

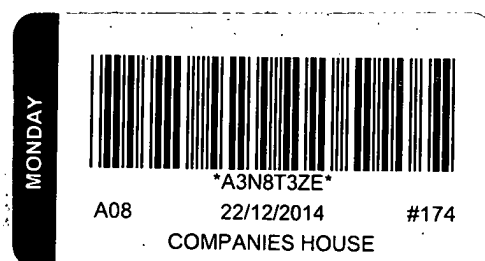
Skills CfA

Annual Report and Financial Statements

31 March 2014

Company No: 07066687 (Limited by Guarantee)

Charity No: 1144894



Contents

No.	Detail	Page
1	Regulatory information	3
2	Trustees' report	4 - 9
3	Independent auditor's report	10 – 11
4	Statement of financial activities	12
5	Balance sheet	13
6	Notes to the financial statements	14 - 18

Status:	The organisation is a charitable company limited by guarantee, incorporated on 4 November 2009.
Governing Document:	The Company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.
Company Number:	07066687 (England and Wales)
Charity Number:	1144894
Registered Office:	6 Graphite Square Vauxhall Walk London SE11 5EE
Trustees:	J Beine N Hopkins C Wilson G Wixted S Mercer A Clayton P Reynolds
Chief Executive Officer:	D Holland
Company Secretary:	M Cooke
Bankers:	Unity Trust Bank Plc. Nine Brindleyplace Birmingham B1 2HB
Solicitors:	Freeth Cartwright LLP Cumberland Court 80 Mount Street Nottingham NG1 6HH
Auditors:	Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD

Trustees' Report for 2013/14

The trustees present the report together with the financial statements of Skills CfA for the year ended 31 March 2014.

The report has been prepared in accordance with the Charities Act 2011 and equates to a directors' report for the purpose of company legislation.

The financial statements have been prepared in accordance with the accounting policies set out on page 13 of the attached financial statements and comply with the charitable company's memorandum and articles of association. As the company undertakes activities of a wholly charitable nature, the financial statements have been prepared in accordance with the principal requirements of Statement of Recommended Practice on "Accounting and Reporting by Charities" issued in March 2005.

Introduction

Skills CfA is the national pan-sector skills council for business skills @ work. It is responsible for setting standards, developing vocational business qualifications and apprenticeship frameworks, issuing pan-sector apprenticeship frameworks and producing business apprenticeship completion certificates.

There are 18 sector skills councils (SSCs) and one pan-sector skills council in the UK. They are all members of the Federation for Industry Sector Skills and Standards, recognised by national governments throughout the UK as independent, employment-led organisations charged with ensuring the UK skills system is driven by UK employment needs.

The key component in any business is its workforce. Skills CfA is dedicated to helping employers, training providers, awarding organisations and international government stakeholders ensure their workforces can develop the vocational skills needed in competitive economies and successful organisations.

Skills CfA's work is critical to the development of vocational knowledge, skills and occupational competence in:

- Business and administration
- Consultancy and business support
- Contact centres and customer service
- Enterprise and small business
- Governance
- Human resources and recruitment
- Project Management
- Industrial relations
- Languages and intercultural working
- Leadership and management
- Marketing and sales.

These skills and areas of occupational competence are classified as pan-sector business skills because they are needed in every type of organisation across the UK regardless of size, sector or type. Consequently Skills CfA's work has a huge impact on the development and delivery of vocational learning either at work or in further and higher education. More than 26% of qualified apprentices in England have completed a Skills CfA apprenticeship, while up to 7% of learners in further and higher education will be studying for business qualifications based on Skills CfA national standards and supported by Skills CfA.

Vision

Skills CfA has a clear vision - *driving excellence in business performance*.

Charitable objective

Skills CfA also has a clear charitable objective - *to advance business education by promoting qualifications, training and skills based on national standards*.

The Trustees have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission.

Skills CfA markets

Skills CfA provides a wide range of business skills, learning and development services to four distinct markets:

- National government departments and agencies
- The education sector including colleges of further education, private training providers and universities
- The employment sector
- Individuals including young people in full time education, those entering or about to enter the employment market, people already at work as well as those who are not yet in education, employment or training.

