

**FEDERATION FOR INDUSTRY SECTOR SKILLS & STANDARDS**  
**(A charitable company limited by guarantee)**

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 MARCH 2025**

Charity Registration Number: SC026655  
Registered Number: SC175918

**FEDERATION FOR INDUSTRY SECTOR SKILLS & STANDARDS**  
**REPORT AND FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 MARCH 2025**

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# FEDERATION FOR INDUSTRY SECTOR SKILLS & STANDARDS

## REFERENCE AND ADMINISTRATIVE INFORMATION

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### Federation for Industry Sector Skills & Standards Board membership

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 Directors. As set out in the Articles of Association, the directors are drawn from member organisations (excepting the independent Chair of the Board), elected by the members of the charitable company attending the Annual General Meeting and serve a three-year term before going forward for re-election (if they so desire) at the following Annual General Meeting.

The Board comprises up to twelve people elected by the membership from Chairs and Chief Executives of member sector skills bodies, and an independent Chair who is appointed by the Board. From 1 May 2018 Dame Julie Mellor was appointed as the independent Chair of the Board.

The Directors who served during the financial year 2024/25 and subsequently were as follows:

<b>Directors</b>	<b>Sector Skills Bodies</b>
Dame Julie Mellor (Chair)	Independent
Laura Mansfield	ScreenSkills
Andrew Hockey	ECITB
Philip Beach (resigned 21 October 2025 – post-year-end)	Energy and Utility Skills
John Rogers	Workforce Development Trust
Justine Fosh	Cogent Skills
<b>Chief Executive Officer</b>	Fiona Aldridge
<b>Company Secretary</b>	MBM Secretarial Services Ltd
<b>Company Registered Number</b>	SC175918
<b>Charity Registered Number</b>	SC026655
<b>Principal address and registered office</b>	14-18 Hill Street Edinburgh EH2 3JZ

## FEDERATION FOR INDUSTRY SECTOR SKILLS & STANDARDS

### REFERENCE AND ADMINISTRATIVE INFORMATION (continued)

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#### **Auditors**

Buzzacott Audit LLP  
130 Wood Street  
London EC2V 6DL

#### **Bankers**

Bank of Scotland  
20/22 Shandwick Place  
Edinburgh EH2 4RN

Barclays Bank Plc  
Acorn House, 36-38 Park Royal Road  
London NW10 7JA

Close Brothers Limited  
10 Crown Place  
London EC2A 4FT

#### **Solicitors**

MBM Commercial LLP  
5<sup>th</sup> Floor  
125 Princes Street  
Edinburgh EH2 4AD

# FEDERATION FOR INDUSTRY SECTOR SKILLS & STANDARDS

## DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

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### CHAIR'S FOREWORD

#### **A Year of Progress and Opportunity**

The past year has marked a turning point for the Skills Federation and our members. With the new Government's emphasis on economic growth—underpinned by an Industrial Strategy—skills policy is now being aligned with the needs of industry. This is the direction we've long advocated for.

In September 2024, we welcomed Fiona Aldridge as our new CEO. Fiona brings deep expertise in skills research and policy and has also been appointed to the Board of Skills England, the Government's new body tasked with shaping the national skills agenda.

These two developments have positioned us to work directly with Government to improve how the skills ecosystem serves employers across every sector of the economy.

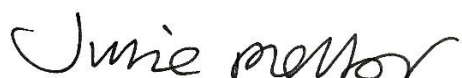
Our members—18 employer-led sector skills bodies—span more than 20 industries and represent over 150,000 employers of all sizes across the UK. Funded by their industries, they provide essential sector voices and frontline support on skills challenges. We've consistently championed the strategic role these bodies can play in helping government and stakeholders understand and respond to the realities of each sector.

As part of the growing recognition of the importance of a sector-focused approach to skills policy, we're proud that Skills England has now invited us to collaborate on a strategic programme of work, with a particular focus around the development of sector plans and packages.

Alongside this, we continue to strengthen the delivery of apprenticeships across the UK. Our ACE360 platform supports end-point assessment in England; MA Online delivers apprenticeship registration and certification in Scotland; and we remain the certifying authority for Apprenticeships in Wales. These integrated services allow us to operate at scale, offering a UK-wide view and real-time insight into what works—and what doesn't—across different national systems. This UK-wide perspective is increasingly vital as all four governments look to skills as a lever for driving growth under the Industrial Strategy.

As we shape our new strategy in this evolving landscape, we remain focused on empowering sector skills bodies to enhance the effectiveness of the UK's skills system by:

- bringing a cohesive industry voice to the Government's strategic oversight of skills;
- collaborating with social partners to improve both system design and delivery; and
- providing practical tools and technology that support apprenticeship providers and assessment organisations.



9 December 2025

Dame Julie Mellor, DBE  
Independent Chair

# FEDERATION FOR INDUSTRY SECTOR SKILLS & STANDARDS

## DIRECTORS' REPORT (continued)

### FOR THE YEAR ENDED 31 MARCH 2025

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The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition, Effective 1 January 2019).

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Skills Federation brings together the shared perspective of different industries on how the UK can build a workforce able to meet our skills needs. Our members are 18 employer-led sector skills bodies who work across more than 20 sectors of the economy and represent over 150,000 employers, both large and small, across the UK. We also deliver Apprenticeship certification systems in Wales and Scotland. In England, we offer ACE360, an end point assessment platform that manages progress, evidence, assessment and certification for apprenticeships. Together, this gives us a unique perspective on apprenticeships across the UK, as well as insight into what works and doesn't in the different national systems.

