Foreword

During the past year, I am pleased to see The Partnering Initiative continuing to play a central role towards building the enabling system and developing the institutional capacities that are required to scale up the use of partnerships for the Sustainable Development Goals (SDGs). This has been within the context of a difficult year for international development, with scandals in the NGO sector and a changing political environment, causing many partners to experience a downturn in activities and growing resource scarcity: a reminder that business as usual is not an option.

On the more positive side, the UN system, governments, NGOs and businesses are increasingly using the SDGs as a common language and as a shared agenda, and multi-sector collaboration continues to be seen globally as a precondition for implementation. Nevertheless, we are still not seeing sufficient impact being delivered by partnerships compared with the scale of the SDG’s ambition and need; and many partnerships are not delivering sufficient value in comparison with the efforts put into them.

Anyone who has experienced multi-stakeholder partnerships knows how challenging they can be and how much time they usually take to develop and manage. Given this, partnerships are best used when there is potential to realise significant value. **Partnerships can, and should, deliver more than the sum of their parts.**

It is surprising how little work has been carried out in unpicking the concept of value creation, given its importance at the core of partnering. One of the highlights of TPI’s 2017-18 results has been our pioneering work with World Vision and UNDESA to develop a framework that systematically sets out how partnership can create value. The framework distinguishes two essential components: the benefit each individual organisation gains (towards delivery of its mission, and any organisational benefits - financial and intangible such as positioning, capacity building and knowledge transfer) and the value-add of the partnership as a whole. On value-add, we defined 11 distinct types of ‘Collaborative Advantage’: the intrinsic power that combining different resources can bring, along with the ‘Partnership Delta’ — the extra impact a partnership can deliver beyond partners acting separately.

This framework is set out in a guidebook TPI published with UNDESA *Maximising the impact of partnerships for the SDGs: a practical guide to partnership value creation*, which provides both a process and tools to help maximise value for all. Initial reaction to the framework shows that it is seeding a shift in thinking towards a focus on maximising value creation. It has been fascinating to see the concepts ‘click’ and inspire people in trainings and webinars, and especially exciting to see organisations that partner on a global scale, such as World Vision and the Global Compact, starting to apply this framework to analyse, assess and catalyse more impactful partnerships. We see this as a major contribution to the practice of partnering and hope to see the framework, guidebook, and free tools that we provide continue to support effective, value-generating partnerships across the world.

In addition to our cutting-edge thinking, it has been a busy year for TPI, supporting organisations such as the Millennium Challenge Corporation, CARE International, World Vision and Voluntary Service Overseas to build their internal systems, processes and capacities to become institutionally ‘fit for partnering’. We have also continued our work supporting global partnerships, including as part of the team delivering the mid-term review of the Scale Up Nutrition Movement. We have been delighted to work with partners on a range of outreach events and publications including partnering sessions at the Bond (UK NGO network) conference; the Partnership Zone along with Ethicorp at Business Fights Poverty’s annual Oxford event; co-curation and co-moderating the Partnership Exchange with UNDESA at the UN High Level Political Forum; and a series of articles with C-Change and World Economic Forum exploring the infrastructure required to scale up partnerships for the SDGs.

We look forward to the year ahead, continuing to work with both existing and new partners including through a number of major new programmes to drive effective collaboration at scale for the SDGs.

Robert Smith  
Chair of Trustees  
December 2018
Trustees’ Annual Report

1st October 2017-30th September 2018

Reference and administrative details

Trustees
Mr S De Cleene (appointed 19th December 2014)
Mrs A Gardiner (appointed 28th April 2014)
Mr T Lingard (appointed 15th July 2016)
Mr R Smith (appointed 30th November 2017)

Executive Director
Dr Darian Stibbe

Registered Address
Old Music Hall
106-108 Cowley Road
Oxford, OX4 1JE, United Kingdom

Auditors
Wenn Townsend
30 St Giles
Oxford, OX1 3LE, United Kingdom

Bankers
Royal Bank of Scotland
32 St Giles
Oxford, OX1 3ND, United Kingdom

The trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the audited financial statements for the year ended 30th September 2018. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) “Accounting and Reporting by Charities” (FRS 102) in preparing the annual report and financial statements of the charity.
Structure, governance and management

Organisational structure

The Partnering Initiative operates out of a central hub in the UK with a core staff working on programme development and delivery, partner relations and communication. Our development projects, action research, strategic consultancy support and training services are delivered internationally through both core staff and a global network of highly experienced Associates. A key feature of all The Partnering Initiative’s activities is the drawing out of cutting-edge knowledge on the theory and practice of partnership which is then disseminated widely through online knowledge exchange and webinars, guidebooks, reports and other publications.

