

STATUTORY ACCOUNTS



COMPANIES HOUSE

09/01/02

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 2001



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COMPANIES HOUSE

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INDEPENDENT SCHOOLS CAREERS ORGANISATION (ISCO)

Report of the Finance Committee of the Council for the year ended 31st August 2001.

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 2001. 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. Incorporated 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 57 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.
9. The major risks to which the charity is exposed, as identified by the Trustees, have been reviewed and systems have been established to mitigate those risks appropriate to the level of materiality and risk.

Activities and reserves policy

10. 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.
11. 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

12. ISCO's investment policy applies to all funds which are expected to be available for investment over more than one year. An Investment Sub-committee 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. The Sub-committee has recognised the greater freedom given under the powers of the Trustee Act 2000 Part II.
13. 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

14. The results for the year are set out on page 1A of the accounts. Net incoming resources from operations were £38,294 compared with £25,963 for 2000. This result was achieved as a consequence mainly of the higher number of enrolments in the Student Scheme but also of tight control over costs.
15. A large proportion of our accumulated reserves is represented by quoted investments and for some years their value has steadily grown because of the sustained buoyancy of the Stock Market. This year there has been a setback and a resulting fall of £87,046 in their market value. There have been further setbacks since the year end. However, we have deliberately kept part of our reserves in cash and there is no current need to sell any of our investments and thereby realise a loss.
16. The number of schools in membership has increased to 364, of which 275 schools participated in the ISCO Student Scheme and 135 of these used the scheme for their whole Year 11/Scottish Year 5. The number of enrolments in this scheme during the year reached 13,925, a record for the eighth year in a row. A further 8,843 students received interviews and 3,244 attended courses organised by ISCO.
17. As a result of our own perceptions and an independent survey among schools, parents and students we have taken steps to develop further the flexibility of our services to meet the requirements of individual schools and to improve marketing documentation, in order to give a better appreciation of their range and quality.
18. In the interests of ensuring high professional standards in the guidance delivered to young people, all Regional directors have now either completed the BPS Level A course in psychometric testing or a two day professional course on the Morrisby Test battery. 14 guidance staff either hold or, (in two cases) are completing, Diploma in Careers Guidance (or NVQ equivalent). We maintain an independent review of the best options by which to guarantee high standards.
19. 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 73 have so far qualified.
20. The London Office located at Regent's College and the Edinburgh Office continue to attract increasing numbers of older students seeking advice, which gives evidence of the benefits of the Student Scheme from the age of 16 up to the 23rd birthday.

Changes in fixed assets

21. The movements on fixed assets during the year are set out in notes 12 and 13 to the accounts.

Council

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

President	D A Emms OBE MA
Vice-Presidents	B J Bowden FCA and G W Searle MA
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)
Miss C Avent (South Hampstead High School)
*Mrs J D N. Bates (King William's College)
W R Broadhead (Caterham School)
Miss C Holme (King's School, Gloucester)
Mrs G Hylson Smith (Stowe School)
P E Mee (Hampton School)
Dr C Milton (St Margaret's School for Girls)
*N G U Morris (Malvern College)
Mrs J Munro (Nottingham High School Girls)

Co-opted Members

*A A Bridgewater (CRAC/ECCTIS)
Mrs M Brooks (Cadence Designs Ltd)
Mrs B A Harrison (Girls Day School Trust)
Miss D Langley (King's College, London)
Ms K Howard (Constr. Industry Tng. Board)
Mrs A Mulvie (Wellpark Consultancy & Chairman of Scottish Council)
*A J Popham (PricewaterhouseCoopers)
D Prince (HMC)
*Capt J Roberts RN (White Ensign Association)
G Ward (University of Hertfordshire)
W Worsley (Hovingham Estates)

Member Heads

Mrs L Croston (Westholme School)
Miss S R Cameron (North Foreland Lodge)
Mrs M Henderson (Westonbirt School)
*D W Jarrett (Reed's School)
*D J J McEwen (St. Edmund's College)
Mrs E E A McKendrick (Downe House)
S J W McArthur (Reading Blue Coat School)
Dr A Seldon (Brighton College)
Dr R M Reynolds (Newcastle-under-Lyme School)
Mrs P Watson (Leicester High School for Girls)

Observers


Commander T I Hildesley OBE RN (Directorate of Naval Recruiting)
Mrs C Parrish (ISIS)
Mrs D C Bisp (Stowe School)
Mrs A Hoverstadt (Cheadle Hulme School)
Mr A Hunwicks (The Royal School)

*Members of the Finance Committee

Auditors

23. A resolution proposing that Appleby & Wood be appointed as auditors of the Company was passed at the Annual General Meeting in November 2000 and a resolution proposing their re-appointment will be put to the next Annual General Meeting.

