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INDEPENDENT SCHOOLS COUNCIL
A company limited by guarantee - Company Number 1103760

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

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INDEPENDENT SCHOOLS COUNCIL
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

CONTENTS	Page
Company information	1 - 2
Directors' Report	3 - 5
Independent auditors' report	6
Income and expenditure account	7
Statement of total recognised gains and losses	7
Balance sheet	8
Cash flow statement	9
Notes to the financial statements	10 - 16

INDEPENDENT SCHOOLS COUNCIL

COMPANY INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2008

Governing Council
(to 7 November 2008)
(See note on "Change in Governance" on page 4)

Dame Judith Mayhew Jonas	(Chairman, appointed 1 January 2008)
Mr Danny Cooper	ISBA (resigned 9 May 2008)
Professor Michael Edwards	AGBIS (resigned 25 February 2008)
Mrs Carol Evans	GSA (resigned 31 August 2008)
Mr Michael Hewett	ISA (resigned 31 August 2008)
Mr George Marsh	IAPS
Mr Nicholas Marten	ISBA
Mr Joseph Peake	SHMIS (resigned 7 November 2008)
Mr Michael Spinney	IAPS (resigned 31 August 2008)
Mr Barry Martin	HMC (appointed 17 February 2008, resigned 13 July 2008)
Mr Sam Alder	AGBIS
Mr Bernard Trafford	HMC (resigned 31 August 2008)
Mrs Deborah Odysseas-Bailey	ISA (appointed 1 January 2008, resigned 7 November 2008)
Mrs Anne Tuck	GSA (appointed 1 January 2008)
Mr Ian Power	SHMIS (appointed 1 January 2008, resigned 7 November 2008)
Mr Richard Green	AGBIS (appointed 25 February 2008, resigned 7 November 2008)
Mr Roger Fry	COBIS (appointed 6 June 2008)
Mr Andrew Grant	HMC (appointed 17 October 2008)
Mr David Vanstone	ISA (appointed 1 September 2008)
Mr Nicholas Dorey	SHMIS (appointed 1 November 2008)
Mr Paul Maynard	ISBA (appointed 8 May 2008, resigned 7 November 2008)
Mr Trevor Rowell	COBIS (appointed 6 June 2008, resigned 7 November 2008)
Mrs Diana Watkins	IAPS (appointed 9 September 2008, resigned 7 November 2008)
Rev Tim Hastie-Smith	HMC (appointed 1 September 2008, resigned 10 October 2008)

Board of Directors
(from 7 November 2008)
(See note on "Change in Governance" on page 4)

Dame Judith Mayhew Jonas	(Chairman) Independent
Mr George Marsh	IAPS
Mr Nicholas Marten	ISBA
Mr Sam Alder	AGBIS
Mr Roger Fry	COBIS
Mr David Vanstone	ISA
Mrs Anne Tuck	GSA
Mr Nicholas Dorey	SHMIS
Mr Andrew Grant	HMC
Mr Michael Fowle	Independent (appointed 26 February 2009)

Company Secretary

Mr Jonathan Shephard

(resigned 19 March 2008)

Chief Executive

Mr Matthew Burgess

(appointed 19 March 2008)

Mr Jonathan Shephard

(resigned 19 March 2008)

Mr Chris Parry

(appointed 28 April 2008, resigned 12 June 2008)

Mr David Lyscom

(appointed 8 September 2008)

Deputy Chief Executive

Mr Matthew Burgess

(appointed 8 September 2008)

INDEPENDENT SCHOOLS COUNCIL

COMPANY INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2008

Advisory Council Members

(from 7 November 2008)

(See note on "Change in Governance" on page 4)

Mr Richard Green
Mr Shane Rutter-Jerome
Mr Trevor Rowell
Mrs Fiona Rogers
Mrs Jill Berry
Mrs Sheila Cooper
Mr Geoff Lucas
Mr Ian Power
Mrs Diana Watkins
Mr David Hanson
Mr John Gibson
Mrs Jane Le Poidevin
Mr Paul Maynard
Mr Jonathan Cook
Mr Toby Mullins
Mr David Richardson
Mrs Hilary Moriarty
Mrs Judith Sischy

The members of the Advisory Council act in an advisory capacity to the Board on the strategic direction of the Independent Schools Council.

