

The Partnering Initiative

TRUSTEES' ANNUAL REPORT AND ACCOUNTS

1st October 2015 to 30th September 2016

The Partnering Initiative

106-108 Cowley Road, Oxford, OX4 1JE, United Kingdom
England and Wales Charity no: 1154259
UK-registered Company no: 08528402

Foreword

"Collaboration across societal sectors has emerged as one of the defining concepts of international development in the 21st century. Initially a response to the limitations of traditional state-led, aid-funded, top-down linear development approaches, partnership has grown to become an organising principle in sustainable development: its importance has been recognised fully both by business, by all of the leading institutions in the international development field, and embedded within the 2030 Sustainable Development Goals (SDGs).

The SDGs explicitly acknowledge the interconnectedness of the prosperity of business, of society and of the environment. They represent a fundamental shift, naming all societal sectors as key development actors, and requiring an unprecedented level of cooperation and collaboration among civil society, business, government, NGOs, foundations and others for their achievement.

TPI's vision for a 'collaborative society', therefore, has never been more significant.

TPI's vision is a world in which business becomes a full partner in development working alongside states, NGOs, international agencies and academia; in which collaboration between diverse organisations is the norm rather than the exception; in which all sectors of society appreciate the interconnectedness of their interests and actively seek to align, leverage and combine their energies, resources and investments wherever value can be created; in which the Sustainable Development Goals are not just an aspiration but a real, practical focus for development – development based on innovative and transformative partnerships.

While large-scale international partnerships will continue to play a role, we need a whole range of different forms of collaboration, from those that catalyse financial investment by business to more holistic, multiple-issue partnerships at the country or local level that can address the complexity of interlinked goals. This need characterises a new era in multi-stakeholder collaboration: an era of complex partnering.

Cooperation across societal sectors, however, is difficult. There are a myriad of challenges from the political to the institutional to the individual that stand in its way.

Shifting towards a collaborative society will not happen by chance and instead requires a deliberate, concerted and targeted effort to help make it happen. That is the challenge behind TPI's mission and the imperative that drives all of TPI's work: from building in-country platforms to catalyse partnerships, to training people in essential partnering skills; from developing good practice and guidance for collaboration to supporting organisations to become institutionally 'fit for partnering'.

With the clock ticking quickly towards 2030, TPI's work has taken on a new vitality and urgency to deliver, and to deliver at an unprecedented scale. We look forward to continuing this essential journey with our many existing partners and, we hope, new partners in the years to come."



Darian Stibbe, Executive Director
December 2016

Trustees' Annual Report

1st October 2015-30th September 2016

Reference and administrative details

Trustees

Mrs A Gardiner (appointed 28th April 2014)
Ms E Halper Mak (appointed 16th August 2013)
Dr S Reid (appointed 14th May 2013)
Mr S De Cleene (appointed 19th December 2014)
Mr T Lingard (appointed 15th July 2016)

Chief Executive

Dr Darian Stibbe

Principal 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 2016. 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.

Objectives and Activities

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

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 support tine 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.

