



STATUTORY ACCOUNTS



INDEPENDENT SCHOOLS CAREERS ORGANISATION

(A company limited by guarantee and not having a share capital)

Company registered number 373984

Educational Charity registered number 313153

Registered Office 12A Princess Way
Camberley
Surrey
GU15 3SP

Report and accounts for the year ended
31st August 2000

INDEPENDENT SCHOOLS CAREERS ORGANISATION (ISCO)

Report of the Finance Committee of the Council for the year ended 31st August 2000.

1. In accordance with their constitutionally delegated responsibilities, the Finance Committee of the Council, who are also trustees and the directors of the Company, submit their annual report and the audited financial statements for the year ended 31st August 2000. They have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting for Charities' in preparing the annual report and accounts of the company.

Council members' responsibilities

2. Company and charity law requires the Council to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of its surplus or deficit for that period. In preparing these accounts, the Council has:
 - selected suitable accounting policies and then applied them consistently;
 - made judgements and estimates that are reasonable and prudent;
 - stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
 - prepared the accounts on the going concern basis.
3. The Council is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts 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.

Constitution

4. Founded in 1942, ISCO is an association of member schools which identified the need for an organisation that would provide professional advice and information to students on careers. It is a registered educational charity and a company limited by guarantee and is governed by its memorandum and articles of association.

Object

5. ISCO's object is to promote the education of students and young persons by providing them with advice, vocational guidance and information concerning careers and higher and further education opportunities suited to their qualifications, interests and needs. For this purpose it advises and assists:-
 - (a) Careers and other staff in member schools to enable them to establish and maintain a full and progressive careers advisory system by supplying up-to-date information about the methods of entry to careers of all kinds, and to higher and further education; and to promote these aims by arranging conferences, training courses and visits to employer organisations;

- (b) Individual students and young persons and their parents to help them to make appropriate choices and decisions; and to further these aims by arranging psychometric tests and questionnaires, publishing relevant information (including the termly magazine 'CareerScope') and organising careers experience courses; and
- (c) Employer organisations by making relevant opportunities for careers known to students in the upper forms of member schools.

Governance and organisation

- 6. ISCO's activities are supervised by a Council, the members of which act in an honorary capacity. The Council meets formally twice a year and normally consists of twelve heads of member schools, twelve governors of member schools and up to twelve co-opted members from the wider community, including higher education and employer organisations.
- 7. The day to day work of ISCO is overseen by a Finance Committee on behalf of the Council. The Finance Committee meets formally three times a year and its members are all members of the Council.
- 8. Led by the National Director, there are 55 full and part-time staff, including 22 guidance staff who are responsible for the provision of ISCO's services in their regions and five staff responsible respectively for administration, publications, courses, training and skills development, and computer development.

Activities and reserves policy

- 9. There has been no significant change in the organisation's activities during the year. Its income continues to be derived mainly from subscriptions from member schools, fees from advisory services and sales of publications and computer programs. Donations are no longer a material source of income. ISCO does not itself make donations or grants.
- 10. As a charity ISCO aims to keep its charges as low as possible consistent with accumulating sufficient reserves to fund essential new investment in its activities. All such reserves are unrestricted and the related dividend and interest income helps to subsidise its services.

Investment policy

- 11. ISCO's investment policy applies to all funds which are expected to be available for investment over more than one year. The Administrative Director assesses periodically whether the short-term funds include any surplus which should be added to the long-term portfolio or whether there are any additional operational or asset purchase commitments for which a part of the portfolio should be liquidated.
- 12. With the exception of two small unquoted interests, ISCO's investments are held in collective investment funds managed by leading fund managers. Allocation of assets between different types of investment fund is kept under review in the light of market conditions. ISCO aims for an allocation consistent with a policy of investing securely and for growth of income and capital in real terms. Performance of each fund is monitored against targets represented, as appropriate, by the FTSE British Government All Stocks Index and the FTSE All Share Index.

