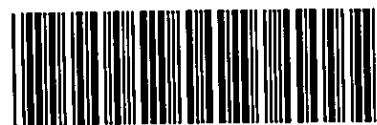


**FINANCIAL SKILLS
PARTNERSHIP**

**TRUSTEES' ANNUAL
REPORT AND
FINANCIAL STATEMENTS**

**For the 15 months ended
31 March 2013**

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FINANCIAL SKILLS PARTNERSHIP
FINANCIAL STATEMENTS

For the 15 months ended 31 March 2013

Company registration number 05062317

Registered charity 1140358

Registered office 10 St Bride Street
London
EC4A 4AD

Trustees & Directors T Matthews – Chair – resigned 25 3 13
P Boyle
B Brown – resigned 17 9 12
A Clark – resigned 17 9 12
J Earls – resigned 25 3 13
S Ellis – resigned 25 3 13
P Hubbard – resigned 12 7 12
A Knight – resigned 21 6 12
L Matheson – resigned 21 6 12
I McLaughlin – appointed 17 9 12 and resigned 25 3 13
B Nelson
R C Wastcoat – resigned 25 3 13

Secretary G D Secretarial Services Limited

Auditor Grant Thornton UK LLP
Registered Auditor
Chartered Accountants
Grant Thornton House
Melton Street
Euston Square
London
NW1 2EP

FINANCIAL SKILLS PARTNERSHIP
FINANCIAL STATEMENTS

For the 15 months ended 31 March 2013

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The trustees present their report together with the audited financial statements for the period ended 31 March 2013

Principal activity and objects

The Financial Skills Partnership (FSP) (previously the Financial Services Skills Council) is a company limited by guarantee and was registered as a Charity on 10 February 2011

The Trustees recognised that FSP was operating in an increasingly competitive and changing market, and agreed to merge with JSSC, another Sector Skills Council with effect from 1 April 2013. As a result the trustees have extended the period to 15 months to 31 March 2013 to coincide with the completion date, and the financial statements have been prepared on a break-up basis. Further details are in the plans for the coming year and post balance sheet event sections below

The FSP brand will continue as a business name within the merged group and continue its main activities in line with the previous objects and aims. Work will continue on the three major investment projects, as outlined below, in line the Investment Plan agreed with UKCES, through JSSC

The remainder of this report is set out on the basis that key activities and risks will continue under the new merged entity

The objects of the charity are

- To promote, advance and provide for public benefit the education, training and skills development of persons working or intending to work in the Finance, Accounting and Financial Services industries (the “Sector”),
- To undertake and promote research into any matters relating to education, training and skills development in the finance accounting and financial service industries and to publish or disseminate the results of such research for public benefit, and
- To otherwise promote, advance and provide for public benefit the education, training and skills development of members of the public working or intending to work in other sectors of industry as the Board of Trustees/Directors shall from time to time determine

The FSP is the employer-led sector skills council for finance, accountancy and financial services, with the remit of articulating employers’ needs for skills. The FSP provides strategic leadership for education, training and skills development in the UK finance, accounting and financial services sector

In furtherance of the objects of the charity, it aims

- To improve productivity and business performance by seeking to ensure that the industry is equipped with the range and level of skills that it needs
- To lead the way in understanding the skills and business needs of the sector, including labour market intelligence specific to the sector
- To promote innovative and effective training and development opportunities to businesses and individuals
- To support individuals entering and progressing in employment in the sector
- To influence and shape government policies and investment decisions, and learning provision so that it meets the needs of employers and learners alike

The FSP also sets national competency-based standards for the entire sector, including banking, building societies, insurance companies and brokers, independent financial advisers, investment administration and pensions, and accountancy and its associated industries, such as bookkeeping and payroll. For further information see www.financialskillspartnership.org.uk

Achievement and Performance

FSP's principal source of funding until March 2012 was through a contract from the UK Commission for Employment and Skills (UKCES). This provided funding for the delivery of core services across all of the charitable objects. This has now been replaced by a new contested funding model, where all Sector Skills Councils, including FSP, are required to submit business cases and tenders to secure public funding to help deliver its charitable activities.

