
Skills Funding Agency (EOP)	Support the skills and talent development in the creative sectors	18,388	-	18,388	328,290	-	328,290
Department of Culture Media and Sports (DCMS)	Support the delivery and training for the tax relief sectors (Animation, video Games, VFX, High End TV and Childrens' TV and Film)	-	-	-	-	2,000,000	2,000,000
		70,388	-	70,388	488,914	2,000,000	2,488,914

There were no unfulfilled conditions at year end for the grants listed above.

Creative Skillset - Sector Skills Council Limited
 NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2018

4 Total Resources Expended

a) Breakdown of Total Resources Expended

	Direct Costs £	Grants £	Support Costs £	Total 2018 £	Total 2017 £
Industry Intelligence and Influencing	117,483	-	26,207	143,690	409,240
Entry Level Diversity and work readiness	2,189,977	-	717,082	2,907,059	2,421,789
Professional Development	320,119	3,141,430	765,089	4,226,638	9,362,613
Products and Services Other	125,948	-	375,364	501,312	858,122
	-	-	-	-	74
Total 2018	2,753,527	3,141,430	1,883,742	7,778,699	13,051,838
Total 2017	2,220,381	8,607,354	2,224,103		

b) Total Resources Expended- Restricted Funds

	Direct Costs £	Grants £	Support Costs £	Total 2018 £	Total 2017 £
Industry Intelligence and Influencing	34,419	-	12,377	46,796	409,240
Entry Level Diversity and work readiness	1,809,936	-	437,636	2,247,572	1,502,003
Professional Development	147,893	3,087,086	378,115	3,613,094	8,256,279
Products and Services	-	-	3,205	3,205	438,562
Other	-	-	-	-	74
Total 2018	1,992,248	3,087,086	831,333	5,910,667	10,606,158
Total 2017	1,104,367	8,292,201	1,209,590		

Creative Skillset - Sector Skills Council Limited
 NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2018

c) Total Resources Expended- Unrestricted Funds

	Direct Costs £	Grants £	Support Costs £	Total 2018 £	Total 2017 £
Industry Intelligence and Influencing	83,064	-	13,830	96,894	-
Entry Level Diversity and work readiness	380,040	-	279,447	659,487	919,786
Professional Development	172,226	54,344	386,974	613,544	1,106,334
Products and Services	125,948	-	372,159	498,107	419,560
Total 2018	761,278	54,344	1,052,410	1,868,032	2,445,680
Total 2017	1,116,013	315,153	1,014,514		

(d) Analysis of support costs

	Staff Costs - Indirect £	Accommodation £	Comms £	Governance £	Other £	2018 Total £	2017 Total £
Industry Intelligence and Influencing	18,747	28	1,572	667	5,193	26,207	293,598
Entry Level Diversity and work readiness	482,711	66,993	45,349	13,474	108,556	717,083	363,699
Professional Development	578,766	773	72,821	18,659	94,069	765,088	887,089
Products and Services	354,488	742	1,098	17,944	1,092	375,364	679,718
Total 2018	1,434,712	68,536	120,840	50,744	208,910	1,883,742	2,224,104
Total 2017	1,812,363	43,969	219,683	84,894	63,195		

Creative Skillset - Sector Skills Council Limited
 NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2018

4 (e) Analysis of Governance Costs

	2018	2017
	£	£
Trustees' reimbursed expenses	-	893
Meeting costs	-	386
Executive Expenses	1,975	
Legal and professional fees	424	1,691
Auditors remuneration	48,345	81,924
Total governance costs	50,744	84,894

5 Net Income (as per SOFA)

	2018	2017
	£	£
Net Income is after charging:		
Depreciation on tangible fixed assets	11,284	27,931
Amounts payable to RSM UK Audit LLP and its associates in respect to both audit and non-audit services are as follows:-		
- Statutory audit 17/18	29,340	-
- Statutory audit 16/17	180	29,340
- Statutory audit 15/16	-	29,637
- Audit services for specific grants and funds	9,225	19,935
- Professional advice	9,600	3,012
Operating leases:		
- Land and Buildings	142,026	70,355
- Office Equipment	4,265	5,806

6 Employees

	2018	2017
	£	£
Staff costs		
Wages and salaries	1,532,675	1,650,336
Social security costs	169,741	175,621
Other pension costs	68,711	81,927
Redundancy	33,140	46,811
Total	1,804,267	1,954,695

The average number of staff employed, including part-time employees was 37(2016/17: 39).

