

Skill Force Development (Wales)

(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

for the year ended
31 March 2011



Company Registration No 04991475
Registered Charity No 1105022-1

Skill Force Development (Wales)

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Skill Force Development (Wales)

LEGAL AND ADMINISTRATIVE INFORMATION

Charity Name:	Skill Force Development (Wales)	
Governing instrument:	The charity is a company limited by guarantee and not having a share capital. As such it is governed by its Memorandum and Articles of Association. It was incorporated on 10 December 2003.	
Registered charity number:	1105022	
Company registered number:	4991475	
Directors/trustees:	<div>Lord R N Freeman</div> <div>N M G Baboneau Resigned 01/07/2011</div> <div>R A Bliss</div> <div>M Hatchwell</div> <div>G N Lewitt</div> <div>J C Richardson JP</div> <div>A J Stables CBE</div> <div>Lord L G Moone</div> <div>K A Kroloff Resigned 21/04/2010</div> <div>L P Thompson Resigned 25/04/2010</div> <div>S Collins</div> <div>M P McCreath</div> <div>A Palmer CB CBE Resigned 01/06/2010</div> <div>A J McCully OBE</div> <div>J M Graham</div> <div>D Courtley</div>	
Senior Management Team:	<div>P T Cross OBE (Chief Executive)</div> <div>T Pepper MBA (Chief Operating Officer)</div> <div>D Huxley ACMA (Finance Director)</div> <div>J Nadolski MBA MInstF (Fundraising Director)</div> <div>MCIM</div>	
Secretary:	DLC Company Services Limited	
Registered office:	Davenport Lyons 30 Old Burlington Street London W1S 3NL	
Principal office:	Edwinstowe House Edwinstowe Nottinghamshire NG21 9PR	

Skill Force Development (Wales)

LEGAL AND ADMINISTRATIVE INFORMATION (continued)

Bankers:

The Royal Bank of Scotland
62 / 63 Threadneedle Street
London
EC2R 8LA

Solicitors:

Davenport Lyons
30 Old Burlington Street
London
W1S 3NL

Auditors:

Baker Tilly UK Audit LLP
Chartered Accountants
St Philips Point
Temple Row
Birmingham
B2 5AF

Skill Force Development (Wales)

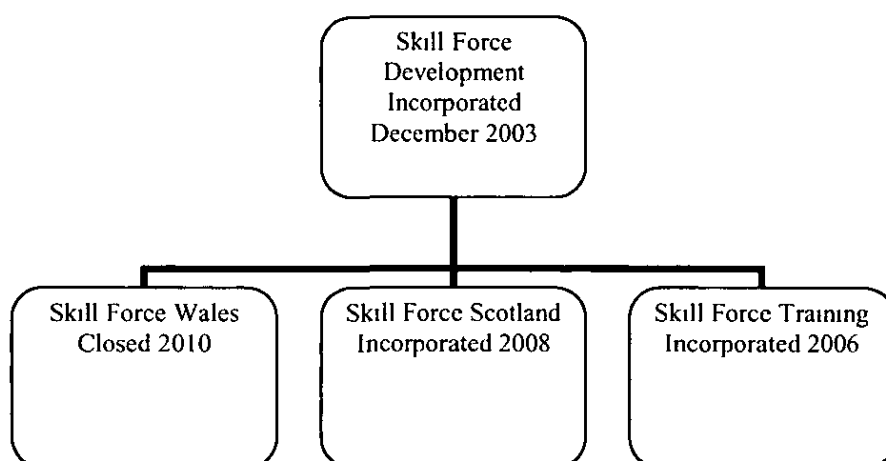
TRUSTEES' REPORT

The Directors submit their report and accounts for Skill Force Development (Wales) for the year ended 31 March 2011

OBJECTS (JUNE 2004)

The Charity's objects (the "Objects") are to advance the vocational education and training of young persons including, but not restricted to, those who are at risk of being excluded from school or further education or who are not otherwise deriving the full benefit from school or further education in Wales

STRUCTURE AND GOVERNANCE



Skill Force Development ("Skill Force") was incorporated on 10 December 2003 and the Trustees present the company's sixth report and financial statements for the year to 31 March 2011. Skill Force is a registered charity in England (1105022) and a company limited by guarantee (4991442). The charity is governed by a memorandum and articles of association. Prior to 1 April 2004, Skill Force was a Ministry of Defence (MoD) project. It was divested by the Crown on 1 April 2004 in order for it to flourish as an independent Charity and Company.

The Trustees delegate the running of Skill Force to a leadership team which now comprises the Chief Executive, Chief Operating Officer, Finance Director, Fundraising Director and all support functions including the Regional Directors. The Leadership team meets monthly and reports back to the Trustees at the quarterly Board meetings.