FSP works in partnership with employers and stakeholders in the sector and this ongoing relationship is central to the delivery of the FSP objects and targets. This scheme was formalised through the launch of the FSP Partnership scheme in March 2011.

Employers are also closely involved in the FSP governance structure, through sector and Nation panels which inform the business plans in the Nations and across the whole of the UK. During the period each panel has produced a skills demand statement setting out the current skills issues and priorities in each sector or Nation. The Nations' skills demand statements have further been presented and agreed with local government bodies and informed the local action plans in each Nation.

A significant amount of time was spent during the year, working with employers and stakeholders to deliver the first stages of major investment projects, which have been part funded by UKCES. "The Hidden Powerhouse" and "Leadership 21C" projects cover a two year period to March 2014, and the "GetInGetOn" project is for two years to October 2014.

"The Hidden Powerhouse" recognises the importance of SME employers in the sector. The project has included the development of a foundation college, pre-employment programme and internship opportunity for unemployed graduates. During the period 249 students applied and 150 were accepted into the scheme's pilot phase. The project aims to fast track the participants' employability into SME's including completing the first module of a qualification. In addition the investment has included the development of a range of SME toolkits which enable ready access to information and bespoke advice enabling quicker decisions to invest in skills. Toolkits are available via the FSP website.

"Leadership 21C" recognises the importance of professionalism & leadership and equality & diversity. The project has included the development of standards and guidance for the sector including competence standards, best practice, cultures and behaviours, women onto boards and benefitting from age diversity. These have been developed with significant input from employers, regulators and other stakeholders, and have undergone industry consultation. The focus has been on continual learning from the top and top-down awareness which will be cascaded through organisations, providing renewed focus on the business imperatives of skills investment.

"GetInGetOn" is a virtual work experience solution for the sector enabling young people to experience the industry and start to develop skills that employers want. The project has included the development of 8 x 30 minute immersive learning modules, supported by online mentoring from a volunteer working within the sector, and takes place over a period of one month. The scheme is also supported by an Ambassador programme of university students engaging with schools in their local area, delivering careers workshops and signing up young people. The pilot phase will begin in May 2013.

In addition, the Trustees have continued to look at developing an increased range of products and services for generating additional income from alternative sources whilst closely managing the existing cost base.

FSP has continued to maintain and enhance the Directions website which is a comprehensive online careers portal. The Directions site is both employer led and employer funded and lies at the heart of the FSP new talent attraction strategy. Briefly, the site includes 3 core elements: a careers hub informing people about the sector, career paths, skills, qualifications and entry routes, supported by job profiles and case studies, an employability hub demonstrating the skills that employers want from new entrants to the

sector, and a getting in hub which enables people to understand how to get into the industry, and signposts work experience, post school programmes, apprenticeships, internships and graduate scheme opportunities. The website therefore offers the user a “one-stop shop” to access career opportunities and build up crucial relationships with employers in the sector.

The Directions website is supported by a series of promotional careers events and activities across the UK aimed at attracting new employees and demonstrating career progression routes in the sector.

FSP completed major pieces of research during the year, including completion of the Sector Skills Assessment for Professional and Financial Services (issued November 2012) and the Demand Statements for each sub-sector. These reports provide information to encourage learning providers to develop and promote learning solutions to meet the current needs and provide businesses with greater insight on key issues they may face when trying to recruit or develop their staff.

During the year, FSP undertook a review and update of over 190 National Occupational Standards (NOS), engaging with specialised employers in the sector. NOS form the backbone of all standards and qualifications and need to be maintained in line with industry demand in order that useful employer solutions can be developed. In addition FSP worked with employers to develop new level 4 frameworks in Banking, Insurance and Professional Services.

Other projects completed during the year included updating apprenticeship frameworks in accordance with new SASE and SASW compliance and continuation of the successful “Through the Glass Ceiling” programme, all of which support skills development of existing employees in the sector.