Creative Skillset - Sector Skills Council Limited
 NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2018

Total Costs of £1,804,267 include £53,808 paid to project contract staff (2016/17: £37,228). Redundancy costs paid for the year are £33,140 (2016/17:£20,519).

The average number of employees (excluding directors),calculated on the basis of headcount:

	2018 No.	2017 No.
Direct project staff	21	19
Support activity staff	16	20
Total	<u>37</u>	<u>39</u>

The number of employees whose emoluments amounted to over £60,000 in the period was as follows:

	2018 No.	2017 No.
£ 60,001 - £ 70,000	3	2
£ 70,001 - £ 80,000	-	3
£ 80,001 - £ 90,000	1	-
£ 170,001 - £180,000	1	-
£180,001 - £190,000	-	1
	<u>5</u>	<u>6</u>

All 6 employees earning over £60,000 were members of the group personal pension scheme with Aviva. They benefitted from employer's contributions at rates varying between 4% and 10%

The aggregate total of employer's pension contributions made on behalf of employees earning over £60,000 was £26,060 (2016-17: £34,847).

The key management personnel of the charity were the Trustees, the Chair, Chief Executive Officer and the Director of Finance & Operations. The total employee costs of the key management personnel amounted to £335,802 (2016-17: £311,062).

	2018 £	2017 £
Salaries	283,310	260,269
National Insurance	32,909	31,460
Pension payments	19,583	19,333
	<u>335,802</u>	<u>311,062</u>

Trustees' Liability insurance premiums charged to the accounts was £657 (2016/17: £1,302).

Trustees' Remuneration and Expenses

Payments made to one Trustee (Dinah Caine) for contractual services to the Board and not in the capacity of Trustee was £38,640 (2016/17 £105,280). This was pre-approved by the Board in line with the charity's governing documents.

Creative Skillset - Sector Skills Council Limited
 NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2018

No pension or national insurance contributions were made on behalf of Trustees. Travel expenses of £2,487 were reimbursed during the year to one Trustee (2016/17: £893 - one Trustee). For further details on Trustees Related Party Transactions see note 21.

7 Tangible Fixed Assets

	Office Equipment £	Fixtures & equipment £	IT Equipment £	Total £
Cost				
1 April 2017	431,547	128,736	349,540	909,823
Write off	(340,918)	(123,552)	(236,946)	(701,416)
31 March 2018	90,629	5,184	112,594	208,407
Depreciation				
1 April 2017	430,427	128,324	338,216	896,967
Charge for year	1,120	412	9,753	11,285
Depreciation on assets written off	(340,918)	(123,552)	(236,946)	(701,416)
31 March 2018	90,629	5,184	111,023	206,836
Net Book Value				
31 March 2018	-	-	1,571	1,571
31 March 2017	1,120	412	11,324	12,856

7a Intangible Fixed Assets

	IT Software £	Total £
Cost		
1 April 2017	165,783	165,783
Disposals	(75,789)	(75,789)
31 March 2018	89,994	89,994
Amortisation		
1 April 2017	159,779	159,779
Charge for year	5,863	5,863
Disposals	(75,789)	(75,789)
31 March 2018	89,853	89,853
Net Book Value		
31 March 2018	141	141
31 March 2017	6,004	6,004

Creative Skillset - Sector Skills Council Limited
 NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2018

8 Debtors

	2018	2017
	£	£
Due within 1 year		
Trade Debtors	186,530	907,279
Other debtors	2,739	33,994
Prepayments and accrued income	1,837,031	4,622,527
Total	2,026,300	5,563,800

9 Creditors: Amounts falling due within one year

	2018	2017
	£	£
Trade Creditors	174,238	307,809
Other Creditors (*)	39,380	51
Other taxation and social security costs	52,964	44,884
Funds held in trust for 3rd party (note 19)	35,838	35,838
Accruals	178,949	179,575
Deferred income (Note 20)	499,584	507,149
BFI Lottery grants payable	1,854,962	3,450,720
Other grants payable	2,296,039	3,391,350
Total	5,131,954	7,917,376

* Other Creditors include £39k received for Employer Ownership Pilot Programme (EOP), in previous years, which was not fully utilised. This programme is now closed.

