

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

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

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**INDEPENDENT SCHOOLS COUNCIL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**INDEPENDENT SCHOOLS COUNCIL
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Board of Directors

Name:	Nominated by:	Appointed/resigned:
Barnaby Lenon (Chair)	Independent	
Sam Alder	AGBIS	Resigned 1 April 2014
Lorna Cocking	AGBIS	Appointed 16 May 2016
Richard Green	AGBIS	Appointed 1 April 2014, Resigned 16 May 2016
Stuart Westley	AGBIS	Appointed 20 May 2015
Trevor Rowell	COBIS	Resigned 3 February 2015
Alice Phillips (R)	GSA	Appointed 6 November 2014, Resigned 20 May 2015, Re-appointed 24 February 2016
Louise Robinson (Vice-Chair) (R)	GSA	Resigned 24 February 2016
Charlotte Vere (F)	GSA	Resigned 6 November 2014, Re-appointed 20 May 2015
Stephen Holliday (F)	HMC	
William Richardson (R)	HMC	
Mark Brotherton	IAPS	Appointed 1 September 2014, Resigned 16 April 2015
Daphne Cawthorne	IAPS	Appointed 20 May 2015, Resigned 17 September 2015
David Hanson	IAPS	
Eddy Newton	IAPS	Resigned 1 September 2014
John Tranmer	IAPS	Appointed 17 September 2015
Andrew Hampton	ISA	Appointed 18 September 2014, Resigned 17 September 2015
Neil Roskilly (F)	ISA	
Sarah Welch	ISA	Appointed 17 September 2015
John Wood	ISA	Resigned 1 September 2014
Mike Lower	ISBA	Appointed 20 May 2015, Resigned 31 March 2016
Margaret McKenna (F) (R)	ISBA	To be appointed 19 May 2016
Mark Taylor (R)	ISBA	To resign 19 May 2016
David Woodgate	ISBA	Appointed 16 May 2016
Peter Bodkin	Society of Heads	Resigned 17 September 2015
Philip Cottam	Society of Heads	Resigned 1 September 2014
Richard Palmer (F)	Society of Heads	Appointed 18 September 2014, Resigned 22 March 2016
Clive Rickart (F)	Society of Heads	Appointed 17 September 2015

(F) denotes membership of Finance Committee

(R) denotes membership of Remuneration Committee

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The Company's Articles of Association were amended with effect from 26 March 2015 and provided that the Board comprise of the Chairman, the Vice Chairman, two persons nominated by each member association (AGBIS, GSA, HMC, IAPS, ISA, ISBA and the Society of Heads), and no more than three persons appointed by decision of the Board

With effect from 26 February 2015 COBIS ceased to be a member association and on the same date was admitted as an affiliate

Company officers

Name:	Title:	Appointed/resigned
Charlotte Vere	Acting General Secretary	Appointed 17 October 2014, Resigned 9 April 2015
Julie Robinson	General Secretary	Appointed 1 April 2015

Registered Office

First Floor
27 Queen Anne's Gate
London SW1H 9BU

Auditors

haysmacintyre
26 Red Lion Square
London WC1R 4AG

Stockbrokers

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

**INDEPENDENT SCHOOLS COUNCIL
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DIRECTORS' REPORT

The Directors present their report and audited financial statements for the year ended 31 December 2015

PRINCIPAL ACTIVITIES

The aim of ISC is to be a service organisation promoting and protecting the independent education sector and the five principal activities of ISC are to

- Provide authoritative research and intelligence about the sector
- Provide legal and regulatory information/guidance
- Provide online access and support informing parental decisions
- Promote the sector through agreed lobbying and communications
- Provide a meeting place in central London for members

ISC CONSTITUENT ASSOCIATIONS

Association of Governing Bodies of Independent Schools (AGBIS)
Council of British International Schools (COBIS) (until 26 February 2015)
Girls' Schools Association (GSA)
Headmasters' & Headmistresses' Conference (HMC)
IAPS
Independent Schools Association (ISA)
Independent Schools' Bursars Association (ISBA)
The Society of Heads

In the event of the company being wound up the liability of each member association is limited to £1

AFFILIATE MEMBERSHIP

Council of British International Schools (COBIS) (since 26 February 2015)
Boarding Schools Association
Scottish Council of Independent Schools

Each affiliate member has the right to attend but not to vote at general meetings

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GENERAL SECRETARY'S REPORT

In 2015, ISC provided another year of service to protect and promote the independent education sector. There was a change of premises at the end of 2014 on a short-term lease. Subscription rates in 2015 were unchanged.