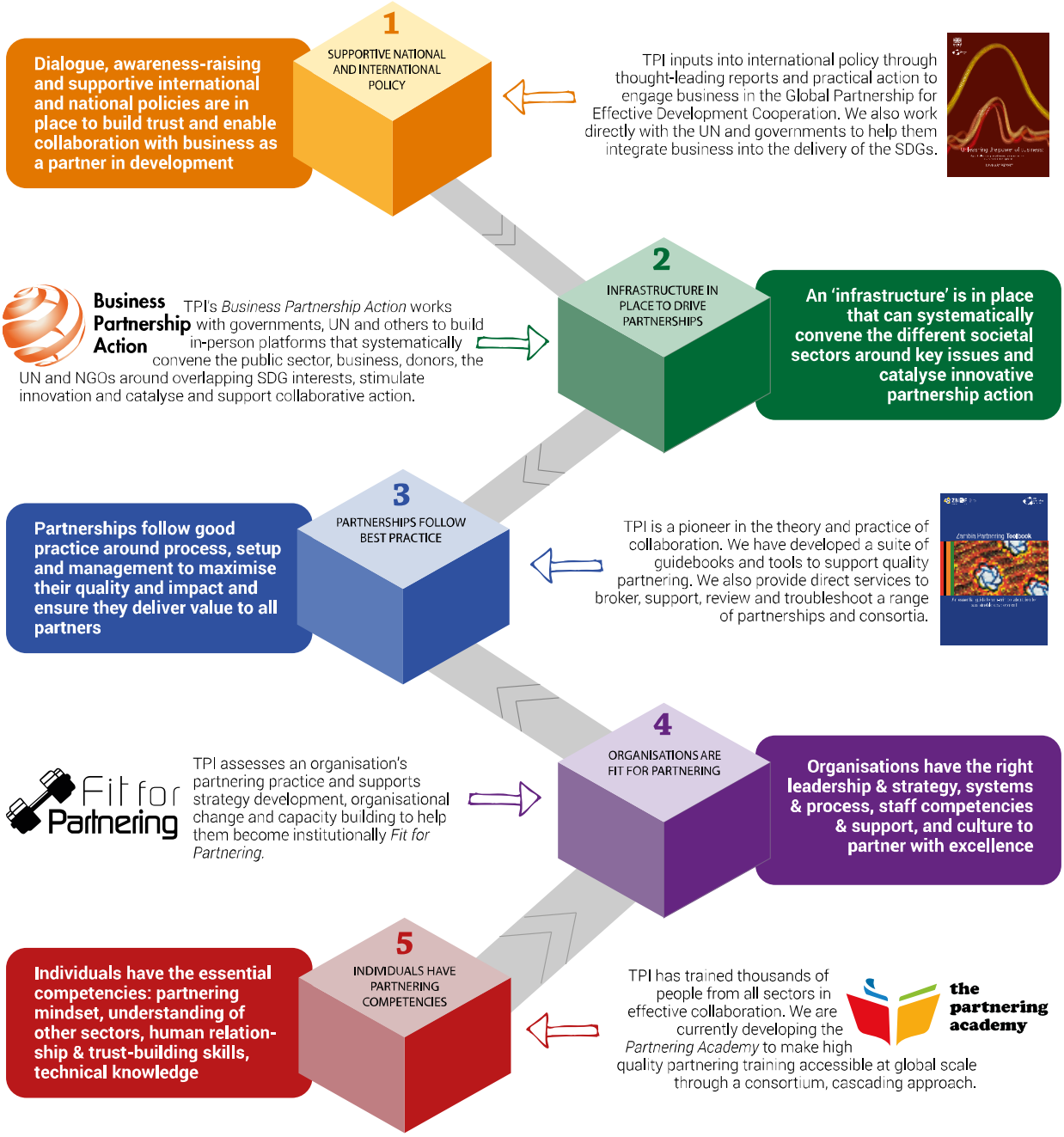
Note: Sustainable development is defined as "development which meets the needs of the present without compromising the ability of future generations to meet their own need"

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."

Summary of main activities

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



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.

Achievements and Performance

Raising awareness and promoting the use of cross sector partnerships globally

The Partnering Initiative engaged in extensive outreach activities, through hosting and participating in global events, conferences and webinars.

In March 2016, as part of Global Partnerships Week, convened by the US Department of State, Concordia, USAID, and PeaceTech Lab, TPI took part in a panel discussion on multi-stakeholder initiatives: 'More Than the Sum of Its Parts: Making Multi-Stakeholder Initiatives Work'.

In April 2016, TPI co-convened a cross-sector webinar entitled 'Partnerships for inclusive business results' with The Practitioner Hub for Inclusive Business, with experts from Yara International and Hystra. The aim of the webinar was to raise awareness around the importance of partnerships for effective inclusive business strategies, to discuss the inherent challenges, and explore the different types of partnerships needed to deliver business models, improve value chains, and build coalitions for change.

Over several months in 2016, TPI collaborated with the UNDP to run a global event series as part of the Business Call to Action Programme, scheduled following the 70th Session of the United Nations General Assembly and the adoption of the Sustainable Development Goals (SDGs). Organized in collaboration with Business Fights Poverty and local NGOs in each country, the event comprised a series of Inclusive Business roundtables in Vietnam, Bangladesh, Colombia, and Zambia. The roundtables brought together business, government and NGOs to raise awareness and encourage broader participation in inclusive business and partnerships for the SDGs.