10 Creditors: Amounts falling due in more than one year

	2018	2017
	£	£
Amounts payable by instalments falling due:		
BFI Grants payable	-	8,531
Other Grants payable	40,192	-
Total	40,192	8,531

11 Share Capital

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

12 Financial Instruments

	2018	2017
	£	£
Financial Assets		
Debt instruments measured at amortised cost	1,935,694	3,397,243
Financial Liabilities		
Measured at amortised cost	(4,619,596)	(7,373,871)

13 Operating Lease Commitments

As at March 2018 the charity had total non-cancellable operating leases as follows

	2018 £	2017 £
Land and Buildings		
Payable within 1 year	142,026	142,026
Payable within 2-5 year	142,026	284,052
	<u>284,052</u>	<u>426,078</u>
Office Equipment		
Payable within 1 year	4,032	3,360
Payable within 2-5 year	12,096	14,279
	<u>16,128</u>	<u>17,639</u>
Total Lease Commitment	<u><u>300,180</u></u>	<u><u>443,717</u></u>

14 Reconciliation of net movement in funds to net cash flow from operating activities

	2018 £	2017 £
Net income/ (expenditure)	187,787	(609,568)
Add back amortisation charge	17,148	27,931
Surplus on disposal of fixed assets	-	(15,678)
Deduct interest income	(14,726)	(23,686)
Decrease/(increase)in debtors	3,537,501	1,033,429
(Decrease)/increase in creditors	(2,753,761)	(4,230,876)
Cash generated (used in) operating activities	<u><u>973,949</u></u>	<u><u>(3,818,448)</u></u>

Creative Skillset - Sector Skills Council Limited
 NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2018

15 Charity Funds

	Bal b/fwd 01 April 2017 £	Income £	Expenditure £	Bal c/fwd 31 March 2018 £
Unrestricted	881,507	1,696,887	(1,868,032)	710,362
Restricted				
Creative Skillset - Sector Skills Council Limited's Skill Investment Fund	3,055,808	3,714,775	(3,368,589)	3,401,994
British Film Institute Lottery delegation	518,442	2,068,964	(2,148,772)	438,634
TV Skills Fund (TVSF)	212,635	485,860	(385,306)	313,189
Anne Tyrell	23,987	-	(8,000)	15,987
Total Restricted	<u>3,810,872</u>	<u>6,269,599</u>	<u>(5,910,667)</u>	<u>4,169,804</u>
Total	<u>4,692,379</u>	<u>7,966,486</u>	<u>(7,778,699)</u>	<u>4,880,166</u>

15a Charity Funds comparatives

	Bal b/fwd 01 April 2016 £	Income £	Expenditure £	Bal c/fwd 31 March 2017 £
Unrestricted	876,208	2,450,979	(2,445,680)	881,507
Restricted				
Creative Skillset - Sector Skills Council Limited's Skill Investment Fund	3,966,194	5,598,179	(6,508,565)	3,055,808
British Film Institute Lottery delegation	296,825	3,805,717	(3,584,100)	518,442
TV Skills Fund (TVSF)	131,095	442,180	(360,640)	212,635
Anne Tyrell	31,993	-	(8,006)	23,987
Heritage Lottery Fund	(368)	145,215	(144,847)	-
Total Restricted	<u>4,425,739</u>	<u>9,991,291</u>	<u>(10,606,158)</u>	<u>3,810,872</u>
Total	<u>5,301,947</u>	<u>12,442,270</u>	<u>(13,051,838)</u>	<u>4,692,379</u>

Unrestricted funds are received from various parties with no conditions attached as to how they may be used other than for the general purpose of achieving the charitable objectives.

Restricted funding is received from various parties 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.

Creative Skillset - Sector Skills Council Limited
NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2018

Creative Skillset - Sector Skills Council Limited's Skills Investment Fund (SIF)

Creative Skillset - Sector Skills Council Limited's Skills Investment Fund, through income received from industry, offers opportunities for the growth of the film, High-end TV, children's TV, animation, games and visual effects (VFX) industries. Income during the year comprises £4m from industry. The funds received are disbursed as grants and also pay for the management and administration of the fund. The funds generated a surplus of £346k which increased the reserves to £3.4m and will be allocated to the budgeted spend in 2018/2019.

Included in the amounts incorporated within SIF above are funds from what was formerly referred to as the 'Film Skills Investment Fund', comprising levies collected from film productions to support the film skills strategy.