Plans for coming year

The Trustees recognise that all Sector Skills Councils are operating in an increasingly competitive market, following the changes to a contested funding model since 1 April 2012, as noted above. There have also been major changes to the legal and financial sectors over the last few years (in particular as a consequence of the Legal Services Act 2007) which mean that the two sectors are now moving towards one another under the regulation of the Solicitors Regulation Authority. The Trustees note that the two sectors are no longer mutually exclusive, particularly with the introduction of Alternative Business Structures. As a result, the Trustees have agreed to a merger with JSSC, another Sector Skills Council, whose remit includes Legal Services. This will mean that the two organisations will not need to compete or bid against each other going forwards and can utilise combined resources to achieve efficiencies.

JSSC is a company limited by guarantee, registered in England and Wales (number 4826715), and a registered Charity in England & Wales (number 1107141) and Scotland (number SC38928). As a result of the merger, all assets, liabilities and commitments of FSP were transferred to JSSC with effect from 1 April 2013. Further information is shown in the section on Post Balance Sheet Events, below.

The principal risks facing FSP for the coming year have been identified as

- Completion of the merger
- Integration of the business into JSSC whilst providing continuity of service to all customers, suppliers, investors and other stakeholders
- Delivery risk across projects, products and services

Further details on the risk management policy and procedures are set out on page 5.

Result for the period

The results for the 15 month period ended 31 March 2013 have produced a surplus before tax of £437,171 (Year to 2011 £287,822)

Turnover has increased by 13% pro rata overall (2011 22% decrease) The level of core funding is significantly reduced following its cessation in March 2012, but this is offset by project funding from government grants for specific areas of work which has increased ten-fold following the change in funding regime and the three major contracts secured for the period There has been a small pro rata decrease in income from products, services and membership which have been under development during the period There has been a corresponding 12% pro rata increase in overheads and administrative expenses

FSP does not make or offer grants to individuals or businesses or make any charitable or political donations

Reserves policy

The policy is to commit as much as possible to promoting the company's objectives whilst retaining sufficient funds to meet on-going commitments and provide financial stability In view of the recent changes to Government funding and the current development of new income streams, the Trustees consider that financial reserves need to be held to allow sufficient time to reduce expenditure and identify alternative income sources The Trustees have therefore set a reserves policy that recognises this risk, and they seek to hold sufficient reserves to cover between three and six months' expenditure, in addition to all known contractual commitments

The Trustees actively review the major risks faced by the company on a regular basis, and believe that retaining reserves at this level will provide sufficient resources to allow the company to operate under normal conditions and to assess its options in the event of adverse conditions

The accounts to 31 March 2013 show a total reserve of £1,955,567 (2011 £1,517,156) which represents approximately 6 months' outgoings after all known commitments The Trustees consider that this is sufficient, in accordance with the Reserves Policy at the period end All reserves were transferred to JSSC with effect from 1 April 2013 as a result of the merger, and will continue to be committed to support the FSP's previous remit

Formation

The Company was incorporated as The FSSC on 3 March 2004 as a company limited by guarantee and not having any share capital The governing document is its Memorandum and Articles of Association which were last updated 27 September 2010 On 6 July 2004, the company changed its name to The Financial Services Skills Council and on 22 October 2010 changed its name to Financial Skills Partnership The company was registered as a charity on 10 February 2011 Each member of the Company may be required under the terms of the guarantee to contribute such amounts as may be required (not exceeding £1) to the Company's assets if it should be wound up

Trustees and Directors

The present membership of the Board of Trustees, who are also the directors of FSP for the purposes of company law, is set out below

P Boyle
B Nelson

Subject to the provisions of the 2006 Companies Act, every trustee/director or other officer or auditor of the Company is entitled to be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour This indemnity forms part of the Articles of Association of the Company and applied for the whole of the period

The comments on trustees' induction and board meetings below relate to activity during the period These committees ceased as part of the merger transfer