In June 2016, along with World Vision, Business Fights Poverty, and Together 2030, TPI hosted a webinar convening a panel of four global leaders in the field, with perspectives from the UN, business, and NGOs, to discuss the critical question: 'How do we scale up collaboration for the SDGs?'



Panelists discussed the need for a fundamental shift in how we think about and undertake development, the need for much more systemic approaches, and the need to reassess the role that development actors play. Traditional, siloed, project-based, 'linear' development will not achieve Agenda 2030; what is needed is a much more collective response that can integrate action across the interconnected SDGs. The online event followed the launch, with World Vision, in May, of *Delivering on the Promise*, a joint new policy report (see section d below).

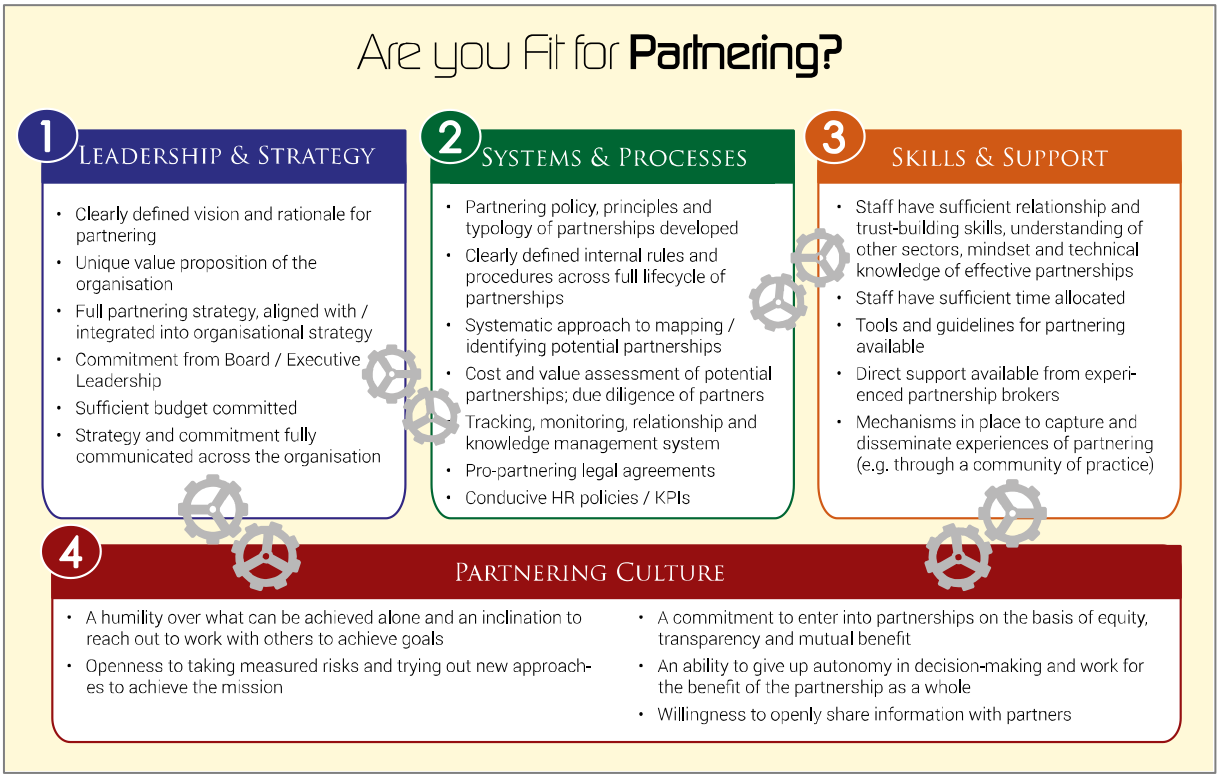
TPI staff and advisors moderated and spoke at a wide range of other events, including the NCD Alliance's annual conference, the World Heart Federation Annual Conference, the Zurich Alliance for flood resilience's annual member conference, as well as organizing the Toilet Board Coalition's annual general meeting in London.

