

Reg of Co's

INDEPENDENT SCHOOLS COUNCIL
(A Company Limited by Guarantee)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 1999



MacIntyre & Co
Chartered Accountants
Registered Auditors

Registered Company No: 1103760

INDEPENDENT SCHOOLS COUNCIL

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 1999

INDEX

Page

1	Officers and Advisers
2	Report of the Governing Council
3	Statement of Governing Council's Responsibilities
4	Report of the Auditors
5	Income and Expenditure Account
6	Balance Sheet
7 - 12	Notes to the Financial Statements
13 - 14	Detailed Income and Expenditure Account

GOVERNING COUNCIL

Mr I D S Beer (Chairman)
Lady Butterworth (Deputy Chairman until October 1999)
Dr R J Acheson (Resigned 21 June 1999)
Mrs D A Burgess *
Ms M Carter-Pegg (Appointed 1 September 1999)
Mr D Dinmore (Resigned 21 June 1999)
Mr J H Dunston (Resigned 6 December 1999)
Mr M Edwards (Appointed 1 September 1999)
Mr A C V Evans * (Resigned 6 December 1999)
Mr C C Evers (Resigned 21 June 1999)
Mr T D Farrell (Resigned 6 December 1999)
Mr J R Hawkins
Mrs A J Hillman (Resigned 21 June 1999)
Mrs J S Lang (Resigned 21 June 1999)
Mr S J W McArthur (Appointed 1 September 1999)
Mr G Marsh (Appointed 21 June 1999)
Sir Jeremy Morse (Resigned 21 June 1999)
Miss R Musgrave (Resigned 6 December 1999)
Mr W Organ (Appointed 1 September 1999)
Mr R M Reeve *
Miss M Rudland * (Resigned 21 June 1999)
Mr J P Sabben Clare
Mrs J S Sischy
Mr P F J Tobin (Resigned 6 December 1999)
MR R G Tovey (Appointed 21 June 1999)
Mr R Trafford * (Appointed 11 October 1999)
Mr D N S Vellacott
Mr J L Wade
Mrs L J Warrington
Mr D S Williamson

* These Council members are not directors of the company.

SECRETARY

Dr A B Cooke OBE

REGISTERED OFFICE

Grosvenor Gardens House
35-37 Grosvenor Gardens
London
SW1W 0BS

REGISTERED NUMBER

1103760

AUDITORS

MacIntyre & Co
Chartered Accountants
28 Ely Place
London
EC1N 6RL

REPORT OF THE GOVERNING COUNCIL

The Governing Council presents its report and audited financial statements for the year ended 31 December 1999.

PRINCIPAL ACTIVITY

The principal activity of the company throughout the year was that of the advancement, promotion and support of ISC schools in the UK in conjunction with the ISC's member associations.

RESULTS

The income and expenditure on Page 5 shows a deficit for the year of £(55,005) (1998: £133,218). The main reason for the deficit was the cost of amalgamating the National ISIS and ISC offices to create a single united national office for the ISC and its member associations. This one off loss was incurred with the full approval of the Governing Council of ISC and its member associations.

On 1 July 1999 the company merged with ISIS London and South East, afterwards referred to as ISIS L & SE.

FIXED ASSETS

Changes in fixed assets during the year are set out in note 8 to the financial statements.

GOVERNING COUNCIL

The members of the Governing Council as at 31 December 1999 are listed on Page 1 of these financial statements.

Signed on Behalf of the Governing Council:



Dr A B Cooke OBE
Secretary

Approved by the Governing Council on 15 May 2000

STATEMENT OF GOVERNING COUNCIL'S RESPONSIBILITIES

Company law requires the Governing Council to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements, the Governing Council is required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Governing Council is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT SCHOOLS COUNCIL

We have audited the financial statements on pages 5 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

RESPECTIVE RESPONSIBILITIES OF GOVERNING COUNCIL AND AUDITORS

As described on page 3 the Governing Council is responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Governing Council in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 1999 and of its deficit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



MacIntyre & Co
Chartered Accountants
Registered Auditors

28 Ely Place
London
EC1N 6RL

15 May 2000

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 1999

	Notes	£	1999 £	£	1998 £
TURNOVER	2				
- Continuing		1,501,026		1,365,775	
- ISIS L & SE		146,591		-	
			1,647,617		1,365,775
Staff costs	4	546,914		510,044	
Depreciation of fixed assets		55,332		30,872	
Other operating charges		1,151,831		729,297	
			(1,754,077)		(1,270,213)
OPERATING (DEFICIT)/SURPLUS	3				
- Continuing		(125,963)		95,562	
- ISIS L & SE		19,503		-	
			(106,460)		95,562
Interest receivable	5		29,546		36,402
Interest payable	6		(737)		(737)
Realised gain on investments			6,820		-
Unrealised gain/(loss) on investments			22,032		9,093
(DEFICIT)/SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION			(48,799)		140,320
Taxation	7		(6,206)		(7,102)
(DEFICIT)/SURPLUS FOR THE FINANCIAL YEAR			£(55,005)		£133,218
Transfer to reserves comprising of:					
Accumulated Fund					
Ordinary (deficit)/surplus for the year			(99,863)		86,946
FIS Reserves					
Ordinary surplus for the year			18,210		46,272
ISIS L & SE Reserves			26,648		-
	12		£(55,005)		£133,218

There are no recognised gains or losses other than the surplus/(deficit) for the year. The historical cost results for 1999 are £(77,037) (1998: £124,125).