Registered Office

St Vincent House
30 Orange Street
London WC2H 7HH

Auditors

haysmacintyre
Fairfax House
15 Fulwood Place
London
WC1V 6AY

Stockbrokers

Vartan & Son
The Singing Men's Chambers
19 Minster Precincts
Peterborough
PE1 1XX

INDEPENDENT SCHOOLS COUNCIL

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 DECEMBER 2008

The Directors present their report and audited financial statements for the year ended 31 December 2008.

PRINCIPAL ACTIVITY

The principal activity of the company throughout the year was that of the advancement, representation and support of ISC schools in the UK in conjunction with ISC's constituent associations as shown on page 4. ISC provides common services for its member Associations and their schools and represents their collective interests to Ministers, civil servants, government departments and other public bodies.

Independent Schools Inspectorate (ISI) carries out inspections for schools affiliated with ISC. In 2007, ISI functioned as an operationally distinct division of ISC but was not a separate legal entity in its own right. Therefore the 2007 comparative company figures will include ISI's results. From the 1 January 2008 the ISI became a subsidiary of the ISC and the results have no longer been included in the company accounts but instead are included only within the group accounts. ISI owed £2,678 to ISC at 31 December 2008.

The ISC Teacher Induction Panel (ISCTip) is designated by the Secretary of State for Education and Skills as the Appropriate Body for the induction of newly qualified teachers in schools in England and Wales which are in membership of one of the five Heads' Associations within ISC.

In 2005 ISC set up a wholly owned subsidiary company, ISC Educational Services Limited, (the single shareholder being Independent Schools Council) from which to operate research consultancy and development projects in future years. This company commenced operations in 2006 and its operating results are consolidated in the 2008 accounts of ISC. The ISC is funding this trading company and at the year end 31 December 2008 the subsidiary owed £422,616 (2007: £306,239) to the ISC.

INDEPENDENT SCHOOLS COUNCIL

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 DECEMBER 2008

CHANGE IN GOVERNANCE

Prior to 7 November 2008, eight associations had the right to nominate two persons for election to membership of ISC. The eight associations were the Association of Governing Bodies of Independent Schools, the Girls' Schools Association, the Headmasters' and Headmistresses' Conference, Independent Association of Prep Schools, the Independent Schools Association, the Independent Schools' Bursars Association, the Society of Headmasters and Headmistresses of Independent Schools and the Council of British International Schools. In addition, membership of ISC was open to the Chairman and the Deputy Chairman (position vacant) of ISC. The management of ISC was conducted by the Governing Board and the Finance and General Purposes Committee. The Governing Board was the board of directors of ISC with the control of company, its property and funds. The Finance and General Purposes Committee was mandated to discharge such functions delegated to it by the Governing Board and in particular had responsibility for supervising and reporting to the Governing Board on the financial management of the Company. The Chairman and the Deputy Chairman (position vacant) had the right to sit on the Governing Board and the Finance and General Purposes Committee. Of the two association-nominated members, one nominee sat on the Governing Board for one year and the other sat on both the Governing Board and the Finance and General Purposes Committee, in each case for three years.

On 7 November 2008 changes were implemented to the ownership and management of ISC by the adoption of new Articles of Association. Under the Articles, the members of ISC are the eight associations. Members have all the usual incidents of membership of a company limited by guarantee, with the liability of each member to contribute to the assets of the company in the event of its being wound up limited to £1. In addition, two organisations applied for and were granted affiliate membership status: the Scottish Council of Independent Schools and the Boarding Schools Association. Each affiliate member has the right to attend and speak (but not vote) at general meetings of ISC and the right to appoint one member of the Advisory Council (see below). The Governing Board was renamed the Board, with membership open to the Chairman, the Vice Chairman, one person nominated for appointment by each member and up to three additional directors. Appointments to the board are made by a decision of the company or the board. A new body called the Advisory Council was created, with a remit to oversee the strategic direction of ISC. The Advisory Council is specifically empowered to receive the Chairman's six monthly report, review and advise on the Company's long term strategic plan, review and advise on objectives included in the Company's annual business plan and review and advise on the Company's financial position. Membership of the Advisory Council is open to two appointees of each member, one appointee of each affiliate member, the Chairman and the Vice Chairman.

The following formal committees of the Board have been constituted: the Finance Committee, the Education Committee, the Audit Committee and the Remuneration Committee.