Trustees – Appointment, Induction and Training

Trustees are appointed independently of any other organisation and based on the needs of the charity FSP undertakes a review of the skills and knowledge of the trustees on a regular basis, via the Nominations and Remunerations committee as set out below, and this information is used when recruiting new trustees Recruitment is planned either to fill vacancies which arise or to appoint new trustees with particular skills and expertise FSP uses a range of options to recruit new trustees, including advertising and word of mouth The governing documents allow for a three year term with the option of standing for further terms

On appointment, a new trustee has an induction to ensure they obtain a full understanding of the aims and strategic objectives of FSP and its basic areas of operation, plus briefings on both company and charity law to the extent required by the individual trustee

Trustees meet with the Executive team during the year to review and update their knowledge of the skills landscape and the principle areas of business operation

Board Committees

The Board of Trustees established two sub-committees, each with specific terms of reference and functions The membership of each committee is drawn from the Board of Trustees, and the Chief Executive and members of the Executive team attend meetings as required

The Finance Committee role is to review the company's internal financial control systems and risk management systems, to monitor the integrity of the financial statements of the Company, to review the performance of any investments, to make recommendations to the Board in relation to the appointment of the external auditor and to approve the remuneration and terms of engagement of the external auditor

The Nominations and Remuneration Committee role is to set the structure of compensation packages for all staff, including the benefit schemes, to set the level and structure of compensation for senior executives, and to consider succession planning for senior management In addition, to make recommendations to the Board in identifying potential new members of the Board and committees, to evaluate the balance of skills, knowledge and experience in the Board and sub-committees and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment, to conduct a performance evaluation on all members of the Board and committees and advise on appropriate action if required, and to ensure the process of advertising, recruitment, and selection is fair, open and orderly

The Board of Trustees decides on the overall strategy for FSP, with the implementation of the strategy and day to day operational management delegated to the Executive team

Chief Executive	Liz Field
Deputy Chief Executive	Sarah Thwaites

Risk management

FSP has a risk management policy and procedure which is designed to ensure that the company continues to address the major operational, financial, reputational, regulatory and governance risks that might impact on the company and its ability to deliver its objectives

The main risks facing FSP have been set out on page3

Risks are assessed on a regular basis and consider the likelihood of an event occurring, the impact should it occur and any mitigating systems and controls The Finance Committee reviews the risk register at each of its meetings, including reviewing any changes to these risks and any new risks emerging and they

consider the actions which are being taken to mitigate those risks. The Finance Committee provides an update to the Board of Trustees who regularly review the high level risks.

FSP has systems of control that include a comprehensive annual budgeting process, regular review of management accounts, variances from budget and non-financial information, including a detailed report of achievement against objectives throughout the year for funded-projects and other areas of activity.

The company uses various financial instruments which include cash, trade debtors and trade creditors that arise directly from its operations and whose main purpose is to finance the company's operations. The financial instruments expose the company to liquidity and credit risks. The trustees review and agree policies for managing each of these risks. The policies, which are unchanged from previous years, are summarised below.

Liquidity risk

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. The company's policy throughout the year has been to achieve this objective through management's day to day involvement in business decisions and the use of short term cash investments in interest-bearing deposits.

Credit risk

The company's principal financial assets are cash and trade debtors. The credit risk associated with cash is limited as the counterparties have high credit ratings assigned by international credit-rating agencies. The principal credit risk arises, therefore, from trade debtors. In order to manage credit risk, management set limits for customers based on a combination of payment history and third party credit references. Credit limits are reviewed by the Head of Finance on a regular basis in conjunction with debt ageing and collection history.

Investment Policy

The Trustees have given careful thought to their investment policy in light of the strategic needs of the Charity. Surplus funds not required for immediate working purposes are invested. The policy is to preserve the capital value of the investment and to invest only with counterparties which have high credit ratings assigned by international credit-rating agencies. The company's policy is to hold sufficient cash to meet the day to day business needs, with the surplus invested in short term interest-bearing deposits. FSP investment has been in line with this policy throughout the year.