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

Fit for Partnering

TPI further applied and deepened its thinking around its 'Fit for Partnering' concept: the *institutional* competency required to partner with excellence, focussing on four elements: Leadership and Strategy, Systems and Processes, People, and Culture.

TPI's framework for assessment and analysis, the Fit for Partnering Framework, was launched in survey form, as a light-touch service offered to help organisations assess their preparedness to partner and the actions they might need to take to move towards partnering with excellence, as well as producing a report and 'route-map', identifying successes and areas for development, and recommending future actions to address emerging priorities.



TPI worked with a number of multi-national NGOs, UN Agencies, companies and a government agency 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.

The National Trust, for example, is increasingly working in partnership to take a "whole landscape" approach to conservation and land-use in the UK, with the aim of restoring a beautiful, healthy natural environment. They invited TPI to help them assess their strengths in partnering as a first step towards achieving this.

As another example, in February 2016 TPI started to work with Colchester Borough Council, conducting an introductory workshop to raise awareness around the art and science of partnership working. This led to a programme of work that included conducting a Fit for Partnering survey, delivering additional training and a Leadership Workshop to review and revise their partnering roster. TPI also supported initial partnering strategy development.



In parallel to this, and as a direct result of the above work, TPI conducted a working group with the Cabinet of Colchester Borough Council to initiate a programme of work, under the title of 'Life Opportunities', adopting collaborative approaches designed to tackle multiple forms of deprivation in and across the borough at a systemic level, ranging from education, income, health and wellbeing, and the environment.

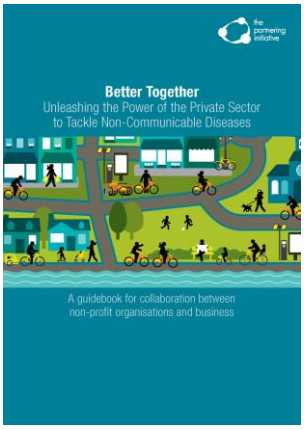
Open and tailored trainings

The Partnering Initiative continued the development of 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.

The open training was expanded to three days, and delivered in Oxford in October, January, and April. Tailored trainings were delivered to a range of organisations across sectors, such as the World Bank, Bonsucro, Morgan Sindall and Christian Aid.

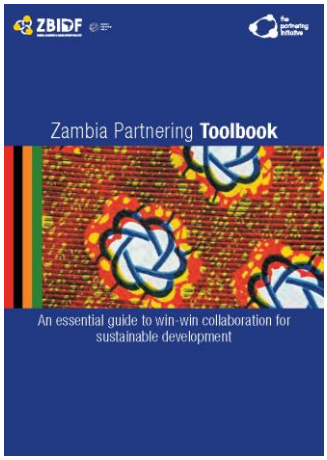
In addition to further developing its existing open training programme, The Partnering Initiative has done significant collaborative work to develop new trainings with other organisations. With World Vision, for example, The Partnering Initiative developed an advanced partnership negotiation training for experienced practitioners at a senior level. The course has been piloted in four countries in 2015, and further rolled out in 2016 with a cohort in Oxford in September 2016.

Global level capacity building



With BUPA and the UICC, TPI developed a guidebook designed particularly for non-profit organisations who wish to partner with companies against NCDs: *Better Together: Unleashing the Power of the Private Sector to Tackle Non-Communicable Diseases*. TPI also developed a training course to build competencies specifically for partnering against chronic disease. The blended learning course included an online component and an in-person full day workshop.

TPI has also been present at various events within the Non Communicable Disease (NCD) space, moderating workshops and raising awareness around the importance of cross sector partnering against NCDs.



In early 2015, in collaboration with the Zambia Business in Development Facility (ZBIDF), TPI created a new toolbook, the *Zambia Partnering Toolbook*. This new toolbook was specifically designed to support the uptake and delivery of partnerships that contribute to sustainable development in Zambia, as well as supporting the ongoing work of the Zambia Business in Development Facility.