RESULTS

The results for the year are as follows:

	2008 £	2007 £
Independent Schools Council general activities	(276,986)	11,754
ISC Teacher Induction Panel activities	(523)	(7,148)
Independent Schools Inspectorate activities	-	186,240
Total activities of ISC	(277,509)	190,846
ISC Educational Services Limited activities	(134,147)	(165,492)
Independent Schools Inspectorate activities	55,624	-
	<u>(£356,032)</u>	<u>£25,354</u>

BOARD OF DIRECTORS

The members of the Board of Directors are listed on page 1 of these financial statements.

INDEPENDENT SCHOOLS COUNCIL

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 DECEMBER 2008

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial period 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 Board 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 Federation will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time, the financial position of the Company and to enable it to ensure that the financial statements comply with the Companies Act 1985. It is 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.

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

- there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

A resolution appointing haysmacintyre will be proposed at the AGM in accordance with S385(2) of the Companies Act 1985.

Signed on behalf of the Board of Directors on 8th May 2009



Dame Judith Mayhew Jonas
Chairman

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

INDEPENDENT SCHOOLS COUNCIL

We have audited the group and parent company financial statements of Independent Schools Council for the year ended 31 December 2008 which comprise the Consolidated Income and Expenditure Account, the Group and Company Balance Sheet, the Group Cash Flow Statement, the Group Statement of Total Recognised Gains and Losses and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985 and whether the information given in the Directors' Report is consistent with the financial statements. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and other transactions is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 directors 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the group's and the parent company's affairs as at 31 December 2008 and of the group's results for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.

haysmacintyre
Registered Auditors

8 May 2009

Fairfax House
15 Fulwood Place
London
WC1V 6AY

INDEPENDENT SCHOOLS COUNCIL
CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2008

	Notes	2008 £	2007 £
TURNOVER	2	5,022,224	4,420,977
Staff costs	4	1,979,011	1,332,214
Depreciation of fixed assets	7	72,439	59,242
Loss on disposal of fixed assets		-	157
Other operating charges		3,231,232	3,132,852
		<u>5,282,682</u>	<u>4,524,465</u>
(DEFICIT) / SURPLUS ON ORDINARY ACTIVITIES BEFORE INTEREST	3	(260,458)	(103,488)
Investment income			
Investment income	5	42,171	62,663
Surplus on disposal of investment	8	8,403	79,686
Unrealised losses on investments	8	(141,828)	-
Other net gains (losses) on investments	8	-	(38)
		<u>(91,254)</u>	<u>142,311</u>
(DEFICIT) / SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION		(351,712)	38,823
Taxation	6	(4,320)	(13,469)
(DEFICIT) / SURPLUS FOR THE YEAR		<u>(£356,032)</u>	<u>£25,354</u>
Arising from:			
ISC general activities		(276,986)	11,754
ISC Teacher Induction Panel activities		(523)	(7,148)
Independent Schools Inspectorate activities		-	186,240
Total activities of Independent Schools Council		<u>(277,509)</u>	<u>190,846</u>
Activities of Independent Schools Inspectorate		55,624	-
Activities of ISC Educational Services Limited		(134,147)	(165,492)
		<u>(£356,032)</u>	<u>£25,354</u>

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 DECEMBER 2008

		2008 £	2007 £
Net (deficit) / surplus transferred to accumulated funds	11	(356,032)	25,354
Other investments:			
Unrealised gains/(losses) taken to revaluation reserve	11	(75,885)	(21,724)
Transfer from revaluation reserve to general reserve	11	-	(81,823)
Total gains and losses recognised in the year		<u>(£431,917)</u>	<u>(£78,193)</u>

The notes on pages 10 to 16 form part of these financial statements.