Our charitable object is to advance the education of employed and unemployed persons by promoting, organising, and delivering skills development. Over the last three years, our strategic aims have been:

1. to facilitate collaboration between employers and governments to meet future skills needs; and
2. to provide services to members and the wider skills sector to make it simpler and more effective, whilst also generating income for the Skills Federation to support aim 1.

In 2024/25, we appointed a policy focused Chief Executive and Director of Policy to support greater collaboration with key partners and stakeholders, to raise the profile of Skills Federation, to strengthen our engagement with members and to influence policy development. We also continued to develop our work to support the assessment and certification of apprenticeships across the UK.

#### **Supporting collaboration with key partners and stakeholders**

Our 2023 stakeholder survey reflected limited awareness and engagement with Skills Federation, our mission and our work. However, it also showed, that where stakeholders have engaged with us, they are positive about how quick relationships have been formed and impressed with our insight and convening power.

In 2024-25 we invested in strengthening our relationships with key stakeholders across England, Scotland and Wales, and have seen a growing appetite to work with Skills Federation and our members. As well as sharing intelligence and creating alliances, we have also explored opportunities to collaborate on research and policy development work.

Our Chief Executive and Policy Director were invited to represent Skills Federation on several Commissions and Advisory Boards including for the MakeUK Skills Commission, Learning and Work Institute's work on Employer Investment in Skills, IfATE's Skills Compass and the NFER-led Skills Imperative 2035.

#### **Raising the profile of Skills Federation**

Our ambition is to position Skills Federation as the go-to-organisation for incisive employer and sectoral perspectives on skills policy. In 2024-25, we launched our new website and branding, providing a credible and accessible platform to showcase the activity and impact of Skills Federation and its members.

# FEDERATION FOR INDUSTRY SECTOR SKILLS & STANDARDS

## DIRECTORS' REPORT (continued)

### FOR THE YEAR ENDED 31 MARCH 2025

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We contributed to a wide range of workshops, roundtables and conferences, bringing an industry perspective to debates and discussions on apprenticeship reform, skills policy and Industrial Strategy. We sponsored the UVAC annual conference and hosted a panel discussion on addressing the challenges in delivering degree apprenticeships.

We increased our engagement with the media, responding to major policy announcements and authoring numerous articles for social media, partner organisations and in the sector press. Several articles and blogs were co-authored with members, providing valuable insight into sector specific challenges and opportunities.

#### **Strengthening engagement with members**

Our policy work created new opportunities for members to engage with government, the media and other skills system stakeholders. In 2024-25 we provided numerous opportunities for members to contribute to events, conferences and policy discussions, including hosting joint workshops at events such as the Annual Apprenticeships and Training Conference. We also contributed to conferences and events organised by our members, bringing a cross-sector perspective to their discussions.

We continued to facilitate quarterly CEO Policy Forums for our members, providing opportunities to engage with policy makers and key stakeholders, discuss policy developments and share good practice between members. We also introduced a regular member newsletter, a policy subgroup and other task and finish groups to provide a valuable source of information on latest policy developments.

#### **Influencing policy development**

In 2024-25, we worked closely with our members to develop and evidence our policy asks. We argue that to power growth and opportunity in the UK, we need a clear skills strategy that meets the needs of industry; an apprenticeship, skills and careers offer that works for everyone; and smarter skills co-ordination across the UK.

We worked with the UK government, as well as the devolved administrations in Wales, Scotland and the English regions to support them to better understand and respond to the skills needs of industry by facilitating collaboration with employers and with employer-led sector skills bodies. This year, we were particularly pleased to be invited to meet with advisers at No.10 and with a member of the Treasury's Council of Economic Advisers, to discuss skills policy.

Drawing on the extensive sector-specific expertise of our members, we submitted evidence to eleven consultations, including on the Scottish Government's Post-School Education and Skills Reform, to Medr's Strategic Plan, to the Curriculum and Assessment Review, to the Industrial Strategy Green Paper, to the House of Lord's Industry and Regulators Committee's Inquiry into 'Skills for the future: apprenticeships and training', to the Education Committee's inquiry into 'Further education and skills', and to inform considerations of the IFATE and the Scottish Education Bills.

We were pleased to see that the letter from the House of Lords Inquiry into Skills for the Future to the new Skills Minister referenced responses from Skills Federation and several of its members, in relation to the need for greater stability in the skills system and the need for better planning through a national skills strategy linked to the Industrial Strategy.

We were also pleased to be invited by Skills England to collaborate on a strategic programme of work, with a focus around the development of sector plans and packages, a sign of growing recognition that a sectoral approach is critical to getting the skills needed for economic growth. We were delighted too that the Government appointed our Chief Executive, Fiona Aldridge, to the Board of Skills England, recognising both her deep expertise on skills and the important role that employer-led sector skills bodies can play in helping government understand and meet the skills needs of industry.

# FEDERATION FOR INDUSTRY SECTOR SKILLS & STANDARDS

## DIRECTORS' REPORT (continued)

### FOR THE YEAR ENDED 31 MARCH 2025

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#### **Supporting the assessment and certification of apprenticeships**

We remain committed to streamlining the effectiveness and operation of apprenticeship certification and end-point assessment processes across the nations. In England, ACE360 provides an industry-wide end point assessment platform that supports training providers and end point assessment organisations (EPAO) to seamlessly manage gateway, assessment and certification on apprenticeships. It continues to be the only product that takes a whole market approach, designed for all Standards and for use by any apprenticeship provider or EPAO. In 2024-25 we worked with 542 training providers and 93 EPAOs, to support 51,543 apprentices.