The Partnering Initiative is run by an Executive Director reporting to a multi-sector independent Board.

Key management personnel remuneration

The Trustees consider the Board of Trustees and the Executive Director as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All Trustees give of their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses and related party transactions are disclosed in note 5 to the accounts.

Trustees are required to disclose all relevant interests and in accordance with the Trust’s policy withdraw from decisions where a conflict of interest arises.

The pay of the Executive Director is reviewed annually and is normally increased in accordance with average earnings. The remuneration is reviewed to ensure that it is fair and not out of line with similar roles.

Risk management

The Trustees have implemented systems to be followed by Charity staff with a view of ensuring that the risks of financial loss are minimized. Trustees and Charity staff review the appropriateness of these procedures annually and ensure that they are being adhered to. The Trustees have also examined other operational and business risks that might arise and confirm that they have established systems to mitigate the significant risks. Over the course of the last year, the Trustees have considered the financial risks facing the Charity at every Trustees’ meeting.

Objectives and Activities

The Partnering Initiative is a UK-based, globally-operating charity dedicated to unleashing the power of partnership for a sustainable future.

TPI’s vision and mission

TPI passionately believes in the power of collaboration across societal sectors to leverage complementary resources and unleash the innovation necessary to achieve prosperous, sustainable business and societies. We are working to realize a world in which business, governments, NGOs, international organisations, communities and academia combine their resources through partnership at an unprecedented scale to maximize collective business and societal value and drive sustainable development.

TPI’s ambitious mission is to drive the development of the enabling environment, the ‘infrastructure’ of support, the quality of collaboration, and the competencies necessary to scale up and mainstream effective partnerships for the SDGs globally.
**TPI’s charitable purpose**

The charity is a charitable company limited by guarantee and was set up on 14th May 2013. It is governed by a memorandum and articles of association. TPI’s mission is to drive widespread effective cross-sector collaboration for a sustainable future by;

1) **Promoting sustainable development for the benefit of the public by:**
   - Raising awareness and promoting the use of cross sector partnerships globally.
   - Building systemic, institutional and individual capacity across all societal sectors to develop and support effective partnerships.
   - Directly and indirectly supporting the development and effective delivery of cross sector partnerships globally.
   - Promoting and undertaking study and research in cross-sector partnerships and disseminating useful results of such a study to the public at large.
   - Supporting the development of an enabling architecture to drive the scaling up of the use of cross sector partnerships globally.

2) **Advancing the education of the public in subjects relating to cross sectoral partnerships globally.**

**Note:** Sustainable development is defined as “development which meets the needs of the present without compromising the ability of future generations to meet their own need”

Cross-sector collaboration or partnership is defined as “any combination of public, private, NGO, UN or bodies working together to achieve common objectives which contribute to sustainable development.”
Details of significant activities for achieving objectives

TPI’s cutting-edge, holistic approach aims at actualising five key ‘building blocks’ that must be in place for business to be systematically engaged and to integrate cross-sector / multi-stakeholder partnerships as an essential mechanism towards delivering the SDGs, as seen below. TPI contributes to all five areas in three ways: training and services; knowledge generation / thought leadership; and programmes to achieve scale and global impact.

*Figure 1: TPI Activity Areas*

1. Supportive National and International Policy
   - TPI inputs into international policy through thought-leading reports and practical action to engage business in the Global Partnership for Effective Development Cooperation. We also work directly with the UN and governments to help them integrate business into the delivery of the SDGs.

2. Infrastructure in Place to Drive Partnerships
   - An ‘infrastructure’ is in place that can systematically convene the different societal sectors around key issues and catalyse innovative partnership action.