Business management and continuous improvement

Skills CfA's charity model is based on its primary activities of (1) research and development, (2) certification services and (3) learning services. These functions are supported by a combination of internal teams and specialist support partners in operations, business development, finance, marketing and communications; and external partnerships with TUC, major professional bodies and trade associations.

The focus on continuous improvement is facilitated by the integration of customer service, risk management and performance management into trustee reporting and evaluation cycles. These also inform our annual self-assessment processes for issuing apprenticeship frameworks, submitting units and rules of combination for qualifications, IIP, ISO 9001 and being an ACCA recognised employer.

2013/14 achievements

1) Research and development

Skills CfA reviewed two suites of National Occupational Standards in Sales and Business Continuity Management. In addition, three new suites of National Occupational Standards were developed in Public Relations, Bidding and Tendering and Risk Management.

Five new Apprenticeship frameworks were Issued by Skills CfA for England and Wales, covering the following job roles: Public Relations (Wales); Hospitality Management (Wales); Business Innovation and Growth (England and Wales); Human Resource Management (Wales).

18 Apprenticeship frameworks were re-Issued in England and Wales, covering the following job roles: Sales & Telesales (England); Management (England & Wales); Contact Centre Operations (England & Wales); Business & Administration (England & Wales); Customer Service (England & Wales); Human Resource Management (England & Wales); Public Relations (England); Social Media and Digital Marketing (England and Wales); Hospitality Management (Wales); Recruitment (Wales); Court, Tribunal and Prosecution Services (England); Fundraising (England); Business Innovation and Growth (England and Wales); Project Management (England); Recruitment (England).

In Scotland, the new merged Customer Service and Contact Centre Operations Modern Apprenticeship framework was approved.

A number of qualification developments were supported or led by Skills CfA, including the development of new national qualifications at varying levels in Management and Leadership (England, Wales and Northern Ireland at Levels 2,3,4,5 and 7), Business Administration (England, Wales and Northern Ireland at Levels 1, 2, 3 and 4) and Customer Service (England, Wales and Northern Ireland at Levels 1, 2, 3 and 4); Customer Service and Contact Centres (Scotland).

The Apprenticeship frameworks and qualifications developed by Skills CfA can potentially be used by every organisation in the UK to develop their employees' skills. The National Occupational Standards developed and revised by Skills CfA can also be used by every organisation in the UK as tools to review skills, develop training programmes, create job descriptions and assess individual competencies. Over 2013/14 more than 75,000 learners started one of Skills CfA's Apprenticeship programmes (it should be noted though that this figure is only for the period from August 2013 to March 2014 so in reality it is likely that this number would be substantially higher).

In its role as the business-related standard setting organisation Skills CfA supported the accreditation of 487 qualifications, ranging from Level 1 to Level 7.

In Europe, Skills CfA has been operating as a lead partner in the European Graduate Placement Scheme (EGPS). EGPS is an EU funded programme that facilitates partnership development between Higher Education Institutions and business to improve the mobility and employability of European translation students.

The consortium consists of 5 partner institutions:

- Skills CfA – Project Co-ordinator
- University of Salford
- Johannes Gutenberg-Universität Mainz
- Universitat Autònoma de Barcelona UAB
- Pedagogical University of Cracow

The EGPS project will create a Graduate Placement Framework that can be embedded into any postgraduate translator training course to increase the mobility of students and enhance their employment prospects.

Skills CfA is also a partner in the EU Korea Smiles project. This is a joint mobility project and is funded by the European Union and Korean Ministry of Education, focussing on the Engineering and Business Studies Sector. The project provides 36 EU students from Finland, Slovakia and UK with an 8 week study and work placement in South Korea and 36 Korean students with similar mobilities in the EU. The project is running from 2014-2016. Activities in the project include a combination of curriculum mapping, skills development and assessments, plus the development and delivery of an intercultural working skills module.