In the devolved nations, we provide efficient apprenticeship certification processes on behalf of the Scottish Government and Medr, ensuring that apprentices receive completion certificates in a timely and cost-effective manner. We have continued to add new features to both systems with a focus on providing a cost-effective, efficient and reliable service whilst also ensuring compliance. We regularly contribute to apprenticeship advisory groups for both the Scottish and Welsh Governments and provide data insights on performance. During 2024-25, we certified 13,567 apprentices through our online system, ACW – Apprenticeship Certification Wales and registered 24,481 apprentices on our MA Online system in Scotland.

We have now sunset the ACE system, designed to support the certification of apprenticeship frameworks in England. Responsibility for certification reprints has transferred to the Department for Education. During its 13 years of operation, ACE was used to certify over 2 million (2,033,136) apprenticeships.

We continue to see consistently high levels of customer satisfaction across all nations. During 2024-25, we achieved an average satisfaction rate of 98.5%. We also continue to operate significantly ahead of our 48-hour service level agreement (SLA) for responding to customer support queries.

#### **Looking ahead to 2025-26**

All this work provides a strong foundation to build on in 2025-26. Our ambition is to position Skills Federation as the go-to organisation for insightful sectoral perspectives on skills. We aim to provide a cohesive industry perspective to government and other sector stakeholders that contributes to the strategic oversight and development of the skills system.

In 2025-26, we will continue to build the profile and impact of Skills Federation, with a particular emphasis on supporting government in the development and delivery of sector plans and packages. While we will initially focus on those priority sectors identified in the Industrial Strategy as well as those critical to wider government missions e.g. construction and health & care, we anticipate that this work will create a model for wider sector planning.

To help achieve our ambition, we will focus on:

- developing an agenda for change with members, supported by a robust evidence base for different sectors;
- directly influencing government and wider stakeholders to agree a sectoral approach to skills policy, in response to our agenda for change;
- creating routes to influence for members, to inform and support the development of sector plans and packages; and
- raising the profile of Skills Federation so that media and partners actively use our policy messages.



# FEDERATION FOR INDUSTRY SECTOR SKILLS & STANDARDS

## DIRECTORS' REPORT (continued)

### FOR THE YEAR ENDED 31 MARCH 2025

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#### FINANCIAL REVIEW

The Statement of Financial Activities shows:

- Net deficit was £0.2m in 2024/2025 (2023/2024: net deficit of £0.049m).
- Income generated fell from £1.734m in 2023/2024 to £1.681m in 2024/2025, primarily reflecting a reduction in grant income. Certification income increased in Scotland and Wales but declined in England.
- Expenditure increased from £1.783m in 2023/2024 to £1.881m in 2024/2025.
- Total funds as at 31 March 2025 were £1.5m (2024: £1.7m).

#### Reserves

The Company's reserves policy is set to ensure that the level of reserves does not fall below the level that would be required to meet costs on cessation, and that it has sufficient monies available to invest for the longer-term achievement of its objects, considering changes to the apprenticeship system in England. The current costs of cessation are estimated in the region of £67m.

The unrestricted reserves of the Charity are £1.5m with £0.079m tied up in fixed assets (2023/2024 - £0.085m) and £0.67m in costs of cessation (2023/24 - £0.57m). This gives a total £0.75m in unrestricted reserves available to the Board.

The Board of Directors review the reserves policy on an annual basis with the cost of cessation being reviewed annually also. There is currently no gap between the minimum reserve level and the actual reserve level. The reserves position reflects the need to deliver certification in England, with 2025/26 being a budgeted deficit year and a return to surplus forecast in 2026/27, alongside the other activities of the Skills Federation.

#### RISK MANAGEMENT

Key risks are reviewed at each Board meeting and monthly at each Management meeting to ensure they consider any changes to organisational priorities or funding.

The Executives continually monitors risk through a corporate Risk Register which summarises the risk based on potential impact and likelihood, with targeted mitigating strategies where risk is identified.

Management of all risks is reviewed on a quarterly basis using a "traffic light" system, with the risk owner required to provide an assessment and explanation for the Board where there is a significant change.

The highest internal strategic risks being managed by the Board and the executive are:

- Changes in government policy across and within each of the UK nations, including the risk of devolved administrations bringing certification services in-house.
- Failure to meet the business plan income targets to sustain the objects of the charity for ACE360 and ACE/ACW/MAO products and services.

In addition to internal risks the external risks we review include:

- Shifting levels of government support for sector-based skills solutions across the UK nations.
- Emerging competition for certification and related services in the absence of recognised quality or professional standards
- Compliance with data protection regulations and the risk of reputational or legal consequences.
- The potential for major data breaches due to cyberattacks or system failures.
- Challenges in attracting or retaining staff with the skills needed to deliver our services and meet member expectations.

# FEDERATION FOR INDUSTRY SECTOR SKILLS & STANDARDS

## DIRECTORS' REPORT (continued)

### FOR THE YEAR ENDED 31 MARCH 2025

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#### Legal and Administrative Information

The charity is a company limited by a guarantee of £1 per member and has no share capital. The charity is governed by a Memorandum and Articles of Association, which can be obtained from the address shown on page 1. It is a recognised Scottish Charity (Charity number SC026655). The charity was incorporated with effect from 29 May 1997.

The object of the charity is to advance the education of employed and unemployed persons by promoting, organising, and delivering skills development.

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Governance Structure and Financial Control

A Board of Directors, with up to 12 members, meet quarterly to administer the charity. Financial control is exercised by the Board with delegated authority to the Executive. The accounting service is provided by the Finance Team of the Skills Federation.

The following governance structure is in place:

- **Federation Council:** Composed of all Chairs or Chief Executives of the Members and has one meeting per annum (Each Member has one vote each).
- **Federation Board:** Up to 12 elected Directors from Member Chairs/Chief Executives with an independent chair (appointed by the Board). Over the last year six people have served on the Board. The Board has met quarterly.