Post Balance Sheet Event

The Trustees resolved to merge with JSSC, another Sector Skills Council (registered company number 4826715) with effect from 1 April 2013. As a result all assets, liabilities and commitments of FSP were transferred to JSSC with effect from 1 April 2013.

Following the merger, FSP is no longer trading or undertaking any other activities, and the Trustees have resolved that the company will be struck off at Companies House once it has been dormant for a minimum of 3 months.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of FSP for the purposes of company law) are responsible for preparing the Trustees Report and the financial statements in accordance with applicable laws and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements are required by law to 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 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 financial statements have been prepared on a break-up basis, as the company cannot be treated as a going concern due to the transfer of all assets and liabilities on 1 April 2013. There is no material difference between the break-up value and the going concern basis as the transfer was at book value.

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. 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 each of the trustees is aware

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

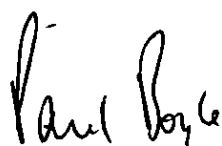
The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustees confirm they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning future activities.

Auditors

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year, until the company has been struck off, in accordance with Section 487(2) of the Companies Act 2006 unless the company receives notice under Section 488(1) of the Act.

BY ORDER OF THE BOARD OF TRUSTEES



Paul Boyle
Trustee & Director
1 August 2013

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FINANCIAL SKILLS PARTNERSHIP

We have audited the financial statements of Financial Skills Partnership Limited for the period ended 31 March 2013 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 trustees, as a body, in accordance with section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on pages 6-7, 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.

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2013, and of its incoming resources and application of resources, including its income and expenditure, for the period 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.

Emphasis of Matter – Basis of Accounting

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in the principal accounting policies concerning the basis of accounting in light of the transfer of all the assets and charitable undertaking of Financial Skills Partnership to JSSC on 1 April 2013. The trustees do not intend to carry on any other charitable undertaking and so intend to strike off the charitable company. They have therefore prepared the financial statements on a break-up basis rather than on a going concern basis and have included disclosures to this effect in the principal accounting policies.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements, or
- the charitable company has not kept adequate accounting records, or
- the financial statements are not in agreement with the accounting records and returns, or
- we have not received all the information and explanations we require for our audit

Grant Thornton UK LLP

Jennifer Brown

Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

London

Date 1 AUGUST 2013

Basis of Preparation

The financial statements have been prepared under the historical cost convention and in accordance with United Kingdom applicable accounting standards and comply with the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities (revised 2005), applicable accounting standards and the Companies Act 2006

The financial statements have been prepared on a break-up basis, as the company cannot be treated as a going concern due to the transfer of all assets and liabilities on 1 April 2013. There is no material difference between the break-up basis and the going concern basis as the transfer was at book value.

The principal accounting policies of the company have remained unchanged from the previous year and are set out below.

Incoming Resources

All incoming resources and turnover consist of the invoiced value (excluding VAT) for goods and services supplied, together with government grants. Incoming resources are wholly generated in the United Kingdom.

- Government grants

Government grants are included in the Statement of Financial Activities in accordance with the terms of the grant and are recognised when the conditions for receipt are complied with.

- Membership

Membership fees are recognised immediately under non-cancellable contracts.

- Investment income

Investment income is recognised when receivable.

Tangible Fixed Assets and Depreciation

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets by equal annual instalments over their expected useful lives. The rates generally applicable are:

Fixtures and fittings	33%
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Resources expended

Resources expended are recognised in the period in which they are incurred and on an accruals basis. The costs of charitable expenditure, costs of generating funds and governance, comprise staff costs, other directly attributable costs and apportioned support costs for each activity. The basis of apportionment is given in Note 3.

Support costs include all services supplied centrally, such as financial management, information systems, property and facilities, human resources and central management. Irrecoverable VAT is charged as a cost, and is allocated on the same basis as the underlying expenditure to which it relates.