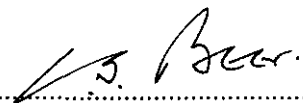
The notes on pages 7 to 12 form part of these financial statements.

BALANCE SHEET

AS AT 31 DECEMBER 1999

	Notes	£	1999 £	£	1998 £
FIXED ASSETS					
Tangible Assets	8		89,615		63,705
Investments	9		355,393		160,732
			<hr/>		<hr/>
			445,008		224,437
CURRENT ASSETS					
Stock of vouchers and stationery		8,225		8,880	
Trade and other debtors		165,624		132,428	
Prepayments and accrued income		53,020		36,713	
Cash at bank and in hand		662,035		506,542	
		<hr/>		<hr/>	
		888,904		684,563	
CREDITORS: Amounts falling due within one year					
Corporation tax		7,758		6,473	
Hire purchase obligations		1,245		3,508	
Income for 2000 received in advance	10	438,320		184,733	
Other creditors and accruals	11	151,081		83,203	
		<hr/>		<hr/>	
		598,404		277,917	
NET CURRENT ASSETS					
			290,500		406,646
TOTAL ASSETS LESS CURRENT LIABILITIES					
			<hr/>		<hr/>
			735,508		631,083
CREDITORS: Amounts falling due after one year					
Hire purchase obligations			-		(1,983)
			<hr/>		<hr/>
			£735,508		£629,100
REPRESENTED BY:					
Accumulated Fund	12		322,415		422,278
FIS Reserves	12		225,032		206,822
ISIS L & SE	12		188,061		-
			<hr/>		<hr/>
			£735,508		£629,100

Signed on Behalf of the Governing Council



 Mr I D S Beer - Chairman

Approved by the Governing Council on 15 May 2000

The notes on pages 7 to 12 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 1999

1. ACCOUNTING POLICIES

a) Basis of Accounting

These financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention.

b) Turnover

Turnover is the amount derived from the provision of goods and services falling within the company's ordinary activities after deduction of Value Added Tax.

c) Tangible Fixed Assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Leasehold Fittings	- The period of the lease
Computers and Association Equipment	- 33.3% on cost
Other Office Equipment	- 15% on cost
Motor Vehicles	- 20% on cost

d) Fixed Asset Investments

These are included within the balance sheet at market values.

e) Stocks

Stocks are valued at the lower of cost and net realisable value, after making allowance for obsolete and slow moving items.

f) Foreign Currencies

Assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Exchange differences are taken into account in arriving at the operating surplus.

g) Leased Assets

Assets held under finance leases and hire purchase contractors are capitalised at the estimated fair value at date of inception of each lease or contract. The assets are depreciated over their expected useful lives. The finance charges are allocated over the primary period of the lease in proportion to the capital element outstanding.

h) Pensions

The company operates defined contribution, externally funded pension schemes covering certain of its employees. Contributions are normally charged against surpluses as the contributions are made.

i) Cash Flow Statement

The company has taken advantage of the exemption provided by Financial Reporting Standard No. 1 and has not prepared a Cash Flow Statement for the year.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 1999

2. TURNOVER

The turnover and surplus before taxation is attributable to the principal activity of the company.

3. OPERATING SURPLUS	1999 £	1998 £
Operating surplus is stated after charging:		
Depreciation	55,332	30,872
Auditors' remuneration - Audit	10,275	8,000
- Other	3,490	-
Operating leases, land and buildings	75,000	64,000
Operating leases, equipment	31,605	37,125
Surplus on sale of fixed asset	-	17
	<hr/>	<hr/>

4. STAFF COSTS	1999 No.	1998 No.
The average number employed by the company within each category of persons was:		
Office and Management - ISC	17	19
- ISIS L & SE	6	-
	<hr/>	<hr/>

The costs incurred in respect of these employees were:	1999 £	1998 £
Wages and salaries	451,446	401,186
Social Security costs	44,205	38,945
Pension costs	51,263	42,830
Severance pay	-	27,083
	<hr/>	<hr/>
	£546,914	£510,044
	<hr/>	<hr/>

No member of the Governing Council received any remuneration in respect of services provided to the company.