A Board effectiveness review was conducted in December 2024; the main findings from the review were:

- With the recruitment of our new CEO, the Board could shift in role from 'leaning in' to actively support the executive in managing our business to a more strategic role with oversight of delivery.
- This will have a significant impact on the focus of Board meetings and nature of Board papers, with more focus on:
  - Strategy & impact – more policy focus & value for money for members
  - Financial sustainability – more focus on maintaining income, diversification & financial controls
  - Performance & quality – very different KPIs, more focus on policy
- The first step will be a joint Executive and Board away day to begin developing our next strategy, theory of change and KPIs.

The Board have proceeded to make the changes noted above, including a strategy away day and agreed a theory of change. The nature of papers coming to the Board has changed to reflect the strategic role of the Board.

## FEDERATION FOR INDUSTRY SECTOR SKILLS & STANDARDS

### DIRECTORS' REPORT (continued)

### FOR THE YEAR ENDED 31 MARCH 2025

#### STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

The table below shows Board attendance during the year:

Board Member	Term *	Jun 24	Sep 24	Nov 24	Feb 25
Dame Julie Mellor (Chair Appointed 1 May 2018)	Third	✓	✓	✓	✓
John Rogers	Sixth	✓	✓	✓	✓
Justine Fosh	Second	✓		✓	✓
Andrew Hockey	First	✓		✓	✓
Philip Beach (resigned 21 October 2025)	First		✓	✓	✓
Laura Mansfield	First	✓	✓		

\* Members are generally elected for a three-year term

**Federation Finance, Audit and Risk Committee:** Current members are: Robert Tabor (co-opted). Andrew Hockey was appointed as the new FAR chair in May 2024. The Committee meets quarterly.

Board Member	May 24	Aug 24	Nov 24	Feb 25
Andrew Hockey (Chair from May 2024)	✓	✓	✓	✓
Robert Tabor (Co-Opt)	✓	✓	✓	✓

**Nominations Committee:** Members are: John Rogers. The Committee meets on an ad hoc basis to manage recruitment and performance of Chair and the Chief Executive.

The Chief Executive or other lead officer is appointed by the Directors to manage the day-to-day operations of the charity and together with the Directors, form key management personnel.

#### Relationship between the charity and the Members

The Skills Federation is a Charity and some of our apprenticeship framework certification services are delivered by our members. These are listed below and detailed in note 13.

#### Members with a Skills Federation Director

Cogent Skills  
Energy & Utility Skills  
Engineering Construction Industry Training Board  
ScreenSkills  
Workforce Development Trust

#### Members and Associate Members with no Skills Federation Director

Career Development Institute  
Construction Industry Training Board (CITB)  
Enginuity  
Financial Services Skills Commission  
Institute of the Motor Industry  
Instructus Skills (Associate Members)  
Lantra  
NSA Food and Drink  
National Skills Academy for Rail – NSAR  
SkillsActive Habia  
Skills for Care and Development  
TechUK  
Skills for Security (Associate Members)

# FEDERATION FOR INDUSTRY SECTOR SKILLS & STANDARDS

## DIRECTORS' REPORT (continued)

### FOR THE YEAR ENDED 31 MARCH 2025

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#### Remuneration policy

Remuneration policy is linked to the implementation of the Business Plan for each year. This is used by the Executive team to determine the objectives of individuals. The Chair of the Board agrees the objectives with the Chief Executive Officer. Staff remuneration is set by reference to market rate at the time of appointment and reviewed annually.

As of 31 March 2025, the Skills Federation employed 19 staff: 8 female and 11 male. The multiple between the highest and lowest paid members of staff was 4.4, compared with FTSE 100 median CEO-to-median-employee pay of 78:1. The mean gender pay gap, based on FTE salaries, was 16.7% in favour of female employees. This compares to a UK figure of 13.1% in favour of males. As a small organisation the departure or recruitment of one member of staff can significantly affect this pay gap.

#### Public Benefit

The Skills Federation has been established to promote an industry-based approach on skills to ensure that employers and individuals have access to a skills system that is responsive to their needs and the public in general. Its aims are to drive up the quality of education and training and to better align the investment in skills and learning across the UK.

In setting its objectives and planning activities, the Directors have given careful consideration to the public benefit and are committed to enabling as many employers and people as possible to benefit through promoting the uptake of training standards, qualifications and apprenticeships, and ensuring that through labour market intelligence implementation is aligned to maximise the public benefit from investment in skills and learning across the UK. In addition, members promote equal access to labour market information, standards, qualifications and apprenticeships regardless of religion, age or geography and any restrictions are those laid down by law and encourage the public to access information on our activity through regular communication and marketing activity to ensure the public is aware of the opportunities available.

#### Fundraising

The Skills Federation does not currently actively engage in fundraising activities (by way of appeals, collections, or otherwise seeking donations). The Directors are therefore mindful of regulations or best practice guidance notes in this area as covered by the Charities (Protection and Social Investment) Act 2016 and the Code of Fundraising Practice.

#### STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing their Directors' Report and the financial statements in accordance with applicable law and regulations and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of the affairs of the charitable company and of the surplus or deficit of the charitable company for that period. In preparing these financial statements the Directors are required to:

- Select suitable accounting policies and apply them consistently.
- Observe methods and principles in the Charities Statement of Recommended Practice (SORP)
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable 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 assume that the charitable company will continue in operation.

## FEDERATION FOR INDUSTRY SECTOR SKILLS & STANDARDS

### DIRECTORS' REPORT (continued)

#### FOR THE YEAR ENDED 31 MARCH 2025

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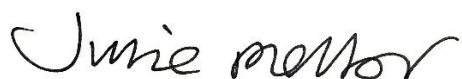
The Directors are also responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the Directors is aware at the time the report is approved:

- there is no relevant audit information of which the company's auditors are unaware; and
- the Directors 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.