Governance costs include both direct and indirect costs relating to the governance arrangements of the charity, including external audit costs, legal fees and costs of board meetings.

Leased assets

Rentals payable under operating leases are charged to expenditure on a straight line basis over the terms of the leases.

Taxation

Financial Skills Partnership is a registered charity and is therefore exempt from tax on income and gains to the extent that these are applied for charitable purposes within its charitable objects.

FINANCIAL SKILLS PARTNERSHIP**STATEMENT OF FINANCIAL ACTIVITIES (incorporating the Income and Expenditure Account)**

For the Period ended 31 March 2013

	Note	15 months ended March 2013 £	Year ended December 2011 £
INCOMING RESOURCES			
Incoming Resources from generated funds			
Voluntary income	1	419,448	1,710,863
Activities for generating funds	1	501,704	427,355
Investment income	1	22,602	29,709
Incoming Resources from charitable activities			
Grants and other government contracts	2	2,312,898	130,745
Total Incoming Resources		3,256,652	2,298,672
RESOURCES EXPENDED			
Costs of generating funds		567,247	574,419
Costs of charitable activities		2,185,661	1,418,194
Governance costs		66,573	18,237
Total Resources Expended	3	2,819,481	2,010,850
Net incoming resources and surplus of income over expenditure before taxation	4	437,171	287,822
Tax credit on net incoming resources	6	1,240	18,215
NET INCOMING RESOURCES AND SURPLUS OF INCOME OVER EXPENDITURE AFTER TAXATION AND NET MOVEMENT IN FUNDS			
		438,411	306,037
Fund balances brought forward at 1 January		1,517,156	1,211,119
Fund balance carried forward at 31 March (31 December)		<u>1,955,567</u>	<u>1,517,156</u>

All transactions arise from discontinued operations (All activities have been transferred as part of the merger with effect from 1 April 2013)

The accounts are not prepared on a going concern basis, see principal accounting policies on page 10

All activities relate to unrestricted funds

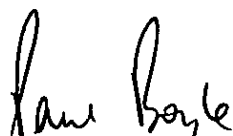
Income up to and including surplus of income over expenditure represents the information required by the Companies Act 2006. It excludes any unrealised gains or losses in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (revised 2005). There were no recognised gains or losses other than the surplus for the financial period.

FINANCIAL SKILLS PARTNERSHIP
BALANCE SHEET

At 31 March 2013

	Note	31 March 2013 £	31 December 2011 £
Fixed assets			
Tangible assets	7	12,226	6,100
Current assets			
Debtors	8	539,560	128,386
Cash at bank and in hand		<u>2,055,713</u>	<u>2,040,763</u>
		2,595,273	2,169,149
Creditors: amounts falling due within one year	9	<u>(651,932)</u>	<u>(658,093)</u>
Net current assets		<u>1,943,341</u>	<u>1,511,056</u>
Total assets less current liabilities		<u>1,955,567</u>	<u>1,517,156</u>
Income Funds			
Unrestricted Funds		<u>1,955,567</u>	<u>1,517,156</u>
		<u>1,955,567</u>	<u>1,517,156</u>

The financial statements were approved by the Board of Trustees on 1 August 2013 and signed on its behalf by



Paul Boyle
Trustee and Director

Company registration number 05062317

FINANCIAL SKILLS PARTNERSHIP
CASH FLOW STATEMENT

For the Period ended 31 March 2013

	Note	15 months ended March 2013 £	Year ended December 2011 £
Net cash inflow from operating activities	10	6,374	379,473
Returns on investments and servicing of finance			
Interest received		22,602	29,709
Net cash inflow from returns on investments and servicing of finance		<u>22,602</u>	<u>29,709</u>
Taxation		278	5,860
Capital expenditure and financial investment			
Payments to acquire tangible fixed assets		<u>(14,304)</u>	<u>(3,021)</u>
Net cash outflow from capital expenditure and financial investment		<u>(14,304)</u>	<u>(3,021)</u>
Increase in cash	11	<u>14,950</u>	<u>412,021</u>