In collaboration with the Practitioner Hub for Inclusive Business, TPI developed a set of tools specifically designed to support partnerships for inclusive business. This included the 'Know How page on Partnerships for Innovation, a web resource page for partnerships for inclusive business, a checklist for designing partnering agreements to support long-term sustainable impact for Inclusive Businesses, and our issue brief on building inclusive business ecosystems through collaboration. TPI also curated a blog series around partnerships for inclusive business.

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

TPI supported the Toilet Board Coalition (TBC), a global, business-led coalition of leading companies, investors, sanitation experts and non-profit organisations, in its transition towards becoming an independent non-profit organisation with headquarters in Geneva. The Toilet Board Coalition aims to accelerate innovative market-based solutions that deliver sanitation at scale, to those who need it most.

TPI completed a study for the newly transformed International Health Partnership for UHC 2030, the movement for progress towards universal health coverage. The research examined constituency models of working in global health partnerships to help inform the working practices of the new partnership Steering Committee. TPI interviewed 38 individuals representing global partnership secretariats and individual organisations from a range of sectors about their experiences.

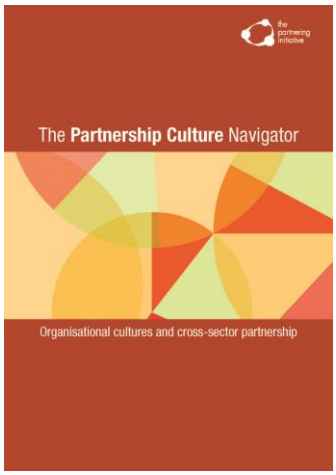


A blog summarized some of the key findings from the research to help inform practitioners.

TPI also conducted various partnering reviews, such as the Zurich Alliance for Flood Resilience, hosted by Zurich, and facilitated their two-day annual members' meeting.

TPI continues to provide direct support and advice to a range of cross-sector partnerships around the world such as the Cities Alliance, and various UN Partnerships.

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



Working in collaboration with the World Food Programme, TPI published a new tool book on partnership culture, *The Partnership Culture Navigator*, which is the second in TPI's Navigator series.

The toolbook has been designed as a practical guide to help users navigate the challenges of dealing with different organisational cultures when working in cross-sector partnerships. The Navigator outlines a number of key issues for consideration and proposes some achievable actions that can be taken both to make it easier to deal with different cultures and to make organisational culture more partnership-friendly.



As the implementation of Agenda 2030 for sustainable development began, World Vision and The Partnering Initiative co-authored a new policy report: *Delivering on the promise: In-country multi-stakeholder platforms to catalyse collaboration and partnerships for Agenda 2030*.

The paper looks at the current status of platforms for partnership at the national level and makes concrete proposals aiming to accelerate their progress and contribution to Agenda 2030. This work is based on semi-structured interviews with key informants across the stakeholder spectrum, including government, business, civil society and the United Nations.

The Partnering Initiative continued to collaborate with the Partnership Brokers Association, Partnership Resource Centre, Collective Leadership Institute and Partnerships in Practice, as part of the Promoting Effective Partnerships Facility (PEP) funded by the Dutch Ministry of Foreign Affairs. PEP, 'Promoting Effectiveness in Partnership' focuses on two core elements: knowledge development and dissemination on one hand, and providing access to support for partnerships on the other.

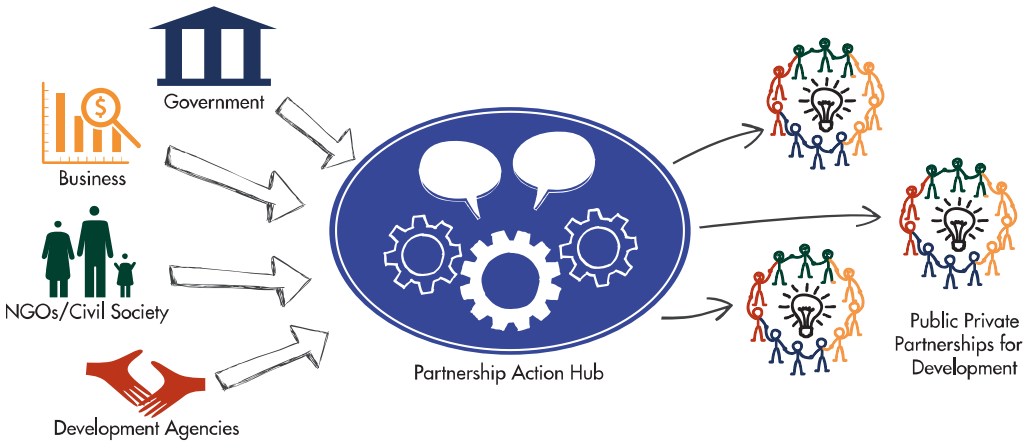
As part of its contribution to PEP, TPI undertook a piece of research to better understand the landscape for partnering on the SDGs, and to map out what the 'partnering support system' looks like in order to scale up the impact of collaborative efforts.