5. INTEREST RECEIVABLE	1999 £	1998 £
Bank deposit interest	27,644	34,914
Investment income	1,902	1,488
	<hr/>	<hr/>
	£ 29,546	£ 36,402
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 1999

6.	INTEREST PAYABLE	1999 £	1998 £		
	Hire purchase interest	£ 737	£ 737		
		<hr/>	<hr/>		
7.	TAXATION	1999 £	1998 £		
	Taxation is based on the interest received for the year and comprises:				
	UK Corporation tax at 21%	6,206	7,644		
	Over-provision of tax in the previous year	-	(542)		
		<hr/>	<hr/>		
		£ 6,206	£ 7,102		
		<hr/>	<hr/>		
8.	TANGIBLE FIXED ASSETS				
		Motor Vehicle £	Leasehold Fittings £	Office Furniture & Equipment £	Total £
	COST				
	At 1 January 1999	20,525	11,114	159,673	191,312
	Additions	-	35,753	31,741	67,494
	Disposals	-	-	-	-
	Acquisitions on merger	-	-	38,405	38,405
		<hr/>	<hr/>	<hr/>	<hr/>
	At 31 December 1999	20,525	46,867	229,819	297,211
	DEPRECIATION				
	At 1 January 1999	6,158	7,125	114,324	127,607
	Charge for the year	4,105	9,572	41,655	55,332
	Disposals	-	-	-	-
	On merger	-	-	24,657	24,657
		<hr/>	<hr/>	<hr/>	<hr/>
	At 31 December 1999	10,263	16,697	180,636	207,596
	NET BOOK VALUE				
	At 31 December 1999	£ 10,262	£ 30,170	£ 49,183	£ 89,615
		<hr/>	<hr/>	<hr/>	<hr/>
	At 31 December 1998	£ 14,367	£ 3,989	£ 45,349	£ 63,705

The net book value of fixed assets acquired under a hire purchase contract is £10,262 (1998 - £14,367).

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 1999

9. FIXED ASSET INVESTMENTS	1999 £	1998 £
Market value at 1 January 1999	160,732	151,639
Purchases in year	200,000	-
Acquisitions on merger	73,046	-
Disposals in year	(100,417)	-
Net unrealised investment gains	22,032	9,093
	<hr/>	<hr/>
Market value at 31 December 1999	£355,393	£160,732
	<hr/>	<hr/>
10. INCOME FOR 2000 RECEIVED IN ADVANCE	1999 £	1998 £
ISC		
GBA subscriptions	136,121	78,744
GBGSA subscriptions	59,495	32,109
Exhibition income	5,450	71,067
Teacher induction contribution	45,900	-
Other	-	2,813
	<hr/>	<hr/>
	246,966	184,733
ISIS L & SE		
Subscriptions	158,439	-
Exhibition income	32,915	-
	<hr/>	<hr/>
	£438,320	£184,733
	<hr/>	<hr/>
11. OTHER CREDITORS AND ACCRUALS	1999 £	1998 £
Trade creditors	36,693	28,934
Social security and other taxes	14,718	18,125
Other creditors	4,108	4,511
Accruals and deferred income	95,562	31,633
	<hr/>	<hr/>
	£151,081	£ 83,203
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 1999

12. RESERVES	Accumulated Fund £	FIS Reserves £	ISIS L & SE £	Total £
Balance at 1 January 1999	422,278	206,822	-	629,100
Acquisitions on merger	-	-	161,413	161,413
	<hr/>	<hr/>	<hr/>	<hr/>
Transfer	422,278 (99,863)	206,822 18,210	161,413 26,648	790,513 (55,005)
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 December 1999	£322,415	£225,032	£188,061	£735,508
	<hr/>	<hr/>	<hr/>	<hr/>

13. FINANCIAL COMMITMENTS

At 31 December 1999 the company had annual commitments under operating leases as set out below:-

	1999		1998	
Operating leases that expire:	Land and Buildings £	Other £	Land and Buildings £	Other £
Within one year	17,850	281	-	-
In the second to fifth years	67,000	58,686	-	37,125
Over five years	-	-	64,000	-
	<hr/>	<hr/>	<hr/>	<hr/>
	£ 84,850	£ 58,967	£ 64,000	£ 37,125
	<hr/>	<hr/>	<hr/>	<hr/>

14 CAPITAL COMMITMENTS

Commitments for future capital expenditure not provided for in these accounts were as follows:

	1999	1998
Authorised and contracted for	£ Nil	£ 50,000
	<hr/>	<hr/>
Authorised but not contracted for	£ Nil	£ 50,000
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 1999

15 RELATED PARTY TRANSACTIONS

The company is the national body set up by eight independent schools' associations and their member schools to speak for them collectively. The directors of the company excluding Mrs J S Sischy and Mr D N S Vellacott represent the eight independent schools' associations.

The eight associations are:

Girls' Schools Association (GSA)
Governing Bodies Association (GBA)
Governing Bodies of Girls' Schools Association (GBGSA)
Headmasters' and Headmistresses' Conference (HMC)
Incorporated Association of Preparatory Schools (IAPS)
Independent Schools Association (ISA)
Independent Schools Bursars' Association (ISBA)
Society of Headmasters and Headmistresses of Independent Schools (SHMIS)

Transactions with these associations include:

GBA

Received contributions amounting to £258,127 (1998: £279,360)

GBGSA

Received contributions amounting to £166,383 (1998: £172,718)

IAPS

Received contributions amounting to £104,712 (1998: £100,680)

ISA

Received contributions amounting to £59,384 (1998: £57,096)