FINANCIAL SKILLS PARTNERSHIP
NOTES TO THE FINANCIAL STATEMENTS

For the Period ended 31 March 2013

1 Analysis of Incoming Resources from generated funds

	2013 £	2011 £
Voluntary income – UKCES core funding	419,448	1,710,863
Activities for generating funds		
- Sales of products and services	191,204	245,835
- Membership fees	310,500	181,520
	<u>501,704</u>	<u>427,355</u>
Investment income	22,602	29,709

Investment income includes £Nil (2011 £15,437) following the receipt of accrued interest on the premises rent deposit in the year

2 Analysis of Incoming Resources from charitable activities

	2013 £	2011 £
Grants and other government contracts	<u>2,312,898</u>	<u>130,745</u>

3 Analysis of Total Resources Expended

	Costs of Generating Funds	Costs of Charitable Activities	Governance Costs	Total 2013	Total 2011
Costs directly allocated					
Consultants and product development	196,209	511,132	-	707,341	272,746
Support costs					
Staff costs	246,320	1,110,324	-	1,356,644	1,037,937
Property & facilities	24,566	111,135	-	135,701	124,808
Public Relations and Marketing	46,716	211,335	-	258,051	207,028
Consultants – Nations & other	6,474	29,286	-	35,760	166,450
Office running costs and irrecoverable VAT	46,962	212,449	-	259,411	183,644
Professional fees	-	-	66,573	66,573	18,237
Total	<u>567,247</u>	<u>2,185,661</u>	<u>66,573</u>	<u>2,819,481</u>	<u>2,010,850</u>

Directly attributable costs have been allocated to each area of activity
Support costs have been allocated based on proportion of income generated

FINANCIAL SKILLS PARTNERSHIP
NOTES TO THE FINANCIAL STATEMENTS

For the Period ended 31 March 2013

4 Net Incoming Resources for the Period

Net incoming resources for the period are stated after charging

	2013	2011
	£	£
Auditors' remuneration		
Audit services	14,350	10,000
Non-audit services	2,000	3,699
Professional fees relating to merger	45,171	-
Depreciation		
Tangible fixed assets owned	8,178	27,811
Operating lease rentals		
Land and buildings	<u>59,303</u>	<u>44,928</u>

5 Information regarding trustees and employees

Staff costs during the period were as follows

	2013	2011
	£	£
Wages and salaries	1,072,443	834,055
Social security costs	126,373	98,267
Other pension and benefits	161,380	105,615
	<u>1,360,196</u>	<u>1,037,937</u>

The average number of employees of the company during the period was

	2013	2011
	Number	Number
Executives	2	2
Operations	3	4
Skills development	6	6
Education	2	4
Projects	3	1
	<u>16</u>	<u>17</u>

For the Period ended 31 March 2013

Information regarding trustees and employees (continued)

The number of employees whose pro rata emoluments for the year (including taxable benefits) exceeded £60,000 was as follows

	2013 Number	2011 Number
£60,000 - £69,999	2	2
£70,000 - £79,999	1	2
£130,000 - £139,999	1	1
£190,000 - £199,999	-	1
£220,000 - £229,999	1	-

Pension costs of £67,145 were incurred in relation to 5 employees earning over £60,000 (2011 £45,262 in respect of 4 employees)

Remuneration in respect of Trustees was as follows

	2013 £	2011 £
Emoluments	<u>Nil</u>	<u>Nil</u>

None of the Trustees received any remuneration during the year (2011 £Nil)

Expenses reimbursed to Trustees was Nil (2011 £Nil)

The company operates a defined contribution pension scheme. The assets of the scheme are invested and managed independently of the finances of the charitable company. The pension cost charge represents contributions payable in the year.