3. Partnerships Follow Best Practice
   - TPI is a pioneer in the theory and practice of collaboration. We have developed a suite of guidebooks and tools to support quality partnering. We also provide direct services to broker, support, review and troubleshoot a range of partnerships and consortia.

4. Organisations are Fit for Partnering
   - TPI assesses an organisation’s partnering practice and supports strategy development, organisational change and capacity building to help them become institutionally Fit for Partnering.

5. Individuals have Partnering Competencies
   - TPI has trained thousands of people from all sectors in effective collaboration. We are currently developing the Partnering Academy to make high quality partnering training accessible at global scale through a consortium, cascading approach.

- Dialogue, awareness-raising and supportive international and national policies are in place to build trust and enable collaboration with business as a partner in development.
- TPI’s Business Partnership Action works with governments, UN and others to build in-person platforms that systematically convene the public sector, business, donors, the UN and NGOs around overlapping SDG interests, stimulate innovation and catalyse and support collaborative action.
- Partnerships follow good practice around process, setup and management to maximise their quality and impact and ensure they deliver value to all partners.
- Individuals have the essential competencies: partnering mindset, understanding of other sectors, human relationship & trust-building skills, technical knowledge.
Raising awareness and promoting the use of cross sector partnerships globally

In February, TPI curated the partnership strand of the Bond (UK network for organisations working in international development) Annual Conference. TPI’s executive director moderated two sessions, *Turning the partnering rhetoric into reality* and *Collaborating for bang, not buck*, at what is Europe’s biggest international development conference. He also was the Chair of the judges for Bond’s annual prize for collaboration, presented at the conference.

In collaboration with Ethicore and Business Fights Poverty, TPI hosted the Partnership Zone at the Business Fights Poverty’s annual conference, BFP Oxford at the Said Business School in July. The Advocacy Partnerships session explored the power of partnerships between NGOs and companies to leverage their unique social and political capital to advocate for policy change. The highly interactive Innovation and Impact session examined some of the most forward-looking and impact-focused partnerships across business and NGOs, revealing opportunities, challenges and impacts.

In September, TPI was a supporting partner of Business Fights Poverty NYC 2018, a day-long event convened with Barclays and GSK, on the theme of ‘Rethinking collaboration for the SDGs’. The event brought together 100+ senior business professionals and development partners to explore how to scale business impact for the SDGs.

The Partnership Exchange is the High-Level Political Forum (HLPF) side-event hosted by the UN Department for Economic and Social Affairs (UNDESA). TPI co-curated the July 2018 event, and moderated the expert session on building institutions and platforms that are Fit for Partnering. TPI’s new guidebook with UNDESA, was launched at the event.
As part of the Sustainable Development Impact Summit which took place ahead of the UN General Assembly in September 2018, TPI collaborated with C-Change and the World Economic Forum to publish a series of joint articles that explored and defined the new infrastructure required to systematically engage business and deliver the unprecedented level of collaboration required for the SDGs. The blogs included:

- The 6 market gaps the finance sector must address to help meet the SDGs
- 5 ways to make your organisation a great sustainability partner
- It’s time to move: 5 ways we can upgrade our SDG navigation systems

**Building systemic, institutional and individual capacity across all societal sectors to develop and support effective partnerships.**

**Fit for Partnering**

TPI’s framework for assessing and analysing institutional capability to partner, the Fit for Partnering Framework, captures the institutional competencies required to partner with excellence, focussing on four elements: Leadership and Strategy, Systems and Processes, People, and Culture.

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**Are you Fit for Partnering?**

1. **Leadership & Strategy**
   - Clearly defined vision and rationale for partnering
   - Unique value proposition of the organisation
   - Full partnering strategy, aligned with / integrated into organisational strategy
   - Commitment: from Board / Executive Leadership
   - Sufficient budget committed
   - Strategy and commitment fully communicated across the organisation

2. **Systems & Processes**
   - Partnering policy, principles and typology of partnerships developed
   - Clearly defined internal rules and procedures across full lifecycle of partnerships
   - Systematic approach to mapping / identifying potential partnerships
   - Cost and value assessment of potential partnerships; due diligence of partners
   - Tracking, monitoring, relationship and knowledge management system
   - Pro-partnering legal agreements
   - Concise HR policies / KPIs