A resolution to appoint auditors will be put to the Annual General Meeting in November 2025.

The Directors' Report was approved by the Directors on 27<sup>th</sup> November 2025 and signed on their behalf by:



9 December 2025

Dame Julie Mellor, DBE  
Independent Chair

# INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF FEDERATION FOR INDUSTRY SECTOR SKILLS & STANDARDS FOR THE YEAR ENDED 31 MARCH 2025

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## Opinion

We have audited the financial statements of Federation for Industry Sector Skills & Standards for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of 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 and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

## Basis for opinion

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

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF FEDERATION FOR INDUSTRY SECTOR SKILLS & STANDARDS FOR THE YEAR ENDED 31 MARCH 2025**  
(continued)

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**Opinions on other matters prescribed by the Companies Act 2006**

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

- ◆ the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the directors' report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charity Accounts (Scotland) Regulations (as amended) require us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept by the charitable company; 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' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

**Responsibilities of directors**

As explained more fully in the statement of directors' responsibilities, the trustees (who are also the directors if the charitable company for the purpose of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF FEDERATION FOR INDUSTRY SECTOR SKILLS & STANDARDS FOR THE YEAR ENDED 31 MARCH 2025**  
(continued)

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**Auditor's responsibilities for the audit of the financial statements (continued)**

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the charity through discussions with management and from our knowledge and experience of the charity sector;
- We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland Regulations) 2006, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) and Companies Act 2006; and
- We assess the extent of compliance with laws and regulations identified above by making enquiries of management and review of the minutes of trustees' meetings.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur by:

- Making enquiries of management and representatives of the trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested and reviewed journal entries to identify unusual transactions;
- Tested the authorisation of expenditure;
- Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of meetings of trustees; and
- Enquiring of as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion. We did not identify any irregularities, including fraud.

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



**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF FEDERATION  
FOR INDUSTRY SECTOR SKILLS & STANDARDS FOR THE YEAR ENDED 31 MARCH 2025**  
(continued)

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**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 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.



Catherine Biscoe (Senior Statutory Auditor)  
For and on behalf of Buzzacott Audit LLP, Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

**Date: 09 December 2025**

# FEDERATION FOR INDUSTRY SECTOR SKILLS & STANDARDS

## STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating the income and expenditure account)

FOR THE YEAR ENDED 31 MARCH 2025

		Total Funds 2025 £'000	Total Funds 2024 £'000
<b>Note</b>			
<b>INCOME FROM:</b>			
<b>Charitable activities</b>			
Certification income			
- Scotland		266	258
- England		768	782
- Wales		342	325
Grant income		171	288
Other charitable activities		74	17
<b>Investments</b>			
Bank interest	2	60	64
<b>TOTAL INCOME</b>		<b>1,681</b>	<b>1,734</b>
<b>EXPENDITURE ON:</b>			
<b>Charitable activities</b>	3		
Certification expenditure			
- Scotland		71	68
- England		39	73
- Wales		160	151
Project costs		1,611	1,491
<b>TOTAL EXPENDITURE</b>		<b>1,881</b>	<b>1,783</b>
<b>NET (EXPENDITURE)/INCOME AND NET MOVEMENTS IN FUNDS</b>	4	<b>(200)</b>	<b>(49)</b>
Funds brought forward at 1 April 2024		1,700	1,749
<b>Funds carried forward at 31 March 2025</b>		<b>1,500</b>	<b>1,700</b>

All activities are continuing operations. There are no other gains or losses other than those shown above. All income, expenditure and funds for the year to 31 March 2024 and the year to 31 March 2025 were unrestricted.


The notes on pages 26 to 37 form part of these financial statements.

**BALANCE SHEET**

**AT 31 MARCH 2025**

	Notes	2025 £'000	2024 £'000
<b>FIXED ASSETS</b>			
Tangible assets	5	27	45
Intangible assets	6	52	37
		<u>79</u>	<u>82</u>
<b>CURRENT ASSETS</b>			
Stock		8	10
Debtors	7	108	197
Cash at bank and in hand		1,568	1,696
		<u>1,684</u>	<u>1,903</u>
<b>LIABILITIES</b>			
<b>CREDITORS:</b> amounts falling due within one year	8	(263)	(285)
<b>NET CURRENT ASSETS</b>		<u>1,421</u>	<u>1,618</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,500</u>	<u>1,700</u>
<b>TOTAL NET ASSETS</b>		<u>1,500</u>	<u>1,700</u>
<b>FUNDS OF THE CHARITY</b>			
<b>Unrestricted funds</b>		<u>1,500</u>	<u>1,700</u>

The financial statements were approved and authorised for issue by the Board of Directors on 27<sup>th</sup> November 2025 and are signed on their behalf by:



9 December 2025

Dame Julie Mellor, DBE  
Independent Chair

The notes on pages 26 to 37 form part of these financial statements.