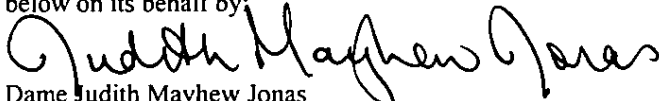
INDEPENDENT SCHOOLS COUNCIL

BALANCE SHEET

AT 31 DECEMBER 2008

		Company and subsidiaries		Company	
	Notes	2008 £	2007 £	2008 £	2007 £
FIXED ASSETS					
Tangible fixed assets	7	295,363	328,284	225,677	327,095
Investments					
Shares in group undertaking	13			1	1
Other investments	8	487,265	644,814	487,265	644,814
		487,265	644,814	487,266	644,815
TOTAL FIXED ASSETS		782,628	973,098	712,943	971,910
CURRENT ASSETS					
Trade debtors		371,091	445,726	1,145	395,490
Other debtors	9	20,210	25,569	6,094	25,569
Prepayments		204,912	136,785	62,565	92,963
Amount due from subsidiary undertaking		-	-	425,294	306,239
Cash at bank and in hand		581,661	916,789	150,129	806,513
		1,177,874	1,524,869	645,227	1,626,774
CREDITORS: amounts due within one year					
Trade creditors		201,540	145,245	66,812	114,135
Corporation tax		4,320	18,705	2,708	18,705
Other taxation and social security costs		56,900	45,329	40,964	45,329
Other creditors		20,265	35,337	7,569	18,202
Accruals and deferred income	10	753,890	897,847	271,140	790,036
		1,036,915	1,142,463	389,193	986,407
NET CURRENT ASSETS		140,959	382,406	256,034	640,367
NET ASSETS		923,587	1,355,504	968,977	1,612,277
Represented by:					
Accumulated funds:					
Independent Schools Council general reserve	11	793,924	1,070,910	793,924	1,070,910
ISC Teacher Induction Panel reserve	11	175,053	175,576	175,053	175,576
Independent Schools Inspectorate reserve	11	345,530	289,906	-	289,906
ISC Educational Services Ltd deficit	11	(390,920)	(256,773)	-	-
Total accumulated funds		923,587	1,279,619	968,977	1,536,392
Revaluation reserve	11	-	75,885	-	75,885
TOTAL RESERVES		923,587	1,355,504	968,977	1,612,277

The financial statements were approved and authorised for issue by the Directors on 8th May 2009 and were signed below on its behalf by:


 Dame Judith Mayhew Jonas
 Chairman

The notes on pages 10 to 16 form part of these financial statements.

INDEPENDENT SCHOOLS COUNCIL

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2008

	2008	2007
	£	£
Net cash inflow from operating activities	(256,422)	19,335
Returns on investments and servicing of finance		
Investment income	42,171	62,663
Net cash inflow on investments and servicing of Finance	42,171	62,663
Taxation paid	(18,706)	(138)
Capital expenditure and financial investment		
Purchase of fixed assets	(50,409)	(168,118)
Proceeds on disposal of fixed assets	-	251
Acquisition of long-term investments	(144,840)	(200,662)
Realisation of long-term investments	93,078	292,598
Net cash outflow for capital expenditure and financial investment	(102,171)	(75,931)
Net increase in cash in the year	(335,128)	5,929
Cash at bank at 1 January 2008	916,789	910,860
Cash at bank at 31 December 2008	£581,661	£916,789

RECONCILIATION OF OPERATING (DEFICIT) TO CASH FLOW FROM OPERATING ACTIVITIES

	2008	2007
	£	£
Operating (deficit) /surplus	(260,458)	(103,488)
Depreciation	72,439	59,242
Loss on disposal of fixed assets	-	157
Assets given to staff as part of redundancy package & written off	10,893	-
(Increase) / decrease in debtors	11,867	(142,754)
Increase / (decrease) in creditors	(91,163)	206,178
Cash inflow from operating activities	(£256,422)	£19,335

INDEPENDENT SCHOOLS COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2008

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and are in accordance with the applicable accounting standards, as modified by the revaluation of investments to market value.

The ISC has beneficial ownership of 100% of the share capital of ISC Educational Services Limited. On 1 January 2008, the Independent Schools Inspectorate (ISI) demerged from ISC and became a wholly-owned subsidiary. The group accounts consolidate the results of these two subsidiaries.

Turnover and income recognition

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. In particular:

- i. Teacher induction fees are allocated to accounting periods in line with the school terms to which they relate. Teacher induction fees relating to school terms commencing after the balance sheet date are treated as deferred income and included in current liabilities.
- ii. Subscription revenue is allocated to the accounting period to which it relates. Subscription revenue relating to the period after the balance sheet date is treated as deferred income and included in current liabilities.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. 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
Office furniture and equipment	- 15% on cost
Computer equipment	- 33.3% on cost
Trailer	- 15% on cost

Fixed asset investments

Investments held for the purpose of generating long-term investment income are treated as fixed assets in the balance sheet and are valued at market value. Net gains on revaluation are taken to the revaluation reserve and shown in the statement of total recognised gains and losses. The profit or loss on disposal of an investment is measured by reference to its revalued amount, and any net gain previously credited to the revaluation reserve is transferred to the accumulated fund.

Comparative figures have been restated to reflect the movements on revaluation reserve.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the income and expenditure account as incurred.

Pensions

The Company operates a defined contribution scheme covering all of its employees. The employer's contributions are charged to the income and expenditure account in the year in which they arise. No further liabilities accrue to the Company under this scheme.