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

Business Partnership Action

TPI has continued to globally implement its Business Partnership Action (BPA) programme, launched in 2014 with support from Sida. Business Partnership Action (BPA) is a centre of excellence dedicated to developing the enabling infrastructure required to scale up public-private collaboration towards the SDGs.

BPA has initiated major country-level business partnership hubs or platforms in Zambia, Mozambique and Colombia, and supported platforms in East Asia and East Africa. The hubs systematically bring together government, business, donors, the UN and NGOs and catalyse partnerships which contribute to the Sustainable Development Goals. The Hubs are designed to build on existing programmes and networks. Key activities include raising awareness, directly supporting new partnerships, facilitating knowledge exchange, measuring impact, and building in-country capacity.



In Colombia, the Colombia Business in Development Facility, supported by Sweden and the Netherlands, and initially supported by TPI, is in its second year. The facility has also been chosen by the government of Colombia as a key mechanism for engaging the private sector on post-conflict treaty and reconciliation.

In Zambia, the **Zambia Business in Development Facility (ZBIDF)** is supported by The Partnering Initiative, Sida and the government of Zambia, and hosted by AMSCO. In 2015, the hub made considerable inroads in establishing a partnership conducive culture in Zambia.

- In November 2015, following several trainings on successful partnering skills, the facility convened a Shared Value Dinner Event with 250 key business leaders and ran a Shared Value Masterclass in Lusaka.
- In April 2016, the Facility supported the Business Call to Action (BCTA) in hosting a CEO Breakfast discussion on "the role of inclusive business in achieving the sustainable development goals" in Lusaka. The event was run in partnership with UNDP, The Zambia Chamber of Commerce and Industry (ZACCI), BOP Innovation Center of the Netherlands, and TPI.
- In June 2016, ZBiDF worked with ZACCI and the CSR Training Institute to hold a CSR week aiming to promote the development of multi-stakeholder CSR Partnerships as a means of contributing to the Sustainable Development Goals. This included company visits and a CSR Masterclass.
- In June, in addition to its existing partnerships, ZBiDF launched 3 major new partnerships as part of the Zambian government's Industrialisation and Job Creation Strategy project. The three new partnerships are: The Consortium of Fresh Fruits and Vegetable Producers Partnership, Cassava into Starch Products Partnership and the National Skills Development Partnership (NSDP). These aim to create new jobs and thereby increase household incomes for Small Holder Farmers and the poor.

In Mozambique, the LINK facility continues to support the development of inclusive business projects.

In addition to the three major hubs it helped to initiate, BPA contributed to the creation of new platforms for humanitarian private sector partnership. BPA has provided support to UNOCHA in developing a terms of reference for its Private Sector Alliance for Disaster Resilient Societies in the Philippines, and in developing plans for a Global Network for private sector engagement in emergency preparedness and response, with UNISDR and UNDP.

In East Africa, TPI supported the new **Humanitarian Private Sector Platform (HPPP)**, launched in March 2016 by UNOCHA, World Vision, other NGOs and key businesses in the region. The Partnering Initiative worked with platform stakeholders through the initial stages and the launch, to support the design and development of the platform model. The platform brings together the private sector, government, and international humanitarian agencies, to pool resources and expertise, and create sustainable partnerships that they hope will increase the effectiveness and reach of humanitarian responses in East Africa.