**FEDERATION FOR INDUSTRY SECTOR SKILLS & STANDARDS**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31 MARCH 2025**

		<b>2025 £'000</b>	<b>2024 £'000</b>
<b>Net cash (used in) operating activities</b>	<b>A</b>	<b>(151)</b>	<b>(143)</b>
<b>Cash flows from investing activities</b>			
Interest received		<b>60</b>	64
Purchase of tangible and intangible fixed assets		<b>(37)</b>	(26)
<b>Net cash provided by/(used in) investing activities</b>		<b>23</b>	<b>38</b>
<b>Change in cash and cash equivalents in the year</b>		<b>(128)</b>	<b>(105)</b>
Cash and cash equivalents at the beginning of the year		<b>1,696</b>	1,801
<b>Cash and cash equivalents at the end of the year</b>	<b>B</b>	<b>1,568</b>	<b>1,696</b>

**A. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>2025 £'000</b>	<b>2024 £'000</b>
<b>Net (expenditure)/income for the year (as per the Statement of Financial Activities)</b>	<b>(200)</b>	<b>(49)</b>
<b>Adjustments for:</b>		
Depreciation and amortisation	<b>40</b>	11
Interest received	<b>(60)</b>	(64)
Decrease/(Increase) in stock	<b>2</b>	2
(Increase) in debtors	<b>89</b>	(18)
Decrease in creditors	<b>(22)</b>	(130)
<b>Net cash (used in) operating activities (A)</b>	<b>(151)</b>	<b>(143)</b>

**FEDERATION FOR INDUSTRY SECTOR SKILLS & STANDARDS**

**STATEMENT OF CASH FLOWS** (continued)

**FOR THE YEAR ENDED 31 MARCH 2025**

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<b>B. ANALYSIS OF CASH AND CASH EQUIVALENTS</b>	<b>2025 £'000</b>	<b>2024 £'000</b>
Cash at bank and in hand	<u>1,568</u>	<u>1,696</u>
	<u>1,568</u>	<u>1,696</u>

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the charity and the above cash and cash equivalents.

# FEDERATION FOR INDUSTRY SECTOR SKILLS & STANDARDS

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2025

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#### 1. ACCOUNTING POLICIES

##### **Basis of Accounting**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice, applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP FRS 102). The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006 and the Memorandum and Articles of Association.

##### **Legal status**

The charity is a Scottish company limited by guarantee and has no share capital. The charity is registered with the Office of the Scottish Charity Regulator (OSCR). Its registered address is 14-18 Hill Street, Edinburgh, Scotland, EH2 3JZ.

The liability of each member in the event of winding up is limited to £1. The Federation of Industry Sector Skills and Standards meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

##### **Preparation of the accounts on a going concern basis**

The directors consider that there are no material uncertainties about the Charity's ability to continue as a going concern. The review of our financial position, cashflow forecasts and budgets, reserves levels and future plans gives directors confidence that the Charity remains a going concern for the foreseeable future.

##### **Key accounting estimates and judgements**

In preparing these financial statements, the charity has made judgements, estimates and assumptions that affect the application of the charity's accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the accounts. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable. The key areas of judgement in the accounts are considered to be the allocation of costs to charitable activities, depreciation of tangible fixed assets, and amortisation of intangible fixed assets.

# FEDERATION FOR INDUSTRY SECTOR SKILLS & STANDARDS

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2025

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#### 1. ACCOUNTING POLICIES (continued)

##### **Certification and registration income**

Certification income is accounted for when the certificates are issued, in accordance with legislation, or in the case of Scotland, treated as registration income when the candidates are registered. Certificates bought in advance by training providers are treated as deferred income until the certificates are used or where credits were bought more than two years ago. ACE360 income is accounted for when payment is received from the customer via BACS or Credit Card. ACE360 tokens are then issued on the system.

##### **Grants receivable and project income**

Grants receivable are accounted for when the amount receivable is quantifiable and confirmed. Any element of grants which are for specific periods after the year end are deferred and released in the relevant period. Project income is accounted for when the service is provided.

##### **Investment income**

Investment income is accounted for in the period that it is receivable.

##### **Expenditure**

Expenditure is accounted for on an accruals basis once a legal or constructive obligation arises. Direct costs are charged between direct charitable expenditure, fundraising and publicity and governance costs.

Termination benefits are recognised at the leaving date of the member of staff and measured at the best estimate of the expenditure required to settle the obligation at the reporting date.

All support costs are allocated to project costs.

##### **Operating leases**

Lease rental costs are charged to the Statement of Financial Activities as incurred.

##### **Tangible fixed assets**

Items of a capital nature in excess of £750 are treated as fixed assets and the cost, less any residual value, is written off over the estimated useful life of the assets as follows:

Furniture and fittings	- straight-line over 3 years
Office equipment	- straight-line over 3 years

##### **Intangible fixed assets**

Intangible fixed assets in excess of £750 are included at cost and amortised on a straight-line basis in order to write off the assets over their useful lives. The estimated useful life of the assets as follows:

Web/ Software development	- straight-line over 3 to 4 years
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##### **Stock**

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

# FEDERATION FOR INDUSTRY SECTOR SKILLS & STANDARDS

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2025

---

#### 1. ACCOUNTING POLICIES (continued)

##### **Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments, including trade and other debtors and creditors are initially recognised at transaction value and subsequently are normally measured at their settlement value.

##### **Debtors**

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

##### **Cash at bank and in hand**

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

##### **Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

##### **Fund accounting**

Unrestricted funds comprise accumulated surpluses and deficits on general funds; they are available for use at the discretion of the directors in furtherance of the charity's objectives. Restricted funds are funds subject to specific restricted conditions imposed by the donors.

##### **Pensions**

The company provides personal pension arrangements for certain employees. Contributions are made both by the company and the employee into individual pension plans with a leading pension provider.

##### **Taxation**

The Federation For Industry Sector Skills & Standards of is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within various exemptions available to registered charities.

##### **Other employee benefits**

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received. Termination benefits are accounted for on an accruals basis and in line with FRS 102.