3. **Skills & Support**
   - Staff have sufficient relationship and trust-building skills, understanding of other sectors, mindset and technical knowledge of effective partnerships
   - Staff have sufficient time allocated
   - Tools and guidelines for partnering available
   - Direct support available from experienced partnership brokers
   - Mechanisms in place to capture and disseminate experiences of partnering (e.g. through a community of practice)

4. **Partnering Culture**
   - A humility over what can be achieved alone and an inclination to reach out to work with others to achieve goals
   - Openness to taking measured risks and trying out new approaches to achieve the mission
   - A commitment to enter into partnerships on the basis of equity, transparency and mutual benefit
   - An ability to give up autonomy in decision-making and work for the benefit of the partnership as a whole
   - Willingness to openly share information with partners

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TPI has continued to work with organisations in assessing and building their institutional capability to partner effectively, through the development of partnering strategies, tools and guidance material, advice on systems and processes and training.

**Millennium Challenge Corporation (MCC)**

In September 2017, the MCC awarded a major contract to TPI to help ‘leverage strategic partnerships in MCC’s program design, implementation, and closeouts.’ TPI worked with MCC’s Office of Strategic Partnerships (OSP) over a period of a year to develop the strategic direction, architecture and infrastructure needed for MCC and country staff to engage effectively in partnerships as a core component of MCC’s mission and practices. This included the design and delivery of a capability and readiness assessment; the
development of a partnership guide and toolbook; a comprehensive internal ‘partnerships navigator’ and partnership communications materials and guidance; and the design and delivery of in-depth tailored partnering training and workshops.

CARE International

TPI worked with CARE to equip 14 Partnering Champions across the East, central and Southern Africa (ECSA) region with the capability to assess their country offices’ organisational capacity to partner, using the Fit for Partnering programme model, as well as supporting them to acquire the skills needed to partner effectively. This included a highly structured programme of activity throughout which TPI mentored the champions, instructing and guiding them in conducting a Fit for Partnering analysis for their country office and writing the report with recommendations. This also included a series of mentoring and peer-exchange webinars and a week-long training and workshop in Nairobi where participants were encouraged to share learnings and prepare an action plan for partnering capacity building in their country offices.

Voluntary Service Overseas (VSO)

TPI began working with VSO to help build its capacity to partner effectively and strategically. The programme included an initial scoping to briefly assess the current partnering culture and capabilities, and identify key areas for capacity building, as well as advice on producing a partnering strategic intent document. The capacity building programme centres around the development of a VSO partnering guidebook and accompanying set of tools, designed to help staff navigate VSO’s partnership and programme lifecycles.

Open and tailored trainings

The Partnering Initiative continued to develop its flagship Building Effective Partnerships for Development training, aimed at individual partnership practitioners, which was delivered both as open courses and through tailored trainings for a range of organisations. During the financial year, TPI held open trainings in Oxford and in Washington DC with the World Bank.

TPI developed a half-day course and partnering guidebook with partnering tools for The Human Safety Net, an Italian foundation supported by the Generali Group that aims to protect and support disadvantaged people in creating opportunities that benefit them and the communities they live in.

TPI developed and delivered a 3-day training on Building Effective Partnerships for the American Jewish Joint Distribution Committee (JDC), an organisation that works in 70 countries to alleviate hunger and hardship, rescue Jews in danger, create lasting connections to Jewish life, and provide immediate relief for victims of natural and man-made disasters.

Building on its experiences in developing platforms for partnership, TPI supported GIZ in curating a workshop that convened a number of platforms from around the world, to draw out effective practice, as well as to define the needs and challenges of the platforms to inform an ongoing programme.

TPI developed a four-month blended learning advanced course on partnering for cancer control, for members of the Union for Cancer Control (UICC). This included design and delivery of five masterclass modules, supervision and support to students throughout the course, development of a self-assessment method, and design and delivery of a one-day workshop in Kuala Lumpur.

TPI began work with Philanthropy University to develop an online course on partnering, designed for NGOs in the global south.