6 Tax on profit on ordinary activities

The tax credit is based on the surplus for the period and represents

	2013 £	2011 £
United Kingdom corporation tax at 21% (2011 21%)	-	(962)
Prior year adjustment	1,240	19,177
Total current tax	<u>1,240</u>	<u>18,215</u>
Current year tax credit	1,240	18,215
Deferred tax	-	-
Total tax credit	<u>1,240</u>	<u>18,215</u>

FINANCIAL SKILLS PARTNERSHIP
NOTES TO THE FINANCIAL STATEMENTS

For the Period ended 31 March 2013

Tax on profit on ordinary activities (continued)

The current taxation charge for the period is different from the standard rate of corporation tax in the United Kingdom (21%) (2011 21%) The differences are explained below

	2013 £	2011 £
Surplus on ordinary activities before taxation	<u>437,171</u>	<u>287,822</u>
Theoretical tax at United Kingdom Corporation tax rate of 21% (2011 21%)	(91,806)	(60,443)
Effects of		
Surplus/deficit outside scope of corporation tax	91,806	10,922
Charity income after 10 February	-	48,559
Prior year adjustment	<u>1,240</u>	<u>19,177</u>
Actual current tax credit	<u>1,240</u>	<u>18,215</u>

7 Tangible fixed assets

	Fixtures, fittings and equipment £
Cost	
At 1 January 2012	112,267
Additions	14,304
At 31 March 2013	<u>126,571</u>
Depreciation	
At 1 January 2012	106,167
Provided in the period	8,178
At 31 March 2013	<u>114,345</u>
Net book amount at 31 March 2013	<u>12,226</u>
Net book amount at 31 December 2011	<u>6,100</u>

FINANCIAL SKILLS PARTNERSHIP
NOTES TO THE FINANCIAL STATEMENTS

For the Period ended 31 March 2013

8 Debtors

	2013 £	2011 £
Trade debtors	499,830	81,472
Prepayments and accrued income	39,730	46,914
	<u>539,560</u>	<u>128,386</u>

9 Creditors: amounts falling due within one year

	2013 £	2011 £
Trade creditors	199,510	59,098
Corporation tax	-	962
Other taxation and social security	93,356	65,371
Accruals and deferred income	358,563	532,243
Other creditors	503	419
	<u>651,932</u>	<u>658,093</u>

10 Reconciliation of net incoming resources to net cash-flow from operating activities

	2013 £	2011 £
Net incoming resources for the period	437,171	287,822
Interest receivable	(22,602)	(29,709)
Depreciation of tangible fixed assets	8,178	27,811
(Increase)/decrease in debtors	(411,174)	106,284
(Decrease) in creditors (excluding tax)	(5,199)	(12,735)
Net cash flow from operating activities	<u>6,374</u>	<u>379,473</u>

FINANCIAL SKILLS PARTNERSHIP
NOTES TO THE FINANCIAL STATEMENTS

For the Period ended 31 March 2013

11 Reconciliation of net cash-flow to movement in net funds

	2013 £	2011 £
Increase in cash in the period	14,950	412,021
Net funds at 1 January	2,040,763	1,628,742
Net funds at 31 March (31 December)	<u>2,055,713</u>	<u>2,040,763</u>

12 Capital commitments

The company had capital commitments of £11,863 at 31 March 2013 (31 December 2011 £Nil)

13 Contingent assets/liabilities

There were no contingent liabilities at 31 March 2013 or 31 December 2011

14 Financial commitments

The payments which the Company are committed to make in the next year (which are transferred to JSSC with effect from 1 April 2013) under non-cancellable operating leases are

	2013 £	2011 £
Land and buildings		
Leases expiring between two and five years	<u>54,120</u>	<u>54,120</u>
Other		
Leases expiring within one year	2,696	-
Leases expiring between two and five years	<u>-</u>	<u>2,696</u>

15 Post Balance Sheet Event

The Trustees resolved to merge with JSSC, another Sector Skills Council (registered company number 4826715) with effect from 1 April 2013. As a result all assets, liabilities and commitments of FSP were transferred to JSSC with effect from 1 April 2013.