2) Certification services

Skills CfA has a significant responsibility for operating apprenticeship certification services for Business related apprenticeships in England, Scotland and Wales, on behalf of the Federation for Industry Sector Skills and Standards (Previously known as 'The Alliance of Sector Skills Councils'). Skills CfA is the largest apprenticeship certification body in the UK, responsible for supporting apprentices and their training providers, quality assuring every application and all associated evidence. 76,300 pan-sector completion certificates were issued to apprentices in England and Wales during 2013/14. 4,200 apprentices were registered in Scotland and 3,411 completion certificates were issued to apprentices in Scotland during the same period. Alongside the internal Quality Assurance system developed by Skills CfA to monitor quality on an on-going basis, an audit is carried

out annually by the Federation for Industry Sector Skills and Standards to review the quality of Skills CfA Certification activities.

3) Knowledge Transfer

Skills CfA held its national conference in Birmingham in November 2013, attended by over 100 delegates from a range of training providers, colleges and awarding organisations, with the aim of developing the skills of training providers and colleges in delivering Apprenticeships using best practice techniques.

Skills CfA presented at several events in 2013/14, including several AELP sector forums. In addition to this, following the success of seminars at the National Conference, we staged a series of webinars. These activities are focussed on increasing awareness of Apprenticeships and the importance of skills development, as well as promoting vocational education.

Skills CfA have continued to distribute text books for business and administration qualifications. The textbooks were developed to support learners and trainers in delivering the Business and Administration National Vocational Qualifications (NVQs) and Scottish Vocational Qualifications (SVQs). 598 books were distributed in 2013/14.

We also responded to numerous queries from a range of individuals throughout the year related to apprenticeships, qualifications, National Occupational Standards and other skills related issues. In this way Skills CfA supports training providers to better understand the requirements of qualifications and apprenticeships, and supports employers and learners who want to find out more information about apprenticeships and vocational qualifications.

Financial review

Results for the year

Total incoming resources were £1,959,454 (2013 - £3,611,148) and total resources expended were £2,273,408 (2013 - £2,986,839) for the year to 31 March 2014.

The balance sheet shows total unrestricted funds of £1,639,902, represented by net current assets.

Reserves policy

The charity's Trustees review the reserves policy from time to time. At the last review in 2014 the Trustees examined the requirements for free reserves, i.e. those unrestricted funds not designated for specific purposes or otherwise committed, and approved the level of free reserves should be up to three times the full operating costs and financial commitments for any one year. At 31 March 2014 unrestricted general funds totalled £1,639,902

Risk management

The charity has considered the major risks to which it is exposed, as identified by the Trustees. These have been reviewed and systems and procedures have been established to mitigate those risks. The trustees will continue to review and identify risks on an on- going basis.

Future plans

Skills CfA will continue to maintain its Apprenticeship, Standards and Qualifications activities in 2014/15. In particular, the strategy for 2014/15 will focus on two specific strategic objectives: Acquisition and Diversification. With government funding reducing or being directed to employers, Skills CfA will itself engage

directly with employers, apprentices and trainees as well as maintaining its links with awarding bodies and training providers. To this end Skills CfA acquired CQM Training & Consultancy Ltd in April 2014 with a view to expanding its charitable reach with employers.

Governance

Constitution

Skills CfA is a registered charity (Charity No: 1144894) and a company limited by guarantee (Company No: 07066687). Skills CfA is incorporated in England and Wales. Instructus is the sole member of Skills CfA.

Trustees

The trustees of the charitable company constitute directors of the charity for the purposes of the Companies Act and other company legislation. The following trustees were in office at 31 March 2014, and served throughout the year, except where shown:

David Holland, Chair	resigned 17 May 2013
K Woodward, Chair	appointed 17 May 2013, resigned 01 December 2013
Jane Beine	
Susan Bews	resigned 1 July 2013
Damian Brown	resigned 18 April 2013
Nigel Hopkins	
Ilona Stock-Murphy	resigned 18 April 2013
D Reynolds	resigned 30 June 2014
Charles Wilson	appointed 01 May 2014
Greg Wixted	appointed 01 May 2014
Peter Reynolds	appointed 16 July 2014
Simon Mercer	appointed 01 May 2014
Ann Clayton	appointed 01 May 2014

Skills CfA has robust recruitment, induction, appraisal and training processes in place for all trustees. Trustees receive frequent reports on operations, human resources, risks and finance. Financial governance is a top priority for trustees: Skills CfA's chair holds monthly finance meetings with the executive team where performance is reviewed, targets are agreed, and financial governance is scrutinised to minimise risks and maximise income potential. Trustees meet every three months for board meetings and once a year to agree the strategic direction of Skills CfA over the ensuing three year period.