British Film Institute (BFI) Lottery delegation and Transitional Funds towards new strategy

The BFI delegates the authority for the investment of the BFI Lottery Fund to Creative Skillset - Sector Skills Council Limited, which supports its Film Skills Strategy. The funds received are disbursed as lottery grants and also pay for the management and administration of the fund. The activity continued during 2017/18, reducing the reserves to £438k. This will be carried forward to be allocated as part of 2018/19 activity under a new arrangement.

TV Skills Fund (TVSF)

The TV Skills Fund is an ongoing funding programme, which is funded by a small number of contributors from the TV industry. Funds are used to support training for those that work in the TV industry by way of awarding grants and commissioning training. The overall consolidated reserves of £313k will be carried forward to next year.

Anne Tyrrell Fund

The 'Anne Tyrrell Student Design Award' was set up in memory of the hugely successful fashion and interior designer, Anne Tyrrell. The award support students through their fashion courses. Two awards totalling £8k were made leaving £16k to be awarded in future.

16 BRITISH FILM INSTITUTE (BFI) LOTTERY DELEGATION

The BFI invests in Creative Skillset - Sector Skills Council Limited's Film Skills Strategy. The funds go towards training and skills development in priority areas identified by the industry, directly to organisations and individuals as well as through training organisations. The BFI has also invested AONE-off Capital investment fund through Creative Skillset - Sector Skills Council Limited for UK Film schools and courses.

Details of the restricted lottery grants from the British Film Institute to Creative Skillset - Sector Skills Council Limited for the period from 1 April 2017 to 31 March 2018 are as follows:

	2018 £	2017 £
Incoming Resources		
Grants received for the year 2017/18	2,062,023	3,788,239
Bank interest receivable	6,941	17,478
Total incoming resources	2,068,964	3,805,717
Outgoing Resources		
Hard commitments made in the year 2017/18	1,809,119	2,633,394
Activities performed by Creative Skillset (incl overheads)	339,653	950,706
Total outgoing resources	2,148,772	3,584,100
Movement for year	(79,808)	221,617
Balance b/fwd from 2016-17	518,442	296,825
Balance c/fwd at 2017-18	438,634	518,442

17 Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Unrestricted Funds £	Restricted Funds £	Total 2017 £
Fixed assets	1,712		1,712	18,858		18,858
Cash at bank and in hand	366,519	7,657,781	8,024,300	1,384,416	5,651,208	7,035,624
Other net liabilities	342,131	(3,487,977)	(3,145,846)	(521,765)	(1,840,338)	(2,362,103)
Total	710,362	4,169,804	4,880,166	881,509	3,810,870	4,692,379

Creative Skillset - Sector Skills Council Limited
 NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2018

16 Grants Payable in furtherance of charitable objectives

	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Unrestricted Funds £	Restricted Funds £	Total 2017 £
Awards						
BFI	-	1,833,042	1,833,042	-	2,429,210	2,429,210
DCMS	-	-	-	-	1,845,835	1,845,835
JP Morgan	34,400	-	34,400	192,137	-	192,137
Levy	-	2,358,202	2,358,202	-	3,410,826	3,410,826
TVF	-	304,665	304,665	-	333,754	333,754
Total Awards	34,400	4,495,909	4,530,309	192,137	8,019,625	8,211,762
No of Grants to organisations	2	470	472	7	1,042	1,049
Bursaries						
	£	£	£	£	£	£
ATS	-	8,000	8,000	-	8,000	8,000
BFI	-	-	-	-	204,184	204,184
DCMS	-	-	-	-	(1,130)	(1,130)
HLF	-	-	-	-	62,801	62,801
Levy	-	74,282	74,282	-	62,899	62,899
Radio	-	-	-	(2,983)	-	(2,983)
Sky	24,000	-	24,000	126,000	-	126,000
TVF	-	-	-	-	(1,377)	(1,377)
	24,000	82,282	106,282	123,017	335,377	458,394
No of Bursaries	3	95	98	11	217	228
Total Awards and Bursaries	58,400	4,578,191	4,636,591	315,154	8,355,002	8,670,156
Total number of Awards and Bursaries	5	565	570	18	1,259	1,277

(a) The aggregate value of grants payable to organisations for the year ended 31 March 2018 was £4,530,309 (2016/17: £8,211,762).

b) The aggregate value of bursaries payable to individuals for the year ended 31 March 2018 was £106,282 (2016/17: £458,394).