**FEDERATION FOR INDUSTRY SECTOR SKILLS & STANDARDS**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2025**

**2. INCOME FROM INVESTMENTS**

**2025  
£'000**

**2024  
£'000**

Bank interest	60	64
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**3a. ANALYSIS OF EXPENDITURE**

**Direct  
Costs  
£'000**

**Support  
Costs  
£'000**

**2025  
£'000**

**Charitable activities**

Certification expenditure:

Scotland 71 71

England 39 39

Wales 160 160

Project costs 262 1,349 1,611

**Total** 532 1,349 1,881

**Direct  
Costs  
£'000**

**Support  
Costs  
£'000**

**2024  
£'000**

**Charitable activities**

Certification expenditure:

Scotland 68 — 68

England 73 — 73

Wales 151 — 151

Project costs 237 1,254 1,491

**Total** 529 1,254 1,783

**3b. ANALYSIS OF SUPPORT COSTS**

**2025  
£'000**

**2024  
£'000**

Staff costs (see note 12) 1,056 927

Rent, rates & office costs 19 20

Depreciation and amortisation 46 117

Professional fees 105 91

IT, telephones & communication 77 64

Bank and credit card charges 1 2

Other support costs 45 33

**1,349** **1,254**

# FEDERATION FOR INDUSTRY SECTOR SKILLS & STANDARDS

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2025

4. NET (EXPENDITURE)/INCOME	2025 £'000	2024 £'000
Included within net (expenditure)/income are the following charges:		
Auditor's remuneration		
– for audit services	12	11
– for other services	—	2
Depreciation of tangible fixed assets	23	24
Amortisation of intangible fixed assets	17	92
	<u>          </u>	<u>          </u>

5. TANGIBLE FIXED ASSETS	Fixtures and office equipment £'000	Computer equipment £'000	Total £'000
<b>Cost</b>			
At 1 April 2024	5	439	444
Additions	—	5	5
Disposal	(5)	—	(5)
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 March 2025	—	444	444
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Accumulated depreciation</b>			
At 1 April 2024	5	394	399
Charge for year	—	23	23
Disposal	(5)	—	(5)
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 MARCH 2025	—	417	417
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net book value</b>			
At 31 MARCH 2025	—	27	27
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 March 2024	—	45	45
	<u>          </u>	<u>          </u>	<u>          </u>

**FEDERATION FOR INDUSTRY SECTOR SKILLS & STANDARDS**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2025**

**6. INTANGIBLE FIXED ASSETS**

	<b>Computer Software £'000</b>	<b>Total £'000</b>
<b>Cost</b>		
At 1 April 2024	1,213	<b>1,213</b>
Additions	32	<b>32</b>
Disposals	(91)	<b>(91)</b>
	<hr/>	<hr/>
At 31 March 2025	1,154	<b>1,154</b>
	<hr/>	<hr/>
<b>Accumulated amortisation</b>		
At 1 April 2024	1,176	<b>1,176</b>
Charge for the year	17	<b>17</b>
Disposals	(91)	<b>(91)</b>
	<hr/>	<hr/>
At 31 March 2025	1,102	<b>1,102</b>
	<hr/>	<hr/>
<b>Net book value</b>		
At 31 March 2025	52	<b>52</b>
	<hr/>	<hr/>
At 31 March 2024	37	<b>37</b>
	<hr/>	<hr/>

**7. DEBTORS**

	<b>2025 £'000</b>	<b>2024 £'000</b>
Trade debtors	<b>69</b>	135
Accrued Income	<b>6</b>	13
Other Debtors	<b>3</b>	—
Prepayments	<b>30</b>	49
	<hr/>	<hr/>
	<b>108</b>	197
	<hr/>	<hr/>

# FEDERATION FOR INDUSTRY SECTOR SKILLS & STANDARDS

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2025

8. CREDITORS: amounts falling due within one year	2025 £'000	2024 £'000
Trade creditors	37	22
Taxation and social security	25	21
Sundry creditors	41	39
Accrued expenditure	31	21
Deferred income (see note 9)	129	182
	<u>263</u>	<u>285</u>

### 9. DEFERRED INCOME

Certification income is recognised when certificates are issued. During the year, £333k (2024: £356k) of certification income was deferred representing credits purchased in advance by training providers. £364k (2024: £466k) of deferred income was released in the year, relating to credits redeemed for certificates by training providers. A further £22k (2024: £72k) of deferred income was released in respect of credits purchased more than two years ago. Unspent credits as at 31 March 2025 was £129k (2024: £182k).

# FEDERATION FOR INDUSTRY SECTOR SKILLS & STANDARDS

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2025

<b>10. INFORMATION REGARDING EMPLOYEES AND DIRECTORS</b>	<b>2025</b>	<b>2024</b>
	<b>No.</b>	<b>No.</b>
Average number of employees during the year	<b>19</b>	<b>18</b>
	<b>=====</b>	<b>=====</b>
Included above are 2 part time employees.		
	<b>£'000</b>	<b>£'000</b>
<b>Staff costs</b>		
Wages and salaries	<b>788</b>	<b>712</b>
Employer's national insurance contributions	<b>89</b>	<b>74</b>
Employer's pension contributions	<b>59</b>	<b>47</b>
	<b>=====</b>	<b>=====</b>
<b>Sub-total</b>	<b>936</b>	<b>833</b>
Other staff costs	<b>120</b>	<b>94</b>
	<b>=====</b>	<b>=====</b>
	<b>1,056</b>	<b>927</b>
	<b>=====</b>	<b>=====</b>
Other staff costs include consultancy fees and the costs of staff travel.		
The number of employees paid over £60,000 during the year (salary plus taxable benefits) was:	<b>No.</b>	<b>No.</b>
£60,001 - £70,000	<b>3</b>	<b>—</b>
£70,001 - £80,000	<b>1</b>	<b>—</b>
£80,001 - £90,000	<b>—</b>	<b>1</b>
	<b>=====</b>	<b>=====</b>
	<b>2</b>	<b>1</b>
	<b>=====</b>	<b>=====</b>

No contributions were paid to personal pension plans on behalf of higher paid employees (2024: none).