TPI supported the development and launch, in July 2016, of the **Asia Public-Private-Partnerships Incubation Hub** (Asia P3 Hub). The Hub is a cross-sector incubator, based in Singapore and hosted by World Vision International (WVI), that facilitates conversation and collaboration across multi-national companies, social enterprises, government, academia and non-profit organizations. Over several months, alongside the project launch, TPI and Crazy About Water led a Market Research and Scoping Study for the P3 Hub. The aim of the research was to set the strategic priorities in terms of geographic focus, technical water sectors, services offered and underlying operating model.

Based on the research, the hub identified geographic priorities for the initial three-year pilot period: India, Indonesia, Myanmar, Bangladesh, Cambodia, and the Philippines. The Asia P3 Hub began operations in September 2016 and already more than 400 organizations and individuals have been engaged in this process.

In addition to its work on platforms, TPI was the programme manager for **DFID's Business Network Programme** through which DFID is able to support projects and programmes that engage business in development.

Looking ahead: Plans for the coming year

In 2016-2017, The Partnering Initiative will consolidate and expand 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 training.

As part of its Global Impact Programme, Business Partnership Action, TPI will continue its support of existing collaboration hubs as well as aiming to launch new in-country platforms.

On capacity building, The Partnering Initiative will run its flagship **Building Effective Partnerships for Development**, both as an open course and as tailored training for organisations. The Oxford course will run 2 or 3 times per year, with the aim to expand and run courses in Washington DC, Barcelona in late 2016 and early 2017.

As part of its Global Impact Programmes, an important next phase is the development of The Partnering Academy, a major new initiative to build up the specialist skills and competencies that all sectors require to be able to collaborate effectively across sectors. The aim is to make training globally accessible and affordable through a blended learning, modular approach, mixing online training with in-country, in-person training courses.

The Academy will create a consortium of major users: INGOs, UN and bi-lateral agencies and business organisations who contribute to course development; put forward participants from their staff, partners and/or members. The Academy will build up a cadre of certified trainers and use a training-of-trainers cascading approach to scale up the delivery of training events. It will also create an alliance of training organisations and universities able to deliver courses and/or make their own courses available through the Academy at greater scale. One particular focus will be the creation of modules to build governments' capability to work more effectively with the private sector as partners in delivering the SDGs.

TPI will continue to deliver its advisory services and Fit for Partnering services to organisations, supporting organisations to develop their potential to partner with excellence, while also generating new approaches and knowledge.

TPI will continue to conduct cutting-edge research on collaboration, including as a partner in the PEP Initiative.

On the global policy side, in November 2017 TPI will be leading the design and delivery of a Business Forum, as well as the private sector plenary, at the Global Partnerships for Effective Development Cooperation High Level Meeting in Nairobi.

Structure, governance and management

Governance

The organization is registered as a UK Company Limited by Guarantee and its governing document is its Articles and Memorandum of Association. Trustees are both directors of the company and the members of the organization.

Appointment of Trustees

New trustees are appointed by consensus agreement of the Board of Trustees.

Organisational structure and management

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 Chief Executive 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 Chief Executive is reviewed annually. 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.

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 2016, free reserves held were £179,582, which the Trustees deem acceptable.

Financial review

Statement of Financial Activities (including Income and Expenditure Account) for the period ended 30th September 2016

	Notes	Total Funds 2016 £	Total Funds 2015 £
Income from:			
Donations and grants		-	3,764
Investments		-	117
Charitable activities	2	546,543	467,525
Total income		**546,543**	**471,406**
Expenditure on:			
Charitable activities	3	504,661	454,235
Total expenditure		**504,661**	**454,235**
Net movement in funds		41,882	17,171
Balances brought forward at 1st October 2015		137,700	120,529
Balances carried forward at 30th September 2016		179,582	137,700

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

Balance Sheet as at 30th September 2016

	Notes	2016 £	2015 £
Current assets			
Debtors	7	146,340	213,088
Cash at bank and in hand		106,169	41,834
		252,509	**254,922**
Creditors: amounts falling due within one year	8	(72,927)	(117,222)
Net current assets		179,582	137,700
Net assets		**179,582**	**137,700**
Funds:			
Unrestricted funds			
General funds		**179,582**	**137,700**