19 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
	£
Brought forward	35,838
Funds expended	-
Carried forward	35,838

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

20 Incoming resources deferred

The following reflects the movement in the deferral of incoming resources. Income is deferred where the funds have been received during 2017/18 against expenditure will be incurred in the following year.

	2018	2017
	£	£
Brought forward	507,149	1,602,198
Released income to charitable activities	(507,149)	(1,414,549)
Income deferred in year	499,584	319,500
Carried forward	499,584	507,149

21 Post Balance Sheet Events

On the 26 September 2018 the trustees approved the business combination with the Indie Training Fund (ITF) which is expected to take effect on 1 October 2018. The income and net assets as reported in the latest accounts filed for ITF were £527,723 and £17,804 respectively. The formal agreement is dated 26 September and the activities of ITF will be incorporated into the financial statements of Creative Skillset from 1 October 2018.

On the 26 September 2018 the trustees also approved to change the name of the charity to "ScreenSkills Limited" with effect from 28 September 2018. The name change is being submitted to Companies House on 28 September.

These will both be incorporated into the financial statements for Creative Skillset for the year ending 31 March 2019.

Creative Skillset - Sector Skills Council Limited
 NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2018

22 Related Party Transactions

Name	Role at Creative Skillset	Related Party Company	Related Party Company/Subsidiary	Role at Related Company	Nature of Transaction	Amount in 17/18 £	Balance at 31 March 2018 £	Amount in 16/17 £	Balance at 31 March 2017 £
Richard Johnston	Chair - Board	EndemolShine UK		Director					
Denak O'Gara	Member - Finance & Audit Committee	EndemolShine UK		Director					
Bella Lambourne	Trustee - Board	EndemolShine UK		HR Director					
		Subsidiary	Kudos Film & TV Ltd	Director	Grant funding/Rescinded	3,782	28,307	134,654	90,307
		Subsidiary	Tiger Aspect	Director	Grant funding	61,432	39,677	9,021	2,800
		Subsidiary	Fifty Fathoms (Guernia) Ltd	Director	Grant funding	21,800	21,800	23,454	20,000
		Subsidiary	Endemol UK plc	Director	Grant funding	-	-	40,000	4,000
		Subsidiary	Black Mirror Drama Ltd	Director	Grant funding	850	-	40,950	17,200
		Subsidiary	Zappotron Drama Ltd	Director	Rescinded Grant	-	-	(752)	-
Ian Dunleavy	Trustee - Board		Pinewood Films	Director	Grant funding	-	-	13,074	30
			Pinewood Studios	Director	Rent payment	-	-	336	-
			Where Hands Touch FPC Ltd	Director	Grant funding	-	-	7,686	-
			Production Guild	F&A member	Grant funding	-	-	28,713	208,069
			The Production Guild Limited	CEO	Grant funding	48,148	110,258	-	-
			The Production Guild Limited	Partner	Grant funding	-	-	-	-
			The Production Guild Limited	Trustee	Grant funding	-	-	-	-
			British Fashion Council	Director	SKillset Legacy Fund	-	-	10,000	-
			Women in Film & Television (UK) Limited	Director	Grant funding	118,990	118,990	10,000	-
			Indie Training Fund	Board Member	Grant funding	-	-	4,900	-
			Double Negative Ltd	Director	Grant funding	-	-	26,573	26,573
			Met Films Ltd	Director	Rescinded Grant	-	-	(16,195)	-
			UKIE	Vice Chair	Rescinded Grant	-	-	(350)	-
			Creative England	Director	Grant funding	62,471	48,000	59,978	39,168
			RBC	Head of Prod.	Grant funding	10,619	5,633	-	-
			Warp Film Services Ltd.	COO / CFO	Grant funding	51,064	43,064	-	-
			Yardle Ltd	Head of Prod.	Grant funding	10,080	-	-	-
			Independent Cinema Office	Director	Grant funding	130,000	92,262	-	-
			All3Media - New Pictures Limited	Group Head of R	Grant funding	6,939	6,939	-	-
			All3Media - Two Brothers Pictures		Grant funding	11,064	11,064	-	-
			Warner Media	VP, UK Public Policy		-	-	-	-
			Subsidiary		Grant funding	81,296	29,225	-	-
			Subsidiary		Grant funding	59,900	59,900	-	-
			Subsidiary		Grant funding	20,000	20,000	-	-
			Subsidiary		Grant funding	44,741	759	-	-
			Subsidiary		Grant funding	25,400	26,400	-	-
			Subsidiary		Grant funding	10,042	10,042	-	-
Valerie Ames	Member: Children's TV Council		Kindle Entertainment Ltd	Director of Prod.	Grant funding	776,620	671,320	387,042	406,147