Direct and indirect support in the development and effective delivery of cross-sector partnerships globally

Scale Up Nutrition Movement Mid Term Review

TPI led on the design and implementation of a 360-degree assessment for the SUN Movement as part of their Mid-Term Review (MTR). The 360-degree assessment, which was the first assessment of this kind to be implemented in the SUN Movement, formed an essential component of the MTR preliminary report. The report was presented to the SUN Movement Secretariat in Geneva and helped to inform stronger joint
working and collective planning across the partnership. TPI also led the Vietnam country visit for the MTR and contributed significantly to the final report.

**Bond Network for UK-based International Development Organisations**

TPI Executive Director, Dr Darian Stibbe, facilitated a workshop for one of Bond’s technical groups. The workshop examined the specific challenges of consortium working, and private sector-led consortia in particular, and drew out good practice for taking consortia effectively through a partnering cycle. The workshop ended with a call for the development of a code of conduct to ensure consortia instil principles of equity, transparency and mutual benefit and are set up to deliver the greatest impact.

**Promoting and undertaking study and research in cross-sector partnerships and disseminating useful results of such a study to the public at large**

**New value creation framework (with World Vision) and guidebook (with UNDESA)**

Despite the rhetoric around collaboration, we are still not seeing sufficient impact being delivered by partnerships, compared with the scale of the ambitions; many partnerships are simply not delivering sufficient value in comparison with their inputs. Given the significant investment required to develop and manage them, partnerships should only be used when there is potential to create real, significant additional value, for partners and in terms of impact. However, the issue is often confused both by a lack of definition of what we mean by ‘value’ and by the related question, ‘value to whom?’

In order to address this challenge, TPI partnered with World Vision to develop the first framework systematically examining value creation in a partnership, distinguishing two essential components: the benefit each individual organisation gains, and the value-add of the partnership as a whole. This is the first attempt at a comprehensive framework to define Collaborative Advantage (the intrinsic power partnering can bring) and the associated Partnership Delta (the extra impact partnerships can deliver beyond the sum of its parts).

TPI collaborated with UNDESA to capture this value framework in a new guidebook, *Maximising the impact of partnerships for the SDGs: a practical guide to partnership value creation*, which provides a process and tools to help maximise value for all.

The guidebook also includes case studies of three partnerships for the SDGs (featured on UNDESA’s database of partnerships for the SDGs) and draws out learning around value creation, the different collaborative advantages that different types of partnership can bring, and the extra value these can create.
World Vision campaign partnership case studies

TPI developed a set of case studies on World Vision’s “It takes a world to end child violence” campaign in Eswatini, Lesotho and Armenia. The case studies compared and contrasted how different partnering approaches helped add value to the three countries’ campaigns, using the lens of TPI’s new value framework, and drawing out learnings from all three campaigns.

Supporting the development of an enabling architecture to drive the scaling up of the use of cross sector partnerships globally

Evidence for MS Platforms

Evidence for MS Platforms was a major research programme funded by the Rockefeller Foundation, led by Wageningen University, IDS, Sustainable Food Lab and The Partnering Initiative. It set out to understand how a range of multi-stakeholder platforms attempting to achieve transformational development in agriculture could most effectively provide evidence of effectiveness and impact. The research showed that traditional measurement approaches were not effective given the complexity of the systems in which the platforms were operating, and that platforms rarely have in place step-by-step theories of change that could act as a framework for measuring impact. In line with this, TPI supported the development of new theories of change for the Bonsucro, Zambia Business in Development Facility and SUN Indonesia platforms, and developed a methodology for platforms to use to develop stronger measurement systems.

Future plans

In 2018-2019, The Partnering Initiative will consolidate its existing areas of work, supporting organisations, partnerships, and individuals; innovating, incorporating and disseminating new knowledge, skills and tools; developing and disseminating tool books and trainings. In addition, TPI will expand its programme work through initiating several strategic programmes.

TPI will use a portfolio approach to its work, undertaking activities at different levels, as set out below. The activities range from delivery of services and training to individual organisations, through strategic programmes that support a group of organisations with a common interest, through foundational initiatives that can deliver impact at scale, up to Collaborate 2030 as an overarching ‘Global Partnership for SDG 17’ to build the enabling system for partnering at scale.
Services and training
TPI will run its flagship open training *Building Effective Partnerships for Sustainable Development*, in Oxford as well as overseas.