Working to a 3 year planning cycle the Board agree each January a proposed annual Business Plan to start in the April of that financial year. The Plan includes key performance indicators which are used to measure performance and are reported back to the Board each quarter.

Skill Force Wales - Operations were discontinued at the end of 2010. It is our intention to re-enter Wales in 2012 with a strategy that underpins Welsh specific educational challenges.

Skill Force Training Limited was incorporated in January 2006. It has been established to enable the Charity to deliver a variety of training and leadership services to adults that the Charity, under its current objects, is not able to deliver. The trading subsidiary activity is currently limited as the organisation has decided to focus on developing its services to children and young people in schools for the immediate to mid term.

Skill Force Development (Wales)

TRUSTEES' REPORT (Continued)

STRUCTURE AND GOVERNANCE (continued)

Skill Force Development (Scotland) has been operational for 3 years. The company is managed through the Skill Force Development board and is supported by the Scottish Advisory Committee which is chaired by Lord Selkirk, and run by a Regional Director for Scotland and reports to the Chief Operating Officer.

FINANCIAL REVIEW

Skills Force Wales operations were discontinued at the end of 2010. During the year there was a small donation from Skill Force Development of £4,305 to cover governance costs.

LIABILITY OF MEMBERS UNDER GUARANTEE

The liability of members for the debts of Skill Force Development (Wales) is limited to an amount not exceeding £1 per member.

EQUAL OPPORTUNITIES

Skill Force is an Equal Opportunities employer.

PUBLIC BENEFIT

The Directors as trustees of the charity have had due regard to the guidance issued by the Charity Commission on charities and public benefit.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the trustees have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

AUDITORS

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

On behalf of the Board



Lord Freeman
Chairman
19 July 2011

Skill Force Development (Wales)

TRUSTEES' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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

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

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities 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 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.

Skill Force Development (Wales)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SKILL FORCE DEVELOPMENT (WALES)

For the year ended 31 March 2011

We have audited the financial statements of Skill Force Development (Wales) for the year ended 31 March 2011 on pages 7 to 13. 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. 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.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' responsibilities set out on page 5, the trustees (who are also the directors of the 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

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2011 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 Companies Act 2006.

Opinion on other requirement of the Companies Act 2006

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

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 requires us to report to you if, in our opinion:

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



PAUL OXTOBY (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

Chartered Accountants

St Philips Point

Temple Row

Birmingham

B2 5AF

8 August 2011

Skill Force Development (Wales)

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

For the year ended 31 March 2011

INCOME AND EXPENDITURE	<i>Notes</i>	Unrestricted funds 2011 £	Restricted funds 2011 £	Total funds 2011 £	Total funds 2010 £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income		4,305	-	4,305	119,000
Investment income	1	-	-	-	11
Incoming resources from charitable activities	2	-	-	-	45,160
TOTAL INCOMING RESOURCES		4,305	-	4,305	164,171
RESOURCES EXPENDED					
Fundraising		-	-	-	12,765
Charitable activities	3	-	-	-	173,678
Governance costs	4	4,305	-	4,305	4,253
TOTAL RESOURCES EXPENDED		4,305	-	4,305	190,696
NET OUTGOING RESOURCES BEING NET MOVEMENT IN FUNDS AND NET INCOME AND EXPENDITURE FOR THE YEAR		-	-	-	(26,525)
Fund balances brought forward at 1 April		187	-	187	26,712
Fund balances carried forward at 31 March		187	-	187	187

The net movement in funds for the year arises from discontinued operations

The charitable company had no recognised gains or losses during the year other than those included above

Skill Force Development (Wales)

BALANCE SHEET

31 March 2011

Company Registration No 04991475

	<i>Notes</i>	2011 £	2010 £
CURRENT ASSETS			
Debtors	7	2,868	2,776
Cash at bank and in hand		256	348
		<u>3,124</u>	<u>3,124</u>
Creditors Amounts falling due within one year	8	<u>(2,937)</u>	<u>(2,937)</u>
NET CURRENT ASSETS		<u>187</u>	<u>187</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>187</u>	<u>187</u>
FUNDS			
Unrestricted funds	9	187	187
		<u>187</u>	<u>187</u>

The financial statements on pages 7 to 13 were approved by the board of directors and authorised for issue on the 19 July 2011 and are signed on its behalf by



Lord Freeman
Chairman

Skill Force Development (Wales)

ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" issued in March 2005, applicable UK accounting standards and the Companies Act 2006.