This report was approved by the Finance Committee of the Council on 18th October 2001



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 2001**

	Note	Total and unrestricted funds			
		2001		2000	
		£	£	£	£
INCOMING RESOURCES					
Subscriptions from member schools			180,969		168,309
Activities to generate funds:					
Fees from advisory services			1,250,306		1,153,235
Sale of publications and computer programs			104,622		110,607
Investment income	3		53,072		46,678
Total incoming resources			1,588,969		1,478,829
RESOURCES EXPENDED					
Cost of generating funds		-	-		
Charitable expenditure					
Ability test charges		264,030		260,177	
Staff costs	8	742,149		709,539	
Publicity and marketing	4	24,437		9,398	
Training and development		22,042		23,853	
Management and administration	5	279,278		256,706	
Support costs	6	218,739		193,193	
Total resources expended			(1,550,675)		(1,452,866)
Net incoming resources for the year	7		38,294		25,963
Realised & unrealised (Loss)/Gain on investments			(87,046)		29,353
Net movement in funds			(48,752)		55,316
Total funds at 1 September 2000			906,545		851,229
Total funds at 31 August 2001(Unrestricted)			857,793		906,545

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


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


BALANCE SHEET at 31 August 2001

	Notes	2001 £	£	2000 £	£
Fixed assets					
Tangible assets	11		60,188		70,374
Investments	12		<u>747,304</u>		<u>834,350</u>
			807,492		904,724
Current assets					
Debtors	13	160,124		167,078	
Cash at bank		<u>298,274</u>		<u>222,488</u>	
		458,398		389,566	
Creditors					
Amounts due within one year	14	<u>(257,391)</u>		<u>(237,039)</u>	
Net current assets			<u>201,007</u>		<u>152,527</u>
Total assets less current liabilities			<u>1,008,499</u>		<u>1,057,251</u>
Long term liabilities	15		(150,706)		(150,706)
Net assets			<u><u>857,793</u></u>		<u><u>906,545</u></u>
Funds					
Unrestricted funds					
Balance at 1 September 2000			906,545		851,229
Net movement for the financial year			<u>(48,752)</u>		<u>55,316</u>
			<u><u>857,793</u></u>		<u><u>906,545</u></u>

These financial statements have been prepared in accordance with the Statement of Recommended Practice- Accounting and Reporting by Charities (SORP 2000) and in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

The accompanying notes are an integral part of these accounts.


J.D. Andrewes Chairman


A.J. Popham Honorary Treasurer

Approved on 18th October 2001

NOTES TO THE ACCOUNTS
for the year ended 31 August 2001

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 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 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%

New computer software is written off to the Statement of Financial Activities in the year of purchase or depreciated over the period for which the licence is valid, if more than one year.

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 Investment income	2001	2000
Dividend from UK listed companies	28,122	25,836
Interest from bank deposits	24,950	20,842
	<u>53,072</u>	<u>46,678</u>
4 Publicity and marketing	2001	2000
Publications	5,492	(1,354)
Marketing	18,945	10,752
	<u>24,437</u>	<u>9,398</u>

