

NATIONAL SKILLS ACADEMY FOR SPORT AND ACTIVE LEISURE
(A company having no share capital, limited by guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

EIGHTEEN MONTHS TO 31 MARCH 2016

Registered Company Number: 06591156
Registered Charity Number: 1127431

NATIONAL SKILLS ACADEMY FOR SPORT AND ACTIVE LEISURE

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NATIONAL SKILLS ACADEMY FOR SPORT AND ACTIVE LEISURE

REFERENCE AND ADMINISTRATION DETAILS

FOR THE EIGHTEEN MONTHS TO 31 MARCH 2016

Chair	Suki Kalirai (appointed 01/07/2016) Peter Rowley (term ended 30/06/2016)
Trustees	Julie Amies Stephen Baddeley (appointed 12/01/2015) Angela Brown Anita Cacchioli (appointed 12/01/2015) Sara Gosling (appointed 16/10/2014 and resigned 30/6/16) Marguerite Hunter-Blair Mark Lavington Richard Millman (appointed 12/01/2015) Jim Rose (resigned 30/6/16) Russell Ward
Chief Executive	Ian Taylor
Secretary	Sally East (resigned 24/04/2015) Anthony Fazakerley (appointed 08/05/2015)
Charity Number	1127431
Company Number	06591156
Principal & Registered Office	One Belgravia, 8 Grosvenor Place, London, England, SW1X 7SH
Auditors	haysmacintyre, 26 Red Lion Square, London, WC1R 4AG
Bankers	Barclays, London Medium Business Centre, 180 Oxford Street, London W1D 1EA

NATIONAL SKILLS ACADEMY FOR SPORT AND ACTIVE LEISURE

TRUSTEES' REPORT

FOR THE EIGHTEEN MONTHS TO 31 MARCH 2016

The trustees present their annual report and the audited financial statements for the eighteen months to 31 March 2016.

The National Skills Academy for Sport and Active Leisure ('the NSA'/'the charity') was incorporated on 13 May 2008 and registered as a charity on 8 January 2009.

The directors of the charitable company are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees. The trustees serving during the period and since the period end are shown on page 1.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The NSA is a company limited by guarantee governed by its Memorandum and Articles of Association dated 19th July 2013 and filed at Companies House on 12th August 2013. It is registered as a charity with the Charity Commission.

Appointment of Trustees

The initial board was established on 22 May 2008 and consists of the same Trustees as SkillsActive UK. SkillsActive UK is the only full member of the NSA with the ability to veto proposed appointments of trustees.

Trustees Induction and Training

New Trustees are introduced to the work of the NSA through an induction meeting with the Chair and Chief Executive prior to their first board meeting. On appointment, trustees are sent an induction pack detailing the constitution, aims and work of the charity. The Effectiveness of the Board is reviewed annually an exercise led by the Chair to identify areas for development for the organisation and for the trustees.

Organisation

Currently all governance decisions are referred to the SkillsActive UK Board meetings.

Risk Management

As a member of SkillsActive, we are considered as part of the group for risk assessment procedures. SkillsActive Trustees have examined the major strategic, business and operational risks to which the organisation is exposed and confirm that systems have been established to enable regular reports to be produced so that necessary steps can be taken to lessen these risks. Internal risks are minimised through the use of established procedures to authorise all transactions and projects and to ensure consistent quality of delivery of all operational aspects of the organisation. Through the Audit, Governance and Risk Committee, these procedures are periodically reviewed to ensure that they continue to meet the needs of the group's activity which includes the NSA.

Related parties

The NSA was founded by SkillsActive UK (SkillsActive), the Sector Skills Council for the active leisure, learning and well-being sector, along with employers.

Public benefit

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

NATIONAL SKILLS ACADEMY FOR SPORT AND ACTIVE LEISURE

TRUSTEES' REPORT (Continued)

FOR THE EIGHTEEN MONTHS TO 31 MARCH 2016

OBJECTIVES AND ACTIVITIES

The vision of the NSA is achieved by providing a single, coherent approach to the very best skills training in the sector.

The charity aims to deliver the vision by focusing on six key aims identified by employers.

1. An industry recognised in its own right for its professionalism, with a highly skilled, committed and diverse workforce, and a regular supply of new talent coming through.
2. A sector at the heart of best practice skills training, benefitting fully from government programmes and support, but at the same time contributing new ideas to developing core life, coaching, people, management and leadership, and equality and diversity skills in all people.
3. A sector genuinely open to all, offering work opportunities throughout every community and at all skills levels.
4. An industry hugely attractive to young people, to minority ethnic groups, the disabled and women.
5. An industry (through its Sector Skills Agreement) well informed of its skills gaps, through its research, with clearly articulated training that genuinely delivers against the latest skills priorities on the ground.
6. Finally, a sector rich in the diversity of its sub sectors and target groups, and hence benefitting fully from a cross fertilisation of ideas in terms of future innovation, development and sustainability going forward.