Trustees are appointed by the Instructus board. All Skills CfA trustees are members of Instructus. Skills CfA has a majority of independent trustees sitting on the Skills board.

Statement of Trustees' Responsibilities

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

Company law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of

resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements 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 proper 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. 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This confirmation is given, and should be interpreted in accordance with the provisions of the Companies Act.

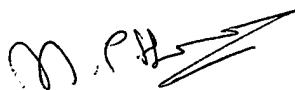
Delegation of powers

The Skills CfA trustees delegate operational powers to the chief executive who is responsible for implementing the strategies and operating the charity. Skills CfA has an executive management team who report monthly to the chief executive.

Approved by the trustees and signed on their behalf by:

N Hopkins
(Trustee)

Date:


19/12/14

Independent Auditors' Report

We have audited the financial statements of Skills CfA for the year ended 31 March 2014 which comprise of the Statement of Financial Activities, the Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and, in respect of the consolidated financial statements, to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which 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 any party other than the charitable company, the charitable company's members, as a body, and the charity's trustees, as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of trustees and auditors

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition we read all the financial and non-financial information in the trustees report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 require us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a Strategic Report.

Kingston Smith LLP

Shivani Kothari, Senior Statutory Auditor
For and on behalf of Kingston Smith LLP
Statutory Auditor

Devonshire House
60 Goswell Road
London EC1M 7AD

Date: 19th December 2014

Statement of Financial Activities
(Incorporating the Income and Expenditure account)
For the year ended 31st March 2014

		Unrestricted	Restricted	Total	Total
	Note	2014 £	2014 £	2014 £	2013 £
Income and Expenditure					
Incoming Resources					
<i>Incoming resources from charitable activities</i>					
Promotion of training and skills	2	1,926,205	19,926	1,946,131	3,597,100
Investment income		13,323	-	13,323	14,048
Total Incoming Resources		<u>1,939,528</u>	<u>19,926</u>	<u>1,959,454</u>	<u>3,611,148</u>
Resources Expended					
<i>Cost of charitable activities</i>					
Promotion of training and skills	3	2,245,185	20,000	2,265,185	2,955,573
Governance	4	8,223	-	8,223	6,266
Total Resources Expended		<u>2,253,408</u>	<u>20,000</u>	<u>2,273,408</u>	<u>2,961,839</u>
Net (outgoing)/incoming resources for the year	5	(313,880)	(74)	(313,954)	649,309
Unrealised loss on investments		-	-	-	(25,000)
Net (outgoing)/incoming resources before transfers		(313,880)	(74)	(313,954)	624,309
Transfers between funds	10	<u>(74)</u>	<u>74</u>	<u>(313,954)</u>	<u>624,309</u>
Net movement in funds		(313,954)	-	(313,954)	624,309
Reconciliation of funds					
Total funds brought forward		<u>1,953,856</u>	<u>-</u>	<u>1,953,856</u>	<u>1,329,547</u>
Total funds carried forward	10	<u>1,639,902</u>	<u>-</u>	<u>1,639,902</u>	<u>1,953,856</u>

All of the charity's activities derived from continuing operations during the above two financial periods.

There is no difference between the net movement in funds stated above and the historical cost net movement in funds.

The charity has no recognised gains or losses other than those shown above and therefore no statement of total recognised gains and losses has been presented.