5	Management and administration	2001	2000
	Staff costs (see note 8)	158,730	152,910
	Bank charges	2,408	1,972
	Cleaning	4,861	4,649
	Computer expenses	6,254	3,996
	Insurance	8,108	5,811
	Light and heat	3,190	2,959
	Postage	35,544	25,222
	Rent and Rates	33,263	33,954
	Advertising	4,171	3,795
	Subscriptions	2,622	2,222
	Staff welfare	1,220	1,504
	Stationery	15,307	11,314
	Auditors remuneration	3,600	6,398
		<u>279,278</u>	<u>256,706</u>
6	Support costs	2001	2000
	Legal and professional fees	5,246	3,696
	Repairs and maintenance	2,993	3,427
	Photocopies	3,053	2,865
	Telephone	16,867	19,817
	Travel and meetings	139,388	116,400
	Hire of equipment	7,628	7,539
	Depreciation	43,564	39,449
		<u>218,739</u>	<u>193,193</u>
7	Net incoming resources for the year	2001	2000
	This is stated after charging:		
	Depreciation	43,564	39,449
	Auditors remuneration (audit services)	3,600	6,398
	Hire of equipment	7,628	7,539
		<u>54,792</u>	<u>53,386</u>
8	Staff costs and numbers	2001	2000
	Salaries and wages	780,391	747,790
	Social security costs	59,606	56,145
	Pension costs	60,882	58,514
		<u>900,879</u>	<u>862,449</u>
	Less management and administration staff costs (see note 5)	<u>(158,730)</u>	<u>(152,910)</u>
		<u>742,149</u>	<u>709,539</u>
	The average number of employees are as follows:		
		Number	Number
	Services to schools	27	24
	Administration and support	12	13
		<u>39</u>	<u>37</u>

In addition to the employees shown above there were 18 part-time hourly paid assistants who provided services to schools (2000: 18)

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

9 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 £60,882 (2000: £58,514).

10 Operating leases			
There are commitments for operating leases during the coming year.			
In respect of leases terminating:			
		2001	2000
		£	£
Within 2 to 5 years			
Land & building		11,523	11,198
Office equipment		7,266	11,118
More than 5 years			
Land & building		16,470	16,470
		<u>35,259</u>	<u>38,786</u>
11 Tangible fixed assets			
	Office	Computer	
	Equipment	Equipment	Total
Cost	£	£	£
At 1 September 2000	20,857	139,982	160,839
Additions	1,339	32,039	33,378
Disposals	(1,022)	(2,818)	(3,840)
At 31 August 2001	<u>21,174</u>	<u>169,203</u>	<u>190,377</u>
Depreciation			
At 1 September 2000	16,145	74,320	90,465
Charge for year	1,216	42,348	43,564
Disposals	(1,022)	(2,818)	(3,840)
At 31 August 2001	<u>16,339</u>	<u>113,850</u>	<u>130,189</u>
Net book value			
At 31 August 2001	<u>4,835</u>	<u>55,353</u>	<u>60,188</u>
At 31 August 2000	<u>4,712</u>	<u>65,662</u>	<u>70,374</u>
12 Investments			
	Equities	Fixed interest securities	Total
	£	£	
Market value as at 1 September 2000	666,249	168,101	834,350
Additions during the year at cost	-	-	0
(Loss)/Gain on revaluation of investments	(89,395)	2,349	(87,046)
Market value as at 31 August 2001	<u>576,854</u>	<u>170,450</u>	<u>747,304</u>
Original cost as at 31 August 2001	<u>313,020</u>	<u>164,977</u>	<u>477,997</u>
The investments which are stated at a valuation of £747,304 (2000: £834,350) had an original cost of £477,997 (2000: £477,997). 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 (2000: £11,650).			
13 Debtors			
	2001	2000	
	£	£	
Fees receivable	69,314	77,428	
Other debtors	55,413	52,606	
Prepayments and accrued income	35,397	37,044	
	<u>160,124</u>	<u>167,078</u>	
Other debtors include £29,437 (2000: £30,862) which is due after more than one year in respect of car loans which are repayable over four years.			
14 Creditors (amounts due within one year)			
	2001	2000	
	£	£	
Trade creditors	55,663	46,188	
Taxes and social security	33,470	26,202	
Accruals and deferred income	168,258	164,649	
	<u>257,391</u>	<u>237,039</u>	
15 Long term liabilities			
	2001	2000	
Deferred fee income	<u>150,706</u>	<u>150,706</u>	

AUDITORS' REPORT
to the Members of Independent Schools Careers Organisation

We have audited the financial statements on pages 1A to 5A 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.

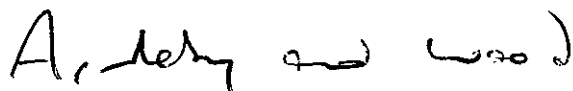
Basis of opinion

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 charitable company's affairs as at 31 August 2001 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.



Accountants and Registered Auditors
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Date 18 October 2001

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