Review of the year and future developments

13. The results for the year are set out on page 1A of the accounts.
14. At 356 schools, membership held up well despite the necessity of a substantial increase in charges owing to higher costs. 278 schools participated in the newly named ISCO Student Scheme and 131 of these used the scheme for the whole of their Year 11/Scottish Year 5. The number of enrolments in this scheme during the year reached 13,785, a record for the seventh year in a row. A further 6,512 students received interviews and 2,219 attended courses organised by ISCO.
15. Following the review of activities carried out by the National Director in 1998/1999 it was decided to devote increased resources to marketing. For this purpose ISCO has commissioned an independent survey among member schools, parents and students to test perceptions of the range and importance of its services and the quality experienced in their delivery; and a redesign of the logo and the 'house style' of published material including the termly magazine 'CareerScope'.
16. ISCO is also enhancing the flexibility of its services by emphasising options available as a result of membership rather than the value of the total package; and expanding its activities by introducing Job Seeker Services based on the London and Edinburgh offices and aimed at the mainly 21-23 years age group, with a 'Customer Direct' web site. These services are designed to support the transition from higher education into a career and include interviews, psychometric testing and advice on self-presentation. In addition, a quality assurance scheme in member schools is being piloted leading to the award of a Career Mark and offering a 'quality audit' of career services prior to Inspection.
17. In any organisation, and especially a service organisation, staff are the most important resource. ISCO has, therefore, doubled its training budget, improved and formalised staff appraisal processes and introduced a more flexible salary structure. The aim is to ensure that all staff are qualified to administer a range of psychometric tests and 11 are taking the Level A course run by the British Psychological Society. 8 full-time and 5 part-time staff now hold a professional qualification in careers guidance and another is currently completing the NVQ in Guidance (level 4) course. ISCO continues to run, in conjunction with Canterbury Christ Church College, the Advanced Certificate in Careers Education and Guidance for teachers in schools, of whom 66 have so far qualified.
18. The London Office located at Regent's College and the Edinburgh Office continue to attract increasing numbers of older students seeking advice. With the wide geographical spread of those who avail themselves of the organisation's services the existence of these facilities in accessible central locations is an important, although by no means exclusive, advantage of membership of ISCO.
19. Net incoming resources from operations were £25,963 representing a significant improvement on the results for 1998/1999. This was due to a combination of factors which include a fee increase and more favourable commercial arrangements with the new publishers of CareerScope. The latter has also enabled ISCO to maintain at its existing level rather than increase the deferred income provision required to provide Student Scheme services beyond the year of enrolment.

Changes in fixed assets

20. The movements on fixed assets during the year are set out in notes 3 and 4 to the accounts.

Council

21. The members of the Council during the year are shown below :

President :	Sir Alexander Durie, CBE
Vice Presidents :	D A Emms, OBE, MA, B.J.Bowden FCA
Chairman :	J D Andrewes, MA, FCA
Honorary Treasurer:	A J Popham, BA, FCA
National Director :	J D Stuart, MA, FRSA

ISCO COUNCIL

Governing Body Members

J D Andrewes (Reed's School) *	R P Kennedy (Wycombe Abbey School)
Miss C Avent, (South Hampstead High School)	P E Mee (Hampton School)
Mrs J D N Bates (King William's College)	Dr C Milton (St Margaret's School for Girls)
W R Broadhead (Caterham School)	N G U Morris (Malvern College) *
Miss C Holme (King's School, Gloucester)	Mrs J V Munro (Nottingham High School for Girls)
Mrs G Hylson-Smith (Stowe School)	

Member Heads

A H Beadles (Epsom College)	D J J McEwen (St Edmund's College)*
Mrs G Burt (Craigholme School) *	Mrs E E A McKendrick (Downe House School)
Miss S R Cameron (North Foreland Lodge)	Dr R M Reynolds (Newcastle-under-Lyme School)
D W Jarrett (Reed's School) *	Mrs J G Scott (South Hampstead High School)
S J W McArthur (Reading Blue Coat School)	D J Wilkinson (Cheadle Hulme School)

Co-opted Members

A A Bridgewater (CRAC & ECCTIS) *	A J Popham (PricewaterhouseCoopers) *
Mrs M Brooks (Cadence Design Systems Ltd) *	D E Prince (HMC)
Mrs B A Harrison (Girls' Day school Trust)	Capt J A Roberts R N (White Ensign Association) *
Miss D Langley (Royal Holloway College)	G Ward (University of Hertfordshire)
I Mackay (Construction Industry Training Board)	W R Worsley (Hovingham Estates)
Mrs A Mulvie (Wellpark Consultancy & Chairman of ISCO Scottish Council)	

Observers


Cdr T I Hildesley OBE., RN (Directorate of Naval Recruiting)	A P S Talbot (St Alban's School)
J MacArthur (Wellington College)	Mrs C Parrish (ISIS)
	Mrs M Thomas (Stamford High School for Girls)

**Members of the Finance Committee*

Auditors

23. A resolution proposing that Arthur Andersen (formerly Binder Hamlyn) be re-appointed as auditors of the Company will be put to the Annual General Meeting.