Balance Sheet at 31st March 2014

	Note	2014 £	2013 £
Current Assets			
Stock		4,129	3,333
Debtors	8	338,965	585,487
Cash at bank and in hand		<u>1,446,401</u>	<u>1,806,887</u>
		1,789,495	2,395,707
Creditors: Amounts falling due within one year	9	<u>(149,593)</u>	<u>(441,851)</u>
Net current assets		<u>1,639,902</u>	<u>1,953,856</u>
Total assets less current liabilities		<u>1,639,902</u>	<u>1,953,856</u>
Total net assets	10	<u><u>1,639,902</u></u>	<u><u>1,953,856</u></u>
Reserves			
Restricted funds		-	-
Unrestricted funds			
General fund	10	<u>1,639,902</u>	<u>1,953,856</u>
		<u><u>1,639,902</u></u>	<u><u>1,953,856</u></u>

The financial statements were approved and authorised for issue by the trustees on 19/12/14 and signed on its behalf by



N Hopkins
Trustee

Company no. 07066687

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements for the year ended 31st March 2014

1. Principal accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention, in accordance with the requirements of the Companies Act 2006. Applicable accounting standards and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) have been followed in these financial statements.

Incoming resources

Income is credited to the Statement of Financial Activities as follows:

- Contract income is recognised for the period in which it is earned.
- Income from registration fees, events and the sale of publications and certificates consists of the invoiced value for the period.

Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Resources expended comprise of the following:

- a. The costs of charitable activities comprise expenditure on the charity's primary charitable purposes as described in the trustees' report.
- b. Governance costs are costs associated with the governance of the charity and its assets. Included within this category are costs associated with the strategic, as opposed to day-to-day, management of the charity's activities.
- c. The majority of costs are directly attributable to specific activities. Certain shared support costs are apportioned on a per capita basis.

Stock

Stock is valued at the lower of cost and net realisable value.

Pensions

The charity operates a defined contribution pension scheme. The pension costs charged in the financial statements represent the contribution payable by the charity during the period.

Funds:

Unrestricted Funds

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Designated funds are funds earmarked by the Trustees for specific purposes.

Restricted Funds

Restricted funds are funds which are restricted in use by the donor for specific purposes.

Cash flow statement

The financial statements do not include a cash flow statement because the charity, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 "Cash Flow Statements".

	2014 Unrestricted	2014 Restricted	2014 Total	2013 Unrestricted Total
	£	£	£	£
2 Incoming resources from charitable activities				
Income from activities for generating grants and contract income	377,160	19,926	397,086	1,658,399
Registration and certification fees	1,516,871	-	1,516,871	1,891,288
Publications, events, related products and services	32,174	-	32,174	47,413
	<u>1,926,205</u>	<u>19,926</u>	<u>1,946,131</u>	<u>3,597,100</u>
	2014 Unrestricted	2014 Restricted	2014 Total	2013 Unrestricted Total
	£	£	£	£
3 Charitable activities				
Staff costs (note 6)	1,059,600	-	1,059,600	1,047,165
Contract costs	85,463	20,000	105,463	580,305
Registration and certification fees	445,432	-	445,432	747,820
Publications, events, related products and services	30,169	-	30,169	32,880
Travelling and meeting expenses	13,905	-	13,905	21,751
Marketing costs	73,819	-	73,819	54,713
Irrecoverable VAT	39,248	-	39,248	42,640
Staff training and other expenses	27,414	-	27,414	1,202
Bad Debt expense	(13,076)	-	(13,076)	14,193
General expenses	5,024	-	5,024	9,484
	<u>1,766,998</u>	<u>20,000</u>	<u>1,786,998</u>	<u>2,552,153</u>
Support costs	478,187	-	478,187	403,420
	<u>2,245,185</u>	<u>20,000</u>	<u>2,265,185</u>	<u>2,955,573</u>

The above costs include direct costs of promotion of training and skills and related support functions of the charity.