TPI will continue to work with organisations to support their institutional capability to partner effectively, through the *Fit for Partnering* programme, through supporting partnering strategies, evaluating partnering portfolios, troubleshooting partnerships and developing tailored guidance and tools.

TPI will continue to support global partnerships at all stages, from initial brokering through set-up and strategic programmes

TPI will further develop strategic programmes for groups of organisations with similar interests, to develop the state-of-the-art of collaboration in specific focus areas. The focus for 2018-19 will be in developing good practice on how Foundations can more effectively utilize partnerships to maximize their impact.

Foundational initiatives
TPI will be developing a major new international partnership programme in 2018-19 to help build the enabling system for partnering at scale. This will be an independent programme in its own right, as well as potentially forming one element of the developing Collaborate2030 initiative.

Collaborate2030
Collaborate2030 is a concept for a new kind of collective of organisations, designed to bring coherence to and systematically accelerate the development of the partnership-enabling system: the necessary environment, institutional and individual competencies and support systems that are essential to scale up and mainstream effective partnering for the SDGs. In 2018-19, TPI will continue to develop the concept.

Administration

Public Benefit
The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties.

Financial review
The results of the charity for the year can be seen on page 16.

Reserves policy
The Partnering Initiative aims to maintain in reserve four months’ worth of operating costs, along with a development budget for creating new cutting-edge programmes. As at 30th September 2018, free reserves held were £181,029, which the Trustees deem acceptable.

Treasurer’s comments
The Trustees continue to monitor TPI’s financial situation and are pleased to report that its activities are increasingly in demand and the pipeline of work more than adequate to cover fixed costs. Important advances have been made to develop a long-term strategy and mid-term implementation plan, and in improving financial controls. However, TPI’s financial growth and stability are constrained because of the lack of sources of unrestricted funds, and efforts are planned to explore how such funding will be accessed in the future, to accelerate the achievement of our strategic goals.

Robert Smith,
Treasurer
Statement of trustees’ responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. 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 (FRS 102);
- 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 operation.

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 the Trustees are aware:

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

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.

This report has been prepared having taken advantage of the small companies exemption in the Companies Act 2006.

This report was approved by the Board on the 14th March 2019.

__________________________
Robert Smith,
Treasurer
Independent auditors’ report to the members of The Partnering Initiative

Opinion

We have audited the financial statements of The Partnering Initiative (the ‘charitable company’) for the year ended 30th September 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement, 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 30th September 2018, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
• have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
• have been prepared in accordance with the requirements of the Companies Act 2006.

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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

• the trustees’ use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
• the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company’s ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees’ annual report, 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.

**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 trustees’ report (incorporating 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 our 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 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors’ 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 trustees**

As explained more fully in the trustees’ responsibilities statement set out on page 12, 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, 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 trustees 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 trustees 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.

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. This description forms part of our auditor’s report.
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. 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.

Graham Cole BA FCA (Senior Statutory Auditor)

For and on behalf of Wenn Townsend Chartered Accountants, Statutory Auditor

30 St Giles
Oxford
OX1 3LE

21st March 2019
Statement of Financial Activities (including Income and Expenditure Account) for the period ended 30th September 2018

<table>
<thead>
<tr>
<th>Unrestricted</th>
<th>Total Funds 2018 £</th>
<th>Total Funds 2017 £</th>
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</thead>
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<td><strong>Income from:</strong></td>
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<td></td>
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<td>Charitable activities</td>
<td>2</td>
<td>640,324</td>
</tr>
<tr>
<td><strong>Total income</strong></td>
<td></td>
<td>640,324</td>
</tr>
<tr>
<td><strong>Expenditure on:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charitable activities</td>
<td>3</td>
<td>592,681</td>
</tr>
<tr>
<td><strong>Total expenditure</strong></td>
<td></td>
<td>592,681</td>
</tr>
<tr>
<td><strong>Net movement in funds</strong></td>
<td></td>
<td>47,643</td>
</tr>
<tr>
<td>Balances brought forward at 1st October 2017</td>
<td></td>
<td>133,386</td>
</tr>
<tr>
<td>Balances carried forward at 30th September 2018</td>
<td></td>
<td>181,029</td>
</tr>
</tbody>
</table>

All income and expenditure derive from continuing activities.
The statement of financial activities includes all gains and losses recognised during the year.