My appointment as General Secretary commenced at the beginning of April 2015 and there were other staff changes: two returns from maternity leave, a new Head of Research and a new communications team. Head of Media and Communications as well as Communications Officer. The staff regrouped very effectively and the overall staffing returns to 9.4 FTE at the year end.

The Board reviewed ISC's strategic objectives as follows:

The five ISC functions:

The aim of ISC is to be a service organisation promoting and protecting the independent education sector and the five principal activities of ISC are to:

- Provide authoritative research and intelligence about the sector
- Provide legal and regulatory information/guidance
- Provide online access and support informing parental decisions
- Promote the sector through agreed lobbying and communications
- Provide a meeting place in central London for members

ISC aims to be a trusted conduit of information for the sector, protecting the interests of member Associations and their schools with policy-formers and the media.

- **Provide authoritative research and intelligence about the sector**

ISC conducted its comprehensive annual census, public examinations analysis and a range of other research and analysis of trends in the sector. This led to several reports including the overall census report which is considered to give the most accurate and authoritative picture of the sector, a report about affordability and an analysis of A-level value added.

The research team has also developed a "census data viewer" tool so that individual schools can compare their own data with trends in other schools by school type and area. This benchmarking supports the other functions of census data analysis which include providing reports about the health of the sector, supporting lobbying and informing the media.

2015 census findings were the most positive for the sector in five years.

- **Provide legal and regulatory information/guidance**

ISC has provided rolling information to schools by email through its daily news summary, monthly updates and a revived hard copy Bulletin that will be produced as a round-up of useful information every six months. Urgent alerts are sent to schools at short notice to ensure that they are fully informed of important developments in policy and regulatory matters.

ISC's Legal Counsel has responded to Government consultations, calls for evidence and participated in round table discussions across the year. A particular focus this year was the proposed amendment to charities legislation. In this, she worked closely with the Charity Commission and Peers. ISC also attends meetings at the Department for Education, Home Office, HMRC and law firms, monitoring developments and raising awareness of issues relating to our sector.

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Other themes across 2015 included safeguarding policy issues, shaped by the development of policies relating to the Prevent Strategy and Keeping Children Safe in Education. The cost of childcare in Early Years has been another theme together with the development of Tax-free childcare (Associations have been kept updated and the sector's position has been represented to the appropriate departments). Themes relating to the sponsorship of overseas pupils include, Biometric Residence Permits (sent direct to schools thanks to the work of ISC's Legal Counsel), the impact of inspection on a school's Confirmation of Acceptance for Studies (CAS) allocation and support for schools experiencing difficulty with UKVI.

- Provide online access and support informing parental decisions

ISC is developing a new, main website which remains partly under development, with a new school search facility and more user-friendly portal for parents www.isc.co.uk

In 2015 with seed-funding from the DfE and in cooperation with the Independent/State Schools Partnership forum, ISC devised a new website www.schoolstogether.org showcasing and encouraging cross-sector projects.

The ISC teacher training website is complete, providing information for potential teachers in the independent sector www.iscteachertraining.co.uk

- Promote the sector through agreed lobbying and communications

In the run-up to the General Election we produced a manifesto which was sent to politicians and served to make us focus on our priorities.

As the new General Secretary, I joined with the Chairman in developing positive working relationships with a broad range of stakeholders and interest groups, from parliamentarians to think tanks and journalists.

We have lobbied groups of Peers directly and have provided online, newsprint and radio interviews on matters of importance to the sector, speaking on behalf of the interests of our members. We also provide speakers at stakeholder conferences.

The Chairman and the General Secretary retain links with the Department for Education, with regular updates and discussions. Messaging is informed through Board and Secretaries' discussions so that ISC can represent the agreed views of the member Associations.

ISC's Legal Counsel continues to lobby for proportionate and effective policy and legislation across all areas, in particular school regulation, early years, safeguarding, immigration and the regulation of charities. She has met with parliamentarians, government departments and teaching unions to this end.