ACHIEVEMENTS AND PERFORMANCE AND PLANS

The National Skills Academy (NSA) has been successful over the prior three years in many different ways, both transformational and operational; however, much of the projects now concluded minimal activity has arisen this financial year.

Arising from the group restructuring led by the parent company, SkillsActive UK, it is intended that the NSA complete specific project related contracts with future activity being undertaken by SkillsActive UK, Habia or SkillsActive Services Limited.

FINANCIAL REVIEW

In the period to 31 March 2016, the NSA made a deficit of £55,988 (2014: surplus of £235,786) with a deficit of £4,032 unrestricted funds.

The restricted funds relate to the last of the capital funding for assets and projects.

Overall, there is a surplus carried forward on unrestricted funds of £292,317 (2014: £296,349). Restricted funds total £244,942 at the period end.

RESERVES POLICY

The company has no staff or property costs, and therefore reserves are not required to meet future expenditure.

NATIONAL SKILLS ACADEMY FOR SPORT AND ACTIVE LEISURE

TRUSTEES' REPORT (Continued)

FOR THE EIGHTEEN MONTHS TO 31 MARCH 2016

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of the National Skills Academy for Sport and Active Leisure 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. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice Standards (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those 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 of 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as we 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.

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.

Approved by the trustees and signed on their behalf by:



Suki Kalirai
Trustee

Date: 22 September 2016

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS AND TRUSTEES OF
NATIONAL SKILLS ACADEMY FOR SPORT AND ACTIVE LEISURE**

We have audited the financial statements of the National Skills Academy for Sport and Active Leisure for the eighteen months to 31 March 2016 which comprise 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. 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 Trustees' Responsibilities Statement set out on page 4, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditor under the Companies Act 2006. 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 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 Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 2016 and of the charitable company's incoming resources and application of resources, including the 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial period 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 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 charitable company 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.


Jeremy Beard, Senior Statutory Auditor
for and on behalf of haysmacintyre, Statutory Auditor

**26 Red Lion Square
London
WC1R 4AG**

Date: 21 December 2016

NATIONAL SKILLS ACADEMY FOR SPORT AND ACTIVE LEISURE

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE EIGHTEEN MONTHS TO 31 MARCH 2016

	Notes	Unrestricted Fund £	Restricted Funds £	Period to 31 March 2016 Total £	Year ended 30 September 2014 Total £
INCOMING RESOURCES					
Incoming resources from generating funds					
Grants and donations	3	-	-	-	295,618
Incoming resources from charitable activities	4	-	-	-	8,993
Investment income		225	-	225	171
Total Incoming Resources		<u>225</u>	<u>-</u>	<u>225</u>	<u>304,782</u>
RESOURCES EXPENDED					
Charitable activities	6	2,452	51,956	54,408	67,246
Governance costs	5	<u>1,805</u>	<u>-</u>	<u>1,805</u>	<u>1,750</u>
Total Resources Expended		<u>4,257</u>	<u>51,956</u>	<u>56,213</u>	<u>68,996</u>
Net incoming/(outgoing) resources for the period	8	(4,032)	(51,956)	(55,988)	235,786
Transfers between funds	12	-	-	-	-
Total funds brought forward		<u>296,349</u>	<u>296,898</u>	<u>593,247</u>	<u>357,461</u>
Total funds carried forward		<u>292,317</u>	<u>244,942</u>	<u>537,259</u>	<u>593,247</u>

All recognised gains and losses are reflected in the Statement of Financial Activities and therefore no separate statement of total recognised gains and losses has been presented. All activities are continuing.

The notes on pages 8 to 12 form part of these financial statements.

BALANCE SHEET

AS AT 31 MARCH 2016

	Notes	18 months to 31 March 2016		Year ended 30 September 2014	
		£	£	£	£
Fixed Assets					
Tangible fixed assets	9		143,644		195,599
Current Assets					
Debtors	10	879,352		877,257	
Cash at bank and in hand		11		4,333	
Total current assets		<u>879,363</u>		<u>881,590</u>	
Creditors: amounts falling due within one year	11	<u>(485,748)</u>		<u>(483,942)</u>	
NET CURRENT ASSETS			393,615		397,648
NET ASSETS			<u>537,259</u>		<u>593,247</u>
FUNDS					
Restricted funds	12		244,942		296,898
Unrestricted funds	12		292,317		296,349
TOTAL FUNDS			<u>537,259</u>		<u>593,247</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 22 September 2016 and signed on their behalf by:



Suki Kalirai
Trustee

The notes on pages 8 to 12 form part of these financial statements.