During the year the Chair, Julie Mellor, received total remuneration of £66,737 (2024: £51,737), including pension contributions of £2,000 (2024: £2,000). In addition, expenses of £891 (2024: £557) were reimbursed. Remuneration is paid for the role as Chair and the considerable time commitment involved given the scope of the Skills Federation. Authority for remuneration to be paid to the Chair is given by the Articles of Association. The remuneration of the Chair is agreed each year by the Board of Directors and is in line with OSCR guidance.

Total directors' expenses reimbursed or incurred by the charity were £891 (2024: £557), this relates to one Director in each year.

Total remuneration paid to key management personnel in the year was £518,587 (2024: £323,198). Details of the company's remuneration policy are given in the Trustees' Report.

# FEDERATION FOR INDUSTRY SECTOR SKILLS & STANDARDS

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2025

#### 11. RELATED PARTY TRANSACTIONS

The Skills Federation benefits from the support of its members which provide services to help it operate efficiently as well as charging members for services given. The principal amounts which were charged by or provided to the Skills Federation during the year were:

	Income £'000	Certification costs £'000	Project and support costs £'000	Net amount due to party at 31 March 2025 £'000
Total for Members with a FISSS Director	90	25	—	—
Total for Members with no FISSS Director	105	198	—	(8)
	<u>195</u>	<u>223</u>	<u>—</u>	<u>(8)</u>
	<u><u>195</u></u>	<u><u>223</u></u>	<u><u>—</u></u>	<u><u>(8)</u></u>
	Income £'000	Certification costs £'000	Project and support costs £'000	Net amount due to (from) related party at 31 March 2025 £'000
<b>Total for Members with a FISSS Director</b>				
ECITB	6	—	—	—
Cogent Skills	6	1	—	—
Energy & Utility Skills	23	—	—	—
ScreenSkills	6	—	—	—
Workforce Development Trust (P1st, FSP, LSIS, Health & Justice)	49	24	—	—
	<u>90</u>	<u>25</u>	<u>—</u>	<u>—</u>
	<u><u>90</u></u>	<u><u>25</u></u>	<u><u>—</u></u>	<u><u>—</u></u>

**FEDERATION FOR INDUSTRY SECTOR SKILLS & STANDARDS**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2025**

**11. RELATED PARTY TRANSACTIONS (continued)**

	Income £'000	Certification costs £'000	Project and support costs £'000	Net amount due to related party at 31 MARCH 2025 £'000
<b>Total for Members with no FISSS Director</b>				
Career Development Institute	1	—	—	—
CITB	10	75	—	(3)
Enginuity	12	19	—	(2)
Financial Services Skills Commission	1	—	—	—
Institute of the Motor Industry	12	8	—	—
Instructus	16	37	—	(2)
Lantra	9	3	—	—
National Skills Academy for Food and Drink	4	2	—	—
National Skills Academy for Rail	2	—	—	—
SkillsActive	13	—	—	1
Skills for Care and Development (inc SSSC and Care Council for Wales)	19	54	—	(2)
Skills for Security	1	—	—	—
TechUK	4	—	—	—
UK Fashion & Textile Association	1	—	—	—
	<u>105</u>	<u>198</u>	<u>—</u>	<u>(8)</u>
<b>Total for 2024/25</b>	<u>195</u>	<u>223</u>	<u>—</u>	<u>(8)</u>

**FEDERATION FOR INDUSTRY SECTOR SKILLS & STANDARDS**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2025**

**11. RELATED PARTY TRANSACTIONS (continued)**

	Income £'000	Certification costs £'000	Project and support costs £'000	Net amount due to party at 31 MARCH 2024 £'000
Total for Members with a FISSS Director	70	27	—	4
Total for Members with no FISSS Director	74	213	—	(3)
	<u>144</u>	<u>240</u>	<u>—</u>	<u>1</u>
	Income £'000	Certification costs £'000	Project and support costs £'000	Net amount due to (from) related party at 31 MARCH 2024 £'000
Total for Members with a FISSS Director				
ECITB	—	—	—	—
Cogent Skills	1	1	—	—
Energy & Utility Skills	19	—	—	—
ScreenSkills	—	1	—	—
Workforce Development Trust (P1st, FSP, LSIS, Health & Justice)	50	25	—	4
	<u>70</u>	<u>27</u>	<u>—</u>	<u>4</u>



# FEDERATION FOR INDUSTRY SECTOR SKILLS & STANDARDS

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2025

#### 11. RELATED PARTY TRANSACTIONS (continued)

	Income £'000	Certification costs £'000	Project and support costs £'000	Net amount due to related party at 31 MARCH 2024 £'000
Total for Members with no FISSS Director				
Creative and Cultural Skills	1	—	—	—
CITB	1	74	—	—
Enginuity	6	35	—	(2)
Institute of the Motor				
Industry	9	8	—	1
Instructus	16	43	—	(4)
Lantra	2	3	—	—
National Skills Academy for Food and Drink	4	3	—	1
National Skills Academy for Rail	—	—	—	—
SkillsActive	16	—	—	2
Skills for Care and Development (inc SSSC and Care Council for Wales)	17	47	—	(1)
Skills for Security	1	—	—	—
Tech Partnership Degrees	—	—	—	—
UK Fashion & Textile Association	1	—	—	—
	<u>74</u>	<u>213</u>	<u>—</u>	<u>(3)</u>
Total for 2023/24	<u>144</u>	<u>240</u>	<u>—</u>	<u>1</u>