Notes from financial statements on pages 19 to 22 form part of the financial statements.
### Balance Sheet as at 30th September 2018

<table>
<thead>
<tr>
<th>Notes</th>
<th>2018 £</th>
<th>2017 £</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debtors</td>
<td>7</td>
<td>149,915</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td></td>
<td>71,401</td>
</tr>
<tr>
<td><strong>Total Current assets</strong></td>
<td></td>
<td>221,316</td>
</tr>
<tr>
<td><strong>Creditors: amounts falling due within one year</strong></td>
<td>8</td>
<td>(40,287)</td>
</tr>
<tr>
<td><strong>Net current assets</strong></td>
<td></td>
<td>181,029</td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td></td>
<td><strong>181,029</strong></td>
</tr>
</tbody>
</table>

**Funds:**

**Unrestricted funds**

| General funds | | 181,029 | 133,386 |

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies’ regime.

Notes from financial statements on pages 19 to 22 form part of the financial statements.

The financial statements were approved and authorised for issue by the trustees on March 14th 2019 and signed on their behalf by:

Robert Smith
Treasurer
## Statement of Cash Flows for the year ended 30th September 2018

<table>
<thead>
<tr>
<th>Description</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reconciliation of net (expenditure)/income to net cash flow from operating activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net (expenditure)/income for year</td>
<td>47,643</td>
<td>(46,196)</td>
</tr>
<tr>
<td>Decrease in debtors</td>
<td>(21,178)</td>
<td>17,603</td>
</tr>
<tr>
<td>Decrease in creditors</td>
<td>(1,942)</td>
<td>(30,698)</td>
</tr>
<tr>
<td><strong>Net cash flow from operating activities</strong></td>
<td>24,523</td>
<td>(59,291)</td>
</tr>
<tr>
<td>Net cash flow from investing activities</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net cash flow from financing activities</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net (decrease)/increase in cash and cash equivalents</strong></td>
<td>24,523</td>
<td>(59,291)</td>
</tr>
<tr>
<td>Cash and cash equivalents at 1st October 2017</td>
<td>46,878</td>
<td>106,169</td>
</tr>
<tr>
<td>Cash and cash equivalents at 30th September 2018</td>
<td>71,401</td>
<td>46,878</td>
</tr>
</tbody>
</table>
Notes forming part of the financial statements for the period ended 30th September 2018

1 Summary of significant accounting policies

a) General information and basis of preparation

The Partnering Initiative is a charitable company limited by guarantee in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information in these financial statements. The nature of the charity’s operations and principal activities are detailed in the Trustees’ Report.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting 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) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2nd February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

b) Fund accounting

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.

c) Income recognition

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Grants received and service contract fees are included as income where the work involved has been undertaken by the period end date. Any income received in advance is deferred until associated costs are incurred and based on the level of completion of the project.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognized where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.
e) Foreign currencies

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate.

f) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

g) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

h) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorizing these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2 Income from charitable activities

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service contract fees</td>
<td>576,530</td>
<td>353,645</td>
</tr>
<tr>
<td>Training courses</td>
<td>63,794</td>
<td>73,351</td>
</tr>
<tr>
<td></td>
<td>640,324</td>
<td>426,996</td>
</tr>
</tbody>
</table>