Statement of Cash Flows for the year ended 30th September 2016

	2016 £	2015 £
Reconciliation of net income to net cash flow from operating activities		
Net income for year	41,882	17,171
Interest receivable	-	117
Decrease in debtors	66,748	25,109
Decrease in creditors	(44,295)	(77,865)
Net cash flow from operating activities	**64,335**	**(35,702)**
Cash flow from investing activities		
Interest received	-	117
Net cash flow from investing activities	-	117
Net cash flow from financing activities	-	-
Net increase/(decrease) in cash and cash equivalents	64,335	(35,585)
Cash and cash equivalents at 1st October 2015	**41,834**	**77,419**
Cash and cash equivalents at 30th September 2016	**106,169**	**41,834**

Notes forming part of the financial statements for the period ended 30th September 2016

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, 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. The charity adopted SORP (FRS 102) in the current year and an explanation of how transition to SORP (FRS 102) has affected the reported financial position and performance is given in note 10.

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.

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.

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.

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.

Income from charitable activities

	2016 £	2015 £
Service contract fees	510,710	384,473
Training courses	35,833	83,052
	546,543	467,525

Charitable activities

	2016 £	2015 £
Consultancy	216,641	175,721
Wages and salaries	219,316	191,490
Travel and accommodation	33,837	44,169
Rent and rates	14,110	15,400
Website and IT costs	2,026	8,545
Venue hire	9,020	5,500
Translation and design services	-	3,544
Printing, postage and stationery	5,407	7,464
Foreign exchange (gains)/losses	8,973	(5,907)
Telephone	2,498	1,864
Bank charges	1,452	784
Professional fees	1,502	747
Insurance	1,208	1,169
Governance costs (per note 4)	2,500	2,415
General expenses	4,117	1,330
	504,661	454,235

Governance costs

		2016 £	2015 £
Auditor's remuneration	- audit	1,875	1,815
	- non-audit	600	500
		2,415	2,000

Trustees' remuneration

There was no Trustees' remuneration or expenses reimbursed to Trustees during the year (2015: nil) for their role as Trustees.

One of the Trustees, Dr S Reid, invoiced the charity £9,088 (2015: £25,608) during the 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 (2015: £3,263).

The total amount of employee benefits received by key management personnel is £85,245 (2015: £91,725). The organisation considers its key management personnel comprise the Board of Trustees and the Chief Executive.

Staff costs

	2016 £	2015 £
Wages and salaries	186,667	148,321
Social security costs	14,418	15,123
Pension costs	18,231	28,046
	219,316	191,490

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

	2016 Number	2015 Number
£70,000 - £80,000	1	1

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

	2016 Number	2015 Number
Charitable activities	3	3
Management and administration of the charity	1	1
	4	4

Debtors

	2016 £	2015 £
Grants and fees receivable	146,340	200,088
Prepayments and accrued income	-	13,000
	146,340	213,088

Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	62,537	90,994
Taxation and social security	-	2,446
Accruals and deferred income	10,390	23,782
	72,927	117,222

Funds received as agent / custodian trustees

During the year, the charity received £92,542 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.

First time adoption of SORP (FRS 102)

The charity has adopted the SORP (FRS 102) for the first time in year ended 30th September 2016.

There were no significant adjustments resulting from the transition to SORP (FRS 102) that impact upon the net surplus for the year ended 30th September 2015. Total funds reported in these accounts as at 1st October 2014 and 30th September 2015 are as reported previously under the old SORP.

Independent Auditors' Report to the Members of The Partnering Initiative

We have audited the financial statements of The Partnering Initiative for the period ended 30th September 2016 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement, 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.

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30th September 2016, and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to smaller entities); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- 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 trustees' remuneration specified by law are not made;
- we have not received all the information and explanations we require for our audit;
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Trustees' Annual Report and take advantage of the small companies' exemption from the requirement to prepare a strategic report.

Graham Cole BA FCA (Senior Statutory Auditor)

For and on behalf of Wenn Townsend Chartered Accountants, Statutory Auditor
30 St Giles, Oxford, OX1 3LE

22 June 2017

Declaration and Trustees' Responsibilities Statement

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 23rd June 2017

Signed on behalf of the charity's Trustees:



Dr Stuart Reid
Chair of the Board

24th June 2017