Support costs comprise the following main headings:

Recruitment and staff costs	28,290	42,737
Board and member costs	17,378	22,881
Irrecoverable VAT	34,850	56,706
Rent and service charge	78,354	53,365
Insurance	9,185	8,531
Electricity and gas	7,366	6,922
Printing, postage, stationery and carriage	41,855	32,248
Telephone	6,643	5,300
IT costs	48,052	19,179
Depreciation	118,672	66,994
Professional advice fees	34,018	33,993
Cleaning, office maintenance and repairs	25,928	20,010
Equipment Hire /Computer software & equipment	18,500	18,458
Other	9,096	16,096
	<u>478,187</u>	<u>403,420</u>

4 Governance costs

	2014	2013
	Unrestricted	Unrestricted
	£	£
Audit fees	<u>8,223</u>	<u>6,266</u>

5 Net incoming resources for the year

This is stated after charging:

	2014	2013
	Unrestricted	Unrestricted
	£	£
<i>Remuneration to auditors:</i>		
Audit fees	8,223	6,266
Other services	-	2,542
	<u>8,223</u>	<u>8,808</u>

6 Staff costs

Staff costs during the period were as follows:

	2014	2013
	£	£
Wages and salaries	854,435	832,517
Social security costs	97,543	83,827
Other pension costs	39,511	45,086
Severance Costs	55,315	66,229
Other Staff Costs	12,796	19,506
	<u>1,059,600</u>	<u>1,047,165</u>

The average monthly number of employees during the period was 18 (2013 - 10). (This figure excludes Instructus employees currently providing professional services to the Skills CfA staff teams. Their employment costs are included in Instructus monthly recharges to Skills CfA).

1 employee earned between £80,000 and £90,000 in the year (2013: nil). No other employees earned over £60,000 (2013: nil).

7 Trustees expenses and emoluments

No expenses and emoluments were paid to the trustees of Skills CfA during the year. However, the following amounts were recharged by the parent company Instructus to Skills CfA in respect of expenses and emoluments paid to Instructus trustees:

	2014	2013
	£	£
Remuneration and other benefits	-	3,961
Travel and subsistence	5,677	10,420

8 Debtors

	2014	2013
	£	£
Trade debtors	3,558	580,487
Other debtors	2,722	5,000
Amounts due from parent undertaking	180,094	-
Prepayments and accrued income	152,591	-
	<u>338,965</u>	<u>585,487</u>

9 Creditors: amounts due within one year

	2014	2013
	£	£
Trade creditors	93,607	136,626
Other creditors	9,975	46,487
Accruals and deferred income	11,528	200,444
Amounts due to parent undertaking	-	55,458
Other taxes and social security costs	34,483	2,836
	<u>149,593</u>	<u>441,851</u>

Accruals and deferred income includes £nil (2013-£18,229) of project income which has been deferred during the year.

10 Analysis of net assets between funds

	Restricted Funds	General Funds	2014	2013
	£	£	£	£
Funds at 31 March 2014 are represented by:				
Fixed Assets	-	-	-	-
Current assets	-	1,789,495	1,789,495	2,395,707
Current liabilities	-	(149,593)	(149,593)	(441,851)
	<u>-</u>	<u>1,639,902</u>	<u>1,639,902</u>	<u>1,953,856</u>

During the year, an amount of £74 was transferred from General Funds to Restricted Funds as Restricted funds were in deficit by this amount.

11 Ultimate holding company and control

Skills CfA is wholly controlled by Instructus, a registered charity (Charity Registration 1095809).

As at 31 March 2014 the charity was owed an amount of £180,094 (2013 –£55,458 payable) by its parent undertaking.

The financial statements do not include disclosure of all transactions between the charity and its parent. This is because the charity is a subsidiary whose activities are more than 90% controlled by Instructus and hence is exempt from the requirement under Financial Reporting Standard 8, 'Related Party Transactions' to disclose such transactions.

12 Taxation

Skills CfA is a registered charity and is therefore not liable for income tax or corporation tax derived from its charitable activities as it falls within the exemptions available to registered charities.

13 Post balance sheet events

As at 30th April 2014 Skills CfA completed the acquisition of CQM Training and Consultancy Ltd (CQM T&C), company number 02782477 for £650,000.

CQM T&C specialise in:
Continuous Process Improvement
Management Development
Strategy Development

The acquisition of CQM T&C fulfils the strategic objectives set out of acquisition and diversification. CQM T&C engages directly with employers, apprentices and trainee's and moves the Skills CfA income model away from reliance on government funded projects.