3 Charitable activities

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consultancy</td>
<td>231,256</td>
<td>160,471</td>
</tr>
<tr>
<td>Wages and salaries</td>
<td>274,830</td>
<td>249,576</td>
</tr>
<tr>
<td>Travel and accommodation</td>
<td>45,339</td>
<td>18,223</td>
</tr>
<tr>
<td>Rent and rates</td>
<td>15,225</td>
<td>14,613</td>
</tr>
<tr>
<td>Website and IT costs</td>
<td>2,152</td>
<td>3,853</td>
</tr>
<tr>
<td>Venue hire</td>
<td>2,005</td>
<td>5,493</td>
</tr>
<tr>
<td>Printing, postage and stationery</td>
<td>207</td>
<td>1,314</td>
</tr>
<tr>
<td>Foreign exchange losses/(gains)</td>
<td>5,314</td>
<td>686</td>
</tr>
<tr>
<td>Telephone</td>
<td>3,245</td>
<td>3,113</td>
</tr>
<tr>
<td>Bank charges</td>
<td>1,582</td>
<td>1,725</td>
</tr>
<tr>
<td>Professional fees</td>
<td>1,376</td>
<td>1,165</td>
</tr>
<tr>
<td>Insurance</td>
<td>1,055</td>
<td>1,347</td>
</tr>
<tr>
<td>General expenses</td>
<td>5,910</td>
<td>6,758</td>
</tr>
<tr>
<td>Governance costs (per note 4)</td>
<td>3,185</td>
<td>3,035</td>
</tr>
<tr>
<td></td>
<td>592,681</td>
<td>473,192</td>
</tr>
</tbody>
</table>
4 Governance costs

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Auditor’s remuneration - audit</td>
<td>1,995</td>
<td>1,900</td>
</tr>
<tr>
<td>- non-audit</td>
<td>1,190</td>
<td>1,135</td>
</tr>
<tr>
<td></td>
<td>3,185</td>
<td>3,035</td>
</tr>
</tbody>
</table>

5 Trustees’ and key management personnel remuneration and expenses

There was no Trustees’ remuneration or expenses reimbursed to Trustees during the year (2017: nil) for their role as Trustees.

A previous Trustee, Dr S Reid, invoiced the charity £6,621 during the previous year for services provided in implementing The Partnering Initiative programmes. This was fully approved by the board as being in the best interests of the charity. £Nil remained outstanding for payment at the year end date.

The total amount of employee benefits received by key management personnel is £93,790 (2017: £86,164). The Trust considers its key management personnel comprise the Board of Trustees and the Chief Executive.

6 Staff costs

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages and salaries</td>
<td>232,197</td>
<td>211,817</td>
</tr>
<tr>
<td>Social security costs</td>
<td>20,745</td>
<td>17,013</td>
</tr>
<tr>
<td>Pension costs</td>
<td>21,888</td>
<td>20,746</td>
</tr>
<tr>
<td></td>
<td>274,830</td>
<td>249,576</td>
</tr>
</tbody>
</table>

The number of employees whose emoluments as defined for taxation purposes amounted to over £60,000 in the year was as follows:

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>£70,000 - £80,000</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>£80,000 - £90,000</td>
<td>1</td>
<td>0</td>
</tr>
</tbody>
</table>

The average number of employees, calculated on a full-time equivalent basis, analysed by function was:

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charitable activities</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Management and admin. of the charity</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>5</td>
<td>5</td>
</tr>
</tbody>
</table>
7 Debtors

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants and fees receivable</td>
<td>49,956</td>
<td>96,897</td>
</tr>
<tr>
<td>Prepayments and accrued income</td>
<td>98,725</td>
<td>30,525</td>
</tr>
<tr>
<td>Other debtors</td>
<td>1,234</td>
<td>1,315</td>
</tr>
<tr>
<td></td>
<td><strong>149,915</strong></td>
<td><strong>128,737</strong></td>
</tr>
</tbody>
</table>

8 Creditors: amounts falling due within one year

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade creditors</td>
<td>29,479</td>
<td>19,188</td>
</tr>
<tr>
<td>Accruals and deferred income</td>
<td>7,227</td>
<td>17,535</td>
</tr>
<tr>
<td>Other tax and social security</td>
<td>3,581</td>
<td>5,506</td>
</tr>
<tr>
<td></td>
<td><strong>40,287</strong></td>
<td><strong>42,229</strong></td>
</tr>
</tbody>
</table>

9 Funds received as agent

During the previous year, the charity received £94,825 from the Department for International Development (DFID) for a grant management arrangement for Support to Business Networks. The funds were transferred entirely during the year, and no amounts were held at the year end. As the charity was merely acting as agent to transfer the funds, the trustees considered it inappropriate to show this as income and expenditure of the charity.

There were no such funds received in 2018.