The new communications team kept members abreast of breaking news through the Daily News Service and other publications and the new Head of Media and Communications has been developing links with journalists. He issues regular press releases regarding developments in the sector and uses research data to rebut skewed reporting. There were several negative news stories in 2015 which we were able to counter using factual evidence from ISC research.

- Provide a meeting place in central London for members

Members used our meetings room across 2015. The rooms are busy, particularly in term-time, and we are the meeting place of choice for our member associations for small group sessions.

The ISC staff team covers a broad range of activity in order to offer best cost-value benefit to stakeholders. We moved towards 2016 in good heart, developing links with thought-leaders in education and representing the interests of the independent education sector as positively as we can.

Julie Robinson
General Secretary

**INDEPENDENT SCHOOLS COUNCIL
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STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its results for that year.

In preparing these financial statements, the Directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 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.

The Annual report was approved by the Board of Directors on 16 May 2016 and signed on their behalf by



Barnaby Lenon
Chairman



Alice Phillips
Director

**INDEPENDENT SCHOOLS COUNCIL
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE INDEPENDENT SCHOOLS COUNCIL

We have audited the financial statements of the Independent Schools Council for the year ended 31 December 2015 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the 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 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 explained more fully in the Statement of Directors' Responsibilities set out on page 7, the directors 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its result for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors 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 directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors 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 Report of the Directors and take advantage of the small companies exemption from the requirement to prepare a strategic report.


David Sewell (Senior Statutory Auditor)
for and on behalf of Haysmacintyre, Statutory Auditors

26 Red Lion Square
London WC1R 4AG

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**INDEPENDENT SCHOOLS COUNCIL
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PROFIT AND LOSS ACCOUNT

		2015		2014	
	Notes	(£)	(£)	(£)	(£)
TURNOVER					
Continuing	2		1,017,196		956,067
Staff costs	4	525,374		555,771	
Depreciation of fixed assets	3/7	21,686		35,497	
Other operating charges- continuing operations		422,171		426,944	
			(969,231)		(1,018,212)
SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES BEFORE INTEREST	3		47,965		(62,145)
Investment income	5	26,713		26,359	
Surplus/ (Loss) on disposal of investment	8	243		(1,401)	
Unrealised gains on investments	8	68,088		5,186	
			95,044		30,144
SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES BEFORE TAXATION			143,009		(32,001)
Taxation	6		1,862		(19,569)
SURPLUS/(DEFICIT) FOR THE YEAR			144,871		(51,570)

**INDEPENDENT SCHOOLS COUNCIL
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STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	Notes	2015 (£)	2014 (£)
Net surplus/deficit) transferred to accumulated funds	11	144,871	(51,570)
Other investments			
Unrealised (losses)/gains taken to ISC revaluation reserve	8/11	(73,900)	22,615
Total gains and losses recognised in the year		70,971	(28,955)

The notes on pages 13 to 19 form part of these financial statements


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COMPANY NUMBER: 1103760

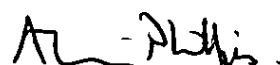
BALANCE SHEET AS AT 31 DECEMBER 2015

	Notes	2015 (£)	2014 (£)
FIXED ASSETS			
Tangible fixed assets	7	120,950	36,442
Investments	8	733,384	750,337
TOTAL FIXED ASSETS		854,334	786,779
CURRENT ASSETS			
Trade debtors		10,044	37,145
Other debtors	9	46,500	46,720
Prepayments		56,315	37,189
Cash at bank and in hand		674,949	680,533
		787,808	801,587
CREDITORS amounts due within one year			
Trade creditors		49,140	50,181
Corporation tax		8,950	1,962
Provision for deferred tax	8	6,795	17,607
Other taxation and social security costs		15,033	8,615
Other creditors		3,784	3,176
Accruals and deferred income	10	114,243	133,599
		(197,945)	(215,140)
NET CURRENT ASSETS		589,863	586,447
NET ASSETS		1,444,197	1,373,226
General Reserve		1,376,689	1,231,818
Revaluation Reserve		67,508	141,408
TOTAL RESERVES	11	1,444,197	1,373,226

The notes on pages 13 to 19 form part of these financial statements. The financial statements were approved and authorised for issue by the Directors on 16 May 2016 and were signed below on their behalf by