Due to the reduction in Local Authority funding for the 2009/10 school academic year this policy, and the need for restructuring across the whole Parent Charity, future serviced income could not be guaranteed and the decision was made by the Trustees during the financial year 2009/10 for the Charity to cease trading. As a result the Charity has been wound down.

FUND ACCOUNTING

Unrestricted funds are funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income and gains are allocated to the appropriate fund.

INCOMING RESOURCES

All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Income is only deferred when the charity has to fulfil conditions before becoming entitled to it.

Voluntary income

Voluntary income is credited to the Statement of Financial Activities when the conditions for receipt have been met.

Investment income

Investment income comprises interest receivable on cash balances.

Incoming resources from charitable activities

Incoming resources from charitable activities comprises income from schools, Local Education Authorities and Councils for the provision of long and short courses and is accounted for on an accruals basis in line with the academic year of delivery.

RESOURCES EXPENDED

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. These are normally on an accruals basis. Expenditure has been classified under headings that aggregate all costs related to the category. Any VAT incurred which is irrecoverable is recognised as a cost in the Statement of Financial Activities in the category to which the cost relates.

Fund-raising costs include those incurred in securing contracts for services and do not include the costs of disseminating information in support of the charitable activities. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Skill Force Development (Wales)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2011

1	INVESTMENT INCOME	2011 £	2010 £			
	Interest receivable on cash at bank	-	11			
		<u> </u>	<u> </u>			
2	INCOMING RESOURCES FROM CHARITABLE ACTIVITIES	2011 £	2010 £			
	Income from schools, Local Education Authorities and Councils	-	45,160			
		<u> </u>	<u> </u>			
3	RESOURCES EXPENDED ON CHARITABLE ACTIVITIES					
		Contract for services £	Grant funded activities £	Support costs £	Total funds 2011 £	Total funds 2010 £
	Extended wider Key Skills Training	-	-	-	-	173,678
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
4	GOVERNANCE COSTS	2011 £	2010 £			
	Professional and legal fees	4,305	4,253			
		<u> </u>	<u> </u>			

Skill Force Development (Wales)

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2011

5	TRUSTEES AND EMPLOYEES	2011 £	2010 £
	STAFF COSTS		
	Wages and salaries	-	131,058
	Social security costs	-	10,184
	Other pension costs	-	7,675
		<u>-</u>	<u>148,917</u>

Other pension costs relate to amounts paid in respect of the charity's defined contribution pension scheme

No employees earned over £60,000 (including benefits) in the year

The average number of employees during the year (excluding directors) was

	2011 Number	2010 Number
Instructors and other operative staff	-	4

All trustees act in an unpaid capacity No expenses were reimbursed to the trustees

6	NET INCOMING RESOURCES	2011 £	2010 £
	Net incoming resources are stated after charging		
	Depreciation of tangible fixed assets - owned assets	-	20,313
	Auditors' remuneration - in respect of audit services	-	3,512

Auditors remuneration for the year ended 31 March 2011 has been borne by the parent undertaking

7	DEBTORS	2011 £	2010 £
	Amounts falling due within one year		
	Amount owed by parent undertaking	2,580	2,776
	Prepayments	288	-
		<u>2,868</u>	<u>2,776</u>

Skill Force Development (Wales)

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2011

8 CREDITORS Amounts falling due within one year

	2011 £	2010 £
Accruals	2,937	2,937
	<u>2,937</u>	<u>2,937</u>

9 ANALYSIS OF CHARITABLE FUNDS

	Balance at 1 April 2010 £	Movements in Funds		Balance at 31 March 2011 £
UNRESTRICTED FUNDS		Incoming resources £	Expenditure £	
General Funds	187	4,305	(4,305)	187

10 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Total £
Cash at bank	256	-	256
Other net current liabilities	(69)	-	(69)
Closing funds	<u>187</u>	<u>-</u>	<u>187</u>

11 TAXATION

The company is registered as a charity and has no corporation tax liability

12 PARENT UNDERTAKING AND ULTIMATE CONTROLLING PARTY

Skill Force Development, incorporated in England, is the parent undertaking and ultimate controlling party under the definitions contained within Financial Reporting Standard No2

13 RELATED PARTY TRANSACTION

During the year the company bought services from Davenport Lyons, a firm of solicitors in which Mr M Hatchwell is a partner. These services were provided on normal commercial terms at a total cost £Nil (2010 £741)

The charitable company has taken advantage of the exemption not to disclose any transactions with its parent undertaking conferred by Financial Reporting Standard No 8 on the grounds that the charitable company's results are included in the consolidated financial statements of the parent undertaking

Skill Force Development (Wales)

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2011

14 COMPANY STATUS

The charity is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.