This report was approved by the Finance Committee of the Council on 19th October 2000


John Andrewes
Chairman

INDEPENDENT SCHOOLS CAREERS ORGANISATION
(A Company Limited by Guarantee) Company Number 373984

STATEMENT OF FINANCIAL ACTIVITIES

**Incorporating an Income and Expenditure Account
for the year ended 31 August 2000**

	Note	Total and unrestricted funds			
		2000		1999	
		£	£	£	£
INCOMING RESOURCES					
Subscriptions from member schools.....		168,309		165,055	
Fees from advisory services.....		1,153,235		1,026,441	
Sales from publications and computer programs		<u>110,607</u>	1,432,151	<u>139,135</u>	1,330,631
Income from investments.....		25,836		25,556	
Interest from bank deposits.....		<u>20,842</u>	<u>46,678</u>	<u>20,918</u>	<u>46,474</u>
Total incoming resources.....			<u>1,478,829</u>		<u>1,377,105</u>
RESOURCES EXPENDED					
Direct charitable expenditure					
Ability test charges.....		260,177		255,844	
Publications - CareerScope.....		(13,991)		14,344	
others.....		<u>12,637</u>	258,823	<u>23,908</u>	294,096
Staff costs -					
Salaries.....		747,790		726,779	
Social security costs.....		56,145		54,358	
Pension costs.....	8	<u>58,514</u>	862,449	<u>53,887</u>	835,024
Support costs -					
Travelling/Meetings.....		116,400		121,583	
Establishment and office.....		119,148		119,712	
Hire of equipment.....		7,539		7,760	
Depreciation.....		39,449		28,850	
Rent.....		29,660		28,248	
Development and training.....		<u>13,000</u>	325,196	<u>5,678</u>	311,831
Other expenditure -					
Auditors' remuneration.....			<u>6,398</u>		<u>6,300</u>
Total resources expended.....			<u>1,452,866</u>		<u>1,447,251</u>
Net incoming/(expended) resources.....			25,963		(70,146)
Gains on investment assets					
Realised.....			-		-
Unrealised.....			<u>29,353</u>		<u>93,170</u>
Net movement in funds.....			55,316		23,024
Balance at beginning of year.....			<u>851,229</u>		<u>828,205</u>
Balance at end of year.....			<u><u>906,545</u></u>		<u><u>851,229</u></u>

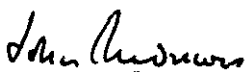

In the above two financial years, the company had no gains or losses other than the movement in funds and all of the results derive from continuing activities

The accompanying notes are an integral part of these accounts

BALANCE SHEET at 31 August 2000

	Notes	2000 £	1999 £
Fixed assets			
Tangible assets.....	3	70,374	77,350
Investments.....	4	<u>834,350</u>	<u>729,997</u>
		904,724	807,347
 Current assets			
Debtors.....	5	167,078	193,439
Cash at bank.....		<u>222,488</u>	<u>241,205</u>
		389,566	434,644
 Creditors (amounts due within one year)..	6	<u>(86,333)</u>	<u>(89,350)</u>
Net current assets.....		<u>303,233</u>	<u>345,294</u>
Total assets less current liabilities.....		<u>1,207,957</u>	<u>1,152,641</u>
 Deferred fee income	7		
Due within one year.....		(150,706)	(154,776)
Due after more than one year.....		<u>(150,706)</u>	<u>(146,636)</u>
		<u>(301,412)</u>	<u>(301,412)</u>
Net assets		<u>906,545</u>	<u>851,229</u>
 Funds			
Unrestricted funds			
Balance at 1 September 2000.....		851,229	828,205
Net movement for the financial year....		<u>55,316</u>	<u>23,024</u>
		<u>906,545</u>	<u>851,229</u>

The accompanying notes are an integral part of these accounts


J.D. Andrewes Chairman

R. J. Popham Honorary Treasurer
Approved on 19th October 2000

NOTES TO THE ACCOUNTS

for the year ended 31 August 2000

1. Status

The Independent Schools Careers Organisation is a company not having a share capital and limited by a guarantee not exceeding £1 per member. It is a registered charity (no. 313153) and is thus not liable to taxation on any surplus of income or surplus on disposal of investments. Tax relating to investment income and covenanted donations is recoverable.

The Organisation has a licence to dispense with the word 'limited' from its title.

2. Accounting policies

The following accounting policies have been consistently applied to those items which are considered material in relation to the company's accounts.

(a) Accounting convention

The accounts are prepared under the historical cost convention as modified by the revaluation of investments.

(b) Compliance with accounting standards

The financial statements have been prepared in accordance with applicable accounting standards and with Statement of Recommended Practice – 'Accounting by Charities' (SORP).

(c) Deferred fee income

Fees received under the ISCO Student Scheme (formerly the Careers and Higher Education Guidance Scheme) are recognised in the statement of financial activities over the period during which the services are provided. The proportion of each year's fees applicable to services to be provided in future years, calculated by reference to the expected cost of providing those services, is carried forward as deferred income.