Barnaby Lenon, Chairman



Alice Phillips, Director

**INDEPENDENT SCHOOLS COUNCIL
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CASH FLOW STATEMENT

	2015		2014	
	(£)	(£)	(£)	(£)
Cash flows from operating activities		62,513		25,436
Cash flows from investing activities				
Purchase of fixed assets	(106,194)		(35,093)	
Realisation of long-term investments	372,258		102,084	
Acquisition of long-term investments	(360,874)		(100,942)	
Dividends and interest	26,713		26,359	
Net cash outflow on investments		(68,097)		(7,592)
Net (decrease)/increase in cash in the year		(5,584)		17,844
Cash at bank at 1 January 2015		680,533		662,689
Cash at bank at 31 December 2015		674,949		680,533

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

	2015	2014
	(£)	(£)
Surplus/(deficit)	144,871	(51,570)
Depreciation	21,686	35,497
Loss on disposal of fixed assets	0	285
Surplus/(loss) on disposal of investment	(243)	1,401
Unrealised gains on investments	(68,088)	(5,186)
Dividends and interest received	(26,713)	(26,359)
Taxation	(1,862)	19,569
Decrease/(increase) in debtors	8,195	(63,776)
(Decrease)/Increase in creditors	(15,333)	115,575
Cash inflow from operating activities	62,513	25,436

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NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) and the Companies Act 2006

Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the directors have considered whether in applying the accounting policies required by FRS 102 and the restatement of comparative items was required

The opening fund balances at the date of transition have been restated (see note 14) due to amounts arising from a liability for holiday pay and deferred tax. The transition date was 1 January 2014

Turnover and income recognition

Turnover is the amount derived from the provision of goods and services falling within the Company's ordinary activities. In particular subscription revenue is allocated to the accounting period to which it relates

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
Websites	- 33 3% 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

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discount due

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account

Creditors and provisions

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

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

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NOTES TO THE FINANCIAL STATEMENTS (continued)

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date

Deferred tax is provided in full on timing differences that exist at the balance sheet date and that result in an obligation to pay more tax, or a right to pay less tax in the future. The deferred tax is measured at the rate expected to apply in the periods in which the timing differences are expected to reverse, based on the tax rates and laws that are enacted or substantively enacted at the balance sheet date. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the company financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

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.

Reserves

The Board determined that ISC's reserves (meaning cash and investments readily convertible into cash) should fall within the range of between 6 and 12 months of ordinary course operating expenditure (excluding depreciation) and believes that this range is appropriate to ensure that sufficient funds are available to meet current commitments if income streams were erratic or exceptional expenditure incurred. The Board determined that ISC's reserves should be split between cash and short term readily available investments, with cash comprising the greater of £250,000 and one third of the total reserves.

2 ANALYSIS OF TURNOVER	2015	2014
	(£)	(£)
Independent Schools Council - Subscriptions	1,015,807	1,027,417
- Members' rebate	-	(71,350)
Government Grant	1,389	-
	1,017,196	956,067

In March 2015 a grant of £25,000 was received from the Department for Education for independent/state school partnership development to be spent by 30 June 2015. This funding was used towards the cost of the Schools Together website. The website costs have been capitalised and the grant is therefore being amortised over 3 years in accordance with the accounting policy on tangible fixed assets.

3 OPERATING SURPLUS	2015	2014
	(£)	(£)
Operating surplus is stated after charging		
Depreciation	21,686	35,497
Auditors' remuneration		
Audit	9,810	9,120
Other	2,190	1,080
Operating leases, land and buildings	86,709	84,521
Operating leases, equipment	1,008	1,008
Directors' remuneration	40,800	40,000

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NOTES TO THE FINANCIAL STATEMENTS (continued)

4	STAFF COSTS	2015	2014
		(£)	(£)
	Wages and salaries	449,969	478,658
	Social security costs	36,214	38,604
	Pension costs	39,191	38,509
		<u>525,374</u>	<u>555,771</u>

The average number of employees during the year was 10 (2014 10)

The total remuneration, benefits and pensions paid to the key management personnel in the year was £142,673 (2014 £ 177,326)

5	INVESTMENT INCOME	2015	2014
		(£)	(£)
	Bank deposit interest	2,862	3,036
	Investment income	23,851	23,323
		<u>26,713</u>	<u>26,359</u>

6	TAXATION	2015	2014
		(£)	(£)

Taxation is paid on the interest, investment and rental income received for the year and any realised investment gain. Provision has also been made for any deferred tax anticipated to arise in the future from the revaluation of investments held.