INDEPENDENT SCHOOLS COUNCIL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2008

2. ANALYSIS OF TURNOVER – group	2008 £	2007 £
Independent Schools Council	1,515,220	1,056,998
ISC Teacher Induction Panel	373,900	341,780
Independent Schools Inspectorate	2,520,311	2,571,683
Sales from conferences and research (ISC Educational Services Limited)	612,793	450,516
	<u>£5,022,224</u>	<u>£4,420,977</u>
3. OPERATING (DEFICIT)/ SURPLUS – group	2008 £	2007 £
Operating (deficit)/surplus is stated after charging:		
Depreciation	72,439	59,242
Auditors' remuneration		
Audit	14,085	12,045
Other	-	2,145
Operating leases, land and buildings	150,414	150,429
Operating leases, equipment	2,232	1,744
	<u></u>	<u></u>
4. STAFF COSTS	2008 £	2007 £
Wages and salaries	1,692,876	1,145,245
Social security costs	186,241	124,220
Pension costs	99,894	62,749
	<u>£1,979,011</u>	<u>£1,332,214</u>

The only member of the Board to receive any remuneration in respect of services provided to the company was the Chairman, who received £27,512 (2007: £4,359).

The number of employees during the year was:

	Number	Number
Independent Schools Council	25	15
ISC Teacher Induction Panel	3	2
Independent Schools Inspectorate	13	11
ISC Educational Services Limited	4	5
	<u>45</u>	<u>33</u>

INDEPENDENT SCHOOLS COUNCIL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2008

5. INVESTMENT INCOME	2008	2007
	£	£
Bank deposit interest	20,538	36,215
Investment income	21,633	26,448
	<u>£42,171</u>	<u>£62,663</u>
6. TAXATION	2008	2007
	£	£
Taxation is based on the interest and investment income received for the year and realised investment gains and losses. The charge comprises:		
UK corporation tax at 20% for the tax year 2007/08 and 21% for the tax year 2008/09	4,320	13,471
Under (over) provision of tax in the previous years	-	(2)
	<u>£4,320</u>	<u>£13,469</u>

The subsidiary company- ISC Educational Services Limited is carrying forward £390,920 (2007: £256,773) of trading losses.

INDEPENDENT SCHOOLS COUNCIL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2008

7. TANGIBLE FIXED ASSETS: group

	Leasehold fittings £	Office furniture and equipment £	Computer equipment £	Trailer £	Work in Progress £	Total £
Cost						
At 1 January 2008	192,262	134,773	136,934	-	12,565	476,534
Additions	32,990	35,653	29,923	-	28,017	126,583
Transfer to/(from) work in progress	-	-	-	40,582	(40,582)	-
Disposals	(41,237)	(42,534)	(76,774)	-	-	(160,545)
At 31 December 2008	£184,015	£127,892	£90,083	£40,582	£-	£442,572
Depreciation						
At 1 January 2008	38,451	34,161	75,638	-	-	148,250
Charge for the year	19,226	19,003	30,659	3,551	-	72,439
Eliminated on disposal	(8,248)	(12,379)	(52,853)	-	-	(73,480)
At 31 December 2008	£49,429	£40,785	£53,444	£3,551	£-	£147,209
Net book value						
At 31 December 2008	£134,586	£87,107	£36,639	£37,031	£-	£295,363
At 31 December 2007	£153,811	£100,612	£61,296	£-	£12,565	£328,284

TANGIBLE FIXED ASSETS: company

	Leasehold fittings £	Office furniture and equipment £	Computer equipment £	Trailer £	Work in Progress £	Total £
Cost						
At 1 January 2008	192,262	134,773	133,802	-	12,565	473,402
Additions	-	2,750	10,915	-	28,017	41,682
Transfer to/(from) work in progress	-	-	-	40,582	(40,582)	-
Disposals	(41,237)	(42,534)	(76,774)	-	-	(160,545)
At 31 December 2008	£151,025	£94,989	£67,943	£40,582	£-	£354,539
Depreciation						
At 1 January 2008	38,451	34,161	73,695	-	-	146,307
Charge for the year	15,102	14,102	23,280	3,551	-	56,035
Eliminated on disposal	(8,248)	(12,379)	(52,853)	-	-	(73,480)
At 31 December 2008	£45,305	£35,884	£44,122	£3,551	£-	£128,862
Net book value						
At 31 December 2008	£105,720	£59,105	£23,821	£37,031	£-	£225,677
At 31 December 2007	£153,811	£100,612	£60,107	£-	£12,565	£327,095