(d) Investments

Investments are stated at market value at the balance sheet date. The surplus or deficit compared with cost or the previous value is taken to the statement of financial activities.

(e) Directors' emoluments

The company's Memorandum of Association provides that no remuneration or benefits shall be given to any member of the Council.

(f) Depreciation of fixed assets

Depreciation is calculated on cost at the following annual rates:

Office equipment	10%
Computers and electrical equipment	25%

(g) Payments under operating leases

Operating leases are written off to the statement of financial activities as they fall due.

(h) Pension scheme

Contributions payable under the scheme are charged to the statement of financial activities in the period in which they are made.

3. Tangible fixed assets

	Office equipment	Computer equipment	Total
Cost	£	£	£
At 1 September 1999	24,551	118,657	143,208
Additions	560	31,913	32,473
Disposals	<u>(4,254)</u>	<u>(10,588)</u>	<u>(14,842)</u>
At 31 August 2000	<u>20,857</u>	<u>139,982</u>	<u>160,839</u>
Depreciation			
At 1 September 1999	18,798	47,060	65,858
Charge for year	1,601	37,848	39,449
Disposals	<u>(4,254)</u>	<u>(10,588)</u>	<u>(14,842)</u>
At 31 August 2000	<u>16,145</u>	<u>74,320</u>	<u>90,465</u>
Net book value			
At 31 August 2000	<u>4,712</u>	<u>65,662</u>	<u>70,374</u>
At 31 August 1999	<u>5,753</u>	<u>71,597</u>	<u>77,350</u>

NOTES TO THE ACCOUNTS
for the year ended 31 August 2000

4 Investments	Equities	Fixed interest securities	Total
	£	£	£
Market value as at 1 September 1999	556,295	173,702	729,997
Additions during the year at cost	75,000	-	75,000
Gain/(Loss) on revaluation of investments	34,954	(5,601)	29,353
Market value as at 31 August 2000	<u>666,249</u>	<u>168,101</u>	<u>834,350</u>
Original cost as at 31 August 2000	<u>301,370</u>	<u>164,977</u>	<u>466,347</u>

The investments which are stated at a valuation of £834,350 (1999: £729,997) had an original cost of £466,347 (1999: £391,347). They consist principally of quoted Common Investment Funds and a European unit trust but include two small unquoted interests at Trustees' valuation of £11,650 (1999: £11,650).

5 Debtors	2000	1999
	£	£
Fees receivable	77,428	106,972
Other debtors	52,606	46,774
Pension prepayments	-	4,614
Prepayments and accrued income	<u>37,044</u>	<u>35,079</u>
	<u>167,078</u>	<u>193,439</u>

Other debtors include £30,862 (1999: £28,543) which is due after more than one year in respect of car loans which are repayable over four years.

6 Creditors (amounts due within one year)	2000	1999
	£	£
Trade creditors	46,188	51,920
Taxes and social security	26,202	22,586
Accruals	<u>13,943</u>	<u>14,844</u>
	<u>86,333</u>	<u>89,350</u>

7 Employees	2000	1999
The average number of employees was as follows:	Number	Number
Services to schools	24	25
Administration and office	<u>13</u>	<u>13</u>
	<u>37</u>	<u>38</u>

In addition to the employees shown above there were 18 part-time hourly paid assistants who provided services to schools (1999: 16)

One employee is paid in the banding £50,000 - £60,000

8 Pension costs

There is a defined contribution pension scheme. The assets of the scheme are held separately in an independently administered fund. Pension costs represent contributions payable by the company to the fund and amounted to £58,514 (1999: £53,887).

9 Operating leases

There are commitments for operating leases during the coming year.

In respect of leases terminating:	Land and Buildings		Office Equipment	
	2000	1999	2000	1999
	£	£	£	£
Within 2 to 5 years	11,198	11,000	11,118	12,508
More than 5 years	<u>16,470</u>	<u>16,470</u>	<u>-</u>	<u>12</u>
	<u>27,668</u>	<u>27,470</u>	<u>11,118</u>	<u>12,520</u>

Binder Hamlyn

20 Old Bailey
London EC4M 7BH

AUDITORS' REPORT

to the Members of Independent Schools Careers Organisation

We have audited the financial statements on pages 1A to 4A which have been prepared under the historical cost convention and the accounting policies set out on page 3A.

Respective responsibilities of trustees and auditors

As described on page 2, the trustees, who are also the directors of the Independent Schools Careers Organisation for the purposes of company law, are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by Statute, the Auditing Practices Board and by our profession's ethical guidance.

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 trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity'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 charity's affairs as at 31 August 2000 and of its incoming resources and application of resources, including its income and expenditure in the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Chartered Accountants and Registered Auditors
20 Old Bailey
London
EC4M 7BH

Date 19 October 2000

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