NATIONAL SKILLS ACADEMY FOR SPORT AND ACTIVE LEISURE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE EIGHTEEN MONTHS TO 31 MARCH 2016

1. ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention, and in accordance with the Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2005) issued in March 2005, applicable UK accounting standards and the Companies Act 2006. The principal accounting policies adopted in the preparation of the financial statements are set out below.

(b) Cash Flow Statement

The trustees have taken advantage of the exemption offered by the Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the charitable company is wholly controlled and its parent charitable company Skills-Active UK published a consolidated cash flow statement.

(c) Incoming resources

Voluntary income including donations and grants that provide core funding or are of a general nature are recognised where there is an entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income can only be deferred when

- the donor specifies that the grant or donation must only be used in future accounting years, or
- the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income is recognised on a receivable basis.

Income from charitable activities that includes income received under contract, or where entitlement to grant funding is subject to specific performance conditions, is recognised as earned as the related goods or services are provided. Grant income included in this category provides funding to support performance activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Income is deferred when performance related grants are received in advance of the performances or event to which they relate.

(d) Volunteers and donated services and facilities

The value of services provided by volunteers is not incorporated into these financial statements.

(e) Resources expended

Expenditure is recognised when a liability is incurred. Contractual arrangements and performance related grants are recognised as goods or services are supplied. Other grant payments are recognised when a constructive obligation arises that results in the payment being unavoidable.

- Costs of generating funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.
- Charitable activities include expenditure associated with educational programmes and include both the direct and supports costs relating to these activities.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.
- Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. allocating property costs by floor areas or per capita, staff costs by the time spent and other costs by their usage.

(f) Irrecoverable VAT

Revenue and costs are stated excluding VAT. Recoverable and irrecoverable VAT are calculated and irrecoverable VAT is written off as a central cost and not allocated back to the original costs which give rise to the VAT.

NATIONAL SKILLS ACADEMY FOR SPORT AND ACTIVE LEISURE

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE EIGHTEEN MONTHS TO 31 MARCH 2016

1. ACCOUNTING POLICIES (continued)

(g) Tangible fixed assets

Tangible fixed assets, which are capitalised at cost, are depreciated at rates sufficient to reduce their adjusted cost to their estimated residual value at the end of their expected useful lives. The following rates are currently used:

Leasehold improvements	- over the period of the lease on a straight line basis
Computer equipment and software	- over 3 years on a straight line basis

(h) Funds

Unrestricted general funds are unrestricted 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.

Designated funds are those funds which have been designated by the trustees for use on specific projects within the objectives of the charity.

Restricted funds are subject to specific conditions by donors as to how they may be used.

(i) Pension contributions

The charitable company contributes to a stakeholder pension scheme. Contributions are charged to the statement of financial activities as and when they fall due.

(j) Financial instruments

Financial assets such as cash and debtors are measured at the present value of the amounts receivable, less an allowance for the expected level of doubtful receivables. Financial liabilities such as trade creditors and finance leases are measured at the present value of the obligation.

(k) Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

2. LEGAL STATUS

National Skills Academy for Sport and Active Leisure is a company limited by guarantee and has no share capital. The sole member of the company is SkillsActive UK. The liability of the member in the event of a winding up is limited to £1.

3. GRANTS AND DONATIONS

	Unrestricted £	Restricted £	18 month period to 31 March 2016 £	Year ended 30 September 2014 £
Grants	-	-	-	295,618

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted £	Restricted £	18 month period to 31 March 2016 £	Year ended 30 September 2014 £
Funded programmes	-	-	-	8,993
	-	-	-	8,993

NATIONAL SKILLS ACADEMY FOR SPORT AND ACTIVE LEISURE

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE EIGHTEEN MONTHS TO 31 MARCH 2016

5. GOVERNANCE

Governance costs comprise the audit fee of £1,805. The audit fee for the company was borne by the parent undertaking, SkillsActive UK.

6. CHARITABLE ACTIVITIES

	Unrestricted £	Restricted £	18 month period to 31 March 2016 £	Year ended 30 September 2014 £
External suppliers	-	-	-	-
Other direct costs	2,000	-	2,000	197
	<u>2,000</u>	<u>-</u>	<u>2,000</u>	<u>197</u>
Depreciation	-	51,956	51,956	40,149
Administration costs	452	-	452	26,900
	<u>2,452</u>	<u>51,956</u>	<u>54,408</u>	<u>67,246</u>

7. STAFF COSTS

No staff were employed by the charity during 2014 or 2013.