Creative Skillset - Sector Skills Council Limited
 NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2018

22 Related Party Transactions

Voluntary contributions were made as follows:

Name	Role at Creative Skillset	Related Party Company	Role at Related Company	Nature of Transaction	Balance at 31 March 2018		Balance at 31 March 2017	
					Amount	£	Amount	£
Alex Hope	Trustee - Board	Double Negative Ltd	Director	Levy contribution	-	-	4,523	
Iain Dunleavy	Trustee - Board	Pinewood Films	Director	Levy contribution	-	-	20,430	
John Woodward	Trustee - Board	Met Films Ltd	Director	Accreditation Fee	-	-	499	
Lynne Marriott	Member: Children's TV Council	BBC Children's	Head of Prod.	Levy contribution	38,473	-	-	
Barry Ryan	Member: HETV Council	Yendle Ltd	Director	Levy contribution	22,000	-	-	
Richard Johnston	Chair - Board	Warp Film Services Ltd.	Director	Levy contribution	-	-	-	
Derek O'Gara	Member - Finance & Audit Committee	EndemolShine UK	Director	Levy contribution	108,358	-	243,078	
		Subsidiary	Director	Levy contribution	20,430	-	40,860	
		Subsidiary	Director	Levy contribution	46,110	-	28,803	
		Subsidiary	Director	Levy contribution	25,463	-	-	
Nick Toon	Member: HETV Council	Warner Media	VP, UK Public Policy	Levy contribution	191,544	-	-	
		Subsidiary	Director	Levy contribution	40,860	-	-	
		Subsidiary	Director	Levy contribution	20,430	-	-	
Valerie Ames	Member: Children's TV Council	Kindle Entertainment Ltd	Director of Prod.	Levy contribution	1,601	-	-	
					514,269	-	336,093	

Creative Skillset - Sector Skills Council Limited
 NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2018

23 Grants Awarded

Awards	Brought forward 16/17 Grant creditors £	Granted in year -17-18 Commitments £	No of grants	Paid In year 17- 18 payments £	Rescinded in year 17-18 £	Carried forward 17-18 - Grant Creditors £
NFTS	575,666	677,859	4	(1,031,204)	13,214	235,535
Independent Cinema Office	157,785	130,000	3	(218,370)	22,847	92,262
Indie Training Fund	2,151	118,990	3	-	(2,151)	118,990
Creative Media Skills Ltd	23,356	114,250	3	(90,997)	(2,359)	44,250
Screen Yorkshire	40,000	105,000	2	(59,049)	(13,951)	72,000
National Film and Television (Short Courses@NFTS)	-	95,000	1	-	-	95,000
Film Distributors' Association	169,006	90,000	2	(155,436)	(42,770)	60,800
BBC	265,406	85,719	12	(72,394)	(66,588)	212,143
Mammoth Screen Ltd	116,850	81,298	16	(165,038)	(3,885)	29,225
Film London	346,789	78,128	3	(304,282)	(21,502)	99,133
Dancing Ledge Productions	-	74,400	1	-	-	74,400
Clear Enterprises Consulting Ltd (Delivered by Ade)	30,575	64,944	1	(87,999)	-	7,520
Creative England	39,168	62,471	3	(50,955)	(2,684)	48,000
Tiger Aspect	2,880	61,432	6	(24,635)	-	39,677
Fire & Blood Productions Ltd	-	59,900	9	-	-	59,900
Sgil Cymru	12,075	59,700	1	(65,805)	-	5,970
Sid Gentle Films (Corfu) Limited	-	57,248	5	(57,194)	-	54
Warp Film Services Ltd.	-	51,064	2	(8,000)	-	43,064
Lookout Point Ltd	-	50,000	1	-	-	50,000
Media Parents	-	49,767	2	(9,953)	-	39,814
Guild of British Camera Technicians (GBCT)	107,750	48,518	5	(99,675)	(5,905)	50,688
Grand Scheme Media Ltd.	36,810	68,500	2	(20,950)	(4,050)	80,310
The Production Guild Limited	208,069	48,149	5	(98,271)	(47,689)	110,258
104 Films Ltd	15,823	47,814	3	(59,632)	-	4,005
Lighthouse Arts and Training	86,874	46,448	2	(96,313)	(510)	36,499
Triton Films Ltd	-	44,742	6	(43,983)	-	759
White Dragon Productions Limited	-	43,220	3	(20,430)	-	22,790
Talking Point Film and Television Ltd	12,244	40,570	3	(23,307)	(822)	28,685
Cinemagic	88,500	39,830	1	(90,180)	-	38,150
ITV	68,796	39,193	10	(83,688)	(1,651)	22,650
Big Talk Ltd	-	39,012	4	(1,032)	-	37,980
Red Production Company	-	38,700	1	-	-	38,700
BECTU	61,572	38,139	3	(80,568)	(1,518)	17,625
Time Freeze Productions Limited	-	37,270	7	-	-	37,270
Film Design International	-	35,000	1	(25,622)	-	9,378
Signature Pictures Limited	2,056	35,000	1	(37,056)	-	-
Eleven Film Ltd	-	34,584	2	(20,000)	-	14,584
Titanic Creative Management Ltd	-	34,300	1	(34,300)	-	-
Creative Alliance + Producers Forum	7,398	33,000	1	(22,723)	(111)	17,564
LBP Outlander Ltd	80,921	32,570	4	(83,290)	-	30,201
Open Doors JP Morgan	17,492	30,718	1	-	(17,822)	30,388
Peterloo Ltd	7,560	30,660	7	(38,150)	-	70
B3 Media	13,916	30,000	1	(29,958)	(8,075)	5,883