The charge comprises

Deferred tax provision	(10,812)	17,607
UK corporation tax at 20%	8,950	1,962
	<u>(1,862)</u>	<u>19,569</u>

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NOTES TO THE FINANCIAL STATEMENTS (continued)

7 TANGIBLE FIXED ASSETS	Office furniture and equipment	Computer equipment	Websites	Total
	(£)	(£)	(£)	(£)
Cost				
At 1 January 2015	63,151	24,285	32,746	120,182
Additions	3480	2,624	100,090	106,194
At 31 December 2015	66,631	26,909	132,836	226,376
Depreciation				
At 1 January 2015	62,667	19,814	1,259	83,740
Charge for the year	587	2,083	19,016	21,686
At 31 December 2015	63,254	21,897	20,275	105,426
Net book value				
At 31 December 2015	3,377	5,012	112,561	120,950
At 31 December 2014	484	4,471	31,487	36,442

The net book value of fixed assets acquired under a hire purchase contract is £Nil (2014 £Nil)
Depreciation for the year on these assets was £Nil (2014 £ Nil)

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NOTES TO THE FINANCIAL STATEMENTS (continued)

8	FIXED ASSET INVESTMENTS	2015	2014
		(£)	(£)
	Quoted investments		
	Market value at 1 January	750,337	725,079
	Additions at cost	360,874	100,942
	Disposals at market value	(372,015)	(103,485)
	Unrealised (losses)/gains	(5,812)	27,801
	Market value at 31 December	733,384	750,337
	Historical cost	665,876	608,929

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 £6,795 (2014 £17,607)

9	OTHER DEBTORS	2015	2014
		(£)	(£)
	Staff season ticket loans	-	220
	Rent deposit	46,500	46,500
		46,500	46,720

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NOTES TO THE FINANCIAL STATEMENTS (continued)

10 ACCRUALS AND DEFERRED INCOME

	2015	2014
	(£)	(£)
Cost accruals	82,802	57,941
Benefit of rent-free period spread over term of lease	7,830	4,308
Provision for subscription rebate of 7% to members	-	71,350
Government grant	23,611	-
	<u>114,243</u>	<u>133,599</u>

11 RESERVES

	Brought forward	Profit for the year	Other movements	Carried Forward
	(£)	(£)	(£)	(£)
General Reserve	1,231,818	144,871	-	1,376,689
Revaluation reserve	141,408	-	(73,900)	67,508
Total Reserves	1,373,226	144,871	(73,900)	1,444,197

12 FINANCIAL COMMITMENTS

At 31 December ISC had commitments under operating leases as set out below

	2015		2014	
	Land and buildings	Other	Land and buildings	Other
	(£)	(£)	(£)	(£)
Within one year	57,454	1,008	82,765	1,008
In the second to fifth years	-	-	57,454	1,008
Over five years	-	-	-	-

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NOTES TO THE FINANCIAL STATEMENTS (continued)

13 RELATED PARTIES

The Welsh Independent Schools Council was incorporated on 10 November 2010 and ISC was a founder member. ISC is one of multiple members, and therefore is not considered to have dominant influence on or a controlling share of the organisation. ISC pays a contribution to WISC each year, £11,220 in 2015 (2014 £11,220).

14 TRANSITION TO FRS 102

This is the first year the company has presented its results under FRS 102. The last financial statements under UK GAAP were for the year ended 31 December 2014. The date of transition to FRS 102 is 1 January 2014.

Reconciliation of reported deficit

Deficit as previously reported	£(17,887)
Adjustment for deferred taxation	£(17,607)
Adjustment for holiday pay	<u>£(16,076)</u>
2014 deficit as restated	£(51,570)

Revaluation of tangible assets

Under the previous GAAP, the company was not required to recognise deferred tax on unrealised investment gains. FRS 102 requires this provision which was calculated per the above.

Holiday pay accrual

FRS 102 requires short term employee benefits to be charged to the Statement of Financial Activities as the employee service is received. Previously holiday pay accruals were not recognised.

Statement of cash flows

The charitable company's cash flow statement reflects the presentation requirements of FRS 102, which is different to that prepared under FRS 1. In addition, the cashflow statement reconciles cash and cash equivalents whereas under previous UK GAAP the statement reconciled to cash.