Trustees received no remuneration (2014: £Nil) and no expenses (2014: £Nil) during the financial period.

8. NET INCOMING RESOURCES FOR THE PERIOD

	18 month period to 31 March 2016 £	Year ended 30 September 2014 £
This is stated after charging:		
Depreciation	51,956	40,149
Auditor's remuneration - audit	1,805	1,750

9. TANGIBLE FIXED ASSETS

	Leasehold Property £	Computer Software £	Computer Equipment £	Total £
Cost				
At 30 September 2014	346,364	29,707	136,271	512,343
Additions	-	-	-	-
At 31 March 2016	<u>346,366</u>	<u>29,706</u>	<u>136,271</u>	<u>512,343</u>
Accumulated depreciation				
At 30 September 2014	150,767	29,705	136,271	316,743
Charge for the period	51,954	2	-	51,956
At 31 March 2016	<u>202,721</u>	<u>29,707</u>	<u>136,271</u>	<u>368,699</u>
Net Book Value				
At 31 March 2016	<u>143,644</u>	<u>-</u>	<u>-</u>	<u>143,644</u>
At 30 September 2014	<u>195,597</u>	<u>2</u>	<u>-</u>	<u>195,599</u>

NATIONAL SKILLS ACADEMY FOR SPORT AND ACTIVE LEISURE

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE EIGHTEEN MONTHS TO 31 MARCH 2016

10. DEBTORS		18 months to 31 March 2016 £	Year ended 30 September 2014 £		
Amounts due from group undertakings		879,352	877,257		
		<u>879,352</u>	<u>877,257</u>		
11. CREDITORS: amounts falling within one year		18 months to 31 March 2016 £	Year ended 30 September 2014 £		
Amounts due to group undertakings		481,843	482,192		
Accruals		1,805	1,750		
Other creditors		2,100	-		
		<u>485,748</u>	<u>483,942</u>		
Deferred income comprised of income received in advance of the work being funded by the income being completed.					
		18 months to 31 March 2016 £	Year ended 30 September 2014 £		
Balance brought forward		-	337,369		
Amount released to incoming resources		-	(337,369)		
Amount deferred in the period		-	-		
		<u>-</u>	<u>-</u>		
Balance carried forward		<u>-</u>	<u>-</u>		
12. FUNDS					
	Funds at 30 September 2014 £	Incoming Resources £	Resources Expended £	Transfers Between Funds £	Funds at 31 March 2016 £
Analysis of unrestricted fund movements					
Unrestricted funds	296,349	225	(4,257)	-	292,317
Analysis of restricted fund movements					
Programmes to assist training through bursary	25,431	-	-	-	25,431
Subsidised training and support	37,163	-	-	-	37,163
Grants for capital and development work	234,304	-	(51,956)	-	182,348
Restricted funds	<u>296,898</u>	<u>-</u>	<u>(51,956)</u>	<u>-</u>	<u>244,942</u>
TOTAL FUNDS	<u>593,247</u>	<u>225</u>	<u>(56,213)</u>	<u>-</u>	<u>537,259</u>

NATIONAL SKILLS ACADEMY FOR SPORT AND ACTIVE LEISURE

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE EIGHTEEN MONTHS TO 31 MARCH 2016

12. FUNDS (continued)

Programmes to assist training through bursary – These funds are for the provision of bursaries for the training of coaches for various sports in England.

Subsidised training and support – These funds are intended to encourage workers in the sports sector to develop their training by subsidising a significant portion of the cost of training.

Grants for capital and development work – This is funding to enable the establishment of training centres of excellence and the development of the National Skills Academy.

13. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

In the opinion of the Trustees, the ultimate parent undertaking and controlling party is SkillsActive UK, a charity registered under number 1098336 and being a company limited by guarantee which is incorporated and registered in England under number 04461021. Copies of the consolidated accounts may be obtained from SkillsActive UK, One Belgravia, 8 Grosvenor Place, London, England, SW1X 7SH.

**14. ANALYSIS OF NET ASSETS
BETWEEN FUNDS**

	Unrestricted £	Restricted £	18 month period to 31 March 2016 £	Year ended 30 September 2014 £
Tangible fixed assets	-	143,644	143,644	195,599
Net current assets	292,317	101,298	393,615	397,648
	<u>292,317</u>	<u>244,942</u>	<u>537,259</u>	<u>593,247</u>