The net book value of fixed assets acquired under a hire purchase contract is £Nil (2007: £Nil). Depreciation for the year on the assets was £Nil (2007: £ Nil)

INDEPENDENT SCHOOLS COUNCIL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2008

8. FIXED ASSET INVESTMENTS: company and group	2008 £	2007 £
Quoted investments		
Market value		
Market value at 1 January 2008	644,814	760,649
Additions at cost	144,840	200,662
Disposals at market value	(93,078)	(292,598)
Profit on disposals	8,403	79,686
Unrealised gains/(losses)	(199,534)	(21,724)
Reversal of unrealised gain on disposed investments from revaluation reserve	(18,180)	(81,823)
Other unrealised gains and losses	-	(38)
Market value at 31 December 2008	<u>£487,265</u>	<u>£644,814</u>
Historical cost	<u>£627,971</u>	<u>£568,929</u>

No provision has been made for the tax that would be payable if the investments were sold at their stated market value. The tax would amount to approximately £Nil (2007: £15,177).

9. OTHER DEBTORS	Group		Company	
	2008 £	2007 £	2008 £	2007 £
Staff loans	5,462	4,939	5,462	4,939
Accrued income	14,416	20,630	300	20,630
Other debtors	332	-	332	-
	<u>£20,210</u>	<u>£25,569</u>	<u>£6,094</u>	<u>£25,569</u>

10. ACCRUALS AND DEFERRED INCOME	Group		Company	
	2008 £	2007 £	2008 £	2007 £
Cost accruals	168,459	166,367	12,802	160,717
Teacher induction fees and other ISC deferred income	233,166	217,917	233,166	217,917
School inspection and training fees received in advance	312,000	363,000	-	363,000
Conference fees received in advance	2,567	102,161	-	-
Benefit of rent-free period spread over term of lease	37,698	48,402	25,172	48,402
	<u>£753,890</u>	<u>£897,847</u>	<u>£271,140</u>	<u>£790,036</u>

INDEPENDENT SCHOOLS COUNCIL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2008

11. RESERVES

	Brought forward £	Surplus /(deficit) for the year £	Transfer from revaluation reserve to general reserve £	Other recognised gains and losses £	Carried Forward £
Independent Schools Council general reserve	1,070,910	(276,986)	-	-	793,924
ISC Teacher Induction Panel reserve	175,576	(523)	-	-	175,053
Total ISC Accumulated Funds	1,246,486	(277,509)	-	-	968,977
Revaluation reserve	75,885	-	-	(75,885)	-
Total reserves applicable to ISC (company)	1,322,371	(277,509)	-	(75,885)	968,977
ISC Educational Services Limited general reserve	(256,773)	(134,147)	-	-	(390,920)
Independent Schools Inspectorate reserve	289,906	55,624	-	-	345,530
Total group reserves	£1,355,504	(£356,032)	£-	(£75,885)	£923,587

12. FINANCIAL COMMITMENTS

At 31 December 2008 the company had annual commitments under operating leases as set out below:

	2008		2007	
	Land and buildings £	Other £	Land and buildings £	Other £
Operating leases that expire:				
Within one year	-	-	-	-
In the second to fifth years	-	2,185	-	2,237
Over five years	147,229	-	150,429	-

INDEPENDENT SCHOOLS COUNCIL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2008

13. INVESTMENT IN GROUP UNDERTAKING

ISC has 2 wholly-owned subsidiaries- ISC Educational Services Limited and Independent Schools Inspectorate.

In 2005 ISC acquired 100% of the share capital (valued at £1) of ISC Educational Services Limited (ISEL), a company incorporated on 10 August 2005 under company number 5533373. ISEL's activities are underwritten and financed by ISC and as a consequence at 31 December 2008 ISEL owed ISC £422,616 (2007: £306,239). ISC has agreed that it will not seek to recover any amounts due to it by ISEL unless it ISEL has sufficient funds available after satisfying all other creditors.

On 1 January 2008, the Independent Schools Inspectorate (ISI) demerged from ISC and became a wholly-owned subsidiary. ISI is now a company limited by guarantee with no share capital. ISI owed £2,678 to ISC at 31 December 2008.

14. CAPITAL COMMITMENTS

	2008	2007
Authorised but not contracted for	-	-
Contracted for not provided in the financial statements	-	18,847
	<u>-</u>	<u>18,847</u>