Creative Skillset - Sector Skills Council Limited
 NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2018

Awards (b/fwd)	Brought forward 16/17 Grant creditors	Granted in year -17-18 Commitments	No of grants	Paid in year 17- 18 payments	Rescinded in year 17-18	Carried forward 17-18 - Grant Creditors
	£	£		£	£	£
Fox Searchlight (UK) Ltd	-	29,155	8	-	-	29,155
Bird's Eye View	-	28,515	1	(24,564)	-	3,951
Working for Creative Skillset. dontab10Ltd	64,728	28,459	1	(12,076)	-	81,111
Centre for the Moving Image	8,060	28,000	1	(28,269)	7,940	15,731
Carnival Productions Limited	42,120	27,617	5	(49,602)	-	20,135
Wander TV Limited	-	26,930	5	-	-	26,930
Sheffield International Documentary Festival Ltd.	20,140	26,750	2	(28,871)	(537)	17,482
Twenty Twenty Production Services Limited	-	25,400	2	-	-	25,400
Ffilm Cymru Wales	27,750	25,000	1	(25,558)	(2,192)	25,000
thecaltsheet.co.uk ltd	-	25,000	1	(22,500)	-	2,500
CTM7 Productions Ltd	-	23,213	3	(23,078)	-	135
Come Home Series Ltd	-	22,492	5	(22,492)	-	-
Harlots Limited	-	22,211	2	-	-	22,211
WP Bodyguard Ltd	-	22,160	3	(20,000)	-	2,160
Fifty Fathoms Ltd	-	21,800	2	-	-	21,800
The Forge Entertainment (National Treasure) Ltd	7,424	21,496	3	(8,920)	-	20,000
Flowers 2 Limited	-	21,390	3	(21,390)	-	-
Addie Orfila Training	-	21,000	1	-	-	21,000
Carrot Cake Marcella Ltd	-	20,756	2	(20,756)	-	-
Playground Television UK (The Dresser) Ltd	3,960	20,621	3	(24,581)	-	-
Atlas Films Ltd	-	20,000	1	(19,530)	-	470
Clownfish Films and Intermission	-	20,000	1	-	(20,000)	-
Endor Productions Ltd	-	20,000	1	(20,000)	-	-
Off Stone Productions Limited	-	20,000	2	(20,000)	-	-
Shoe Bucket LTD	-	20,000	1	-	-	20,000
Sister Pictures (Clean Break) Limited	-	20,000	2	(20,000)	-	-
Grants to companies < £20k	3,930,336	911,413	260	(2,719,109)	(368,571)	1,754,069
Bursaries (amounts paid to Individuals)	145,096	54,108	94	(105,066)	(74,359)	19,779
Total	6,847,102	4,656,593	570	(6,646,801)	(665,701)	4,191,193