

Charity Registration No. 1114623

Company Registration No. 03425492 (England and Wales)

**INSTITUTE OF SCHOOL BUSINESS LEADERSHIP**  
**ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE 15 MONTH PERIOD ENDED 31 MARCH 2021**

**INSTITUTE OF SCHOOL BUSINESS LEADERSHIP**  
**(A Company Limited by Guarantee)**

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**LEGAL AND ADMINISTRATIVE INFORMATION**

**Trustees and Directors**

Paul Armstrong

Helen Burge

Matthew Burrell

Jonathan Coates

Gary Corban

Chair - Finance

Alison Jefferson

Stephen Lester MBE

Chair

Josephine Marchant

Stephen Rayner

Yvonne Spencer

Trevor Summerson

Sandy Tomlinson

Michael White

**Chief Executive**

Stephen Morales

**Company Secretary**

Stephen Morales

**Charity number**

1114623

**Company number**

03425492

**Principal address and registered office**

53 Butts

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West Midlands

CV1 3BH

**Auditor**

UHY Hacker Young (Birmingham) LLP

9 - 11 Vittoria Street

Birmingham

B1 3ND

**Bankers**

The Royal Bank of Scotland plc

757 Attercliffe Road

Sheffield

S9 3RF

**INSTITUTE OF SCHOOL BUSINESS LEADERSHIP**  
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# **INSTITUTE OF SCHOOL BUSINESS LEADERSHIP**

## **(A Company Limited by Guarantee)**

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### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

The Trustees present their report and consolidated financial statements for the 15 month period ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charitable group's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

#### **Objectives and activities**

The charitable group's objects are to advance education and to promote the efficiency and effectiveness of charities or the effective use of resources for charitable purposes in particular but without limitation by the collection and dissemination of information in order to promote the highest efficiency in the strategic leadership and business management of, and the pursuance of strategic educational management in, Educational Institutions.

For the purposes of clarifying the objects, "Educational Institutions" means any schools, academies, colleges, sixth-form corporations or further education corporations conducted in accordance with the requirements of the Education Acts, and "Education Acts" means the Education Acts as defined in section 578 of the Education Acts 1996 (as amended or replaced from time to time) and includes any regulations made under the Education Acts.

#### **Vision**

To see school business professionals having the greatest possible positive impact on our education system at every level.

#### **Mission**

ISBL is the dedicated professional body for school business practitioners. We are committed to the continuous improvement and leadership development of those practitioners. We act to ensure the suitability, sufficiency and sustainability of the school business profession, and we advocate for its enhanced status.

#### **Values**

- **Integrity** - We operate according to a code of practice demanding the highest ethical standards, and we set expectations of ourselves and our members commensurate with those expected of other highly respected professions.
- **Inclusivity** - We strive to provide services and development opportunities for all education professionals involved in school business activity.
- **Impartiality** - We have no political leaning or bias.
- **Insight** - We speak from a position of authority, which is based on a well-founded understanding of resource management in education.

#### **Statement on compliance with Charity Commission guidance on public benefit**

The Trustees have paid due regard to the public benefit guidance issued by the Charity Commission in deciding what activities the charitable company should undertake.

#### **Activity and key objectives**

2021 represents the organisation's third full year operating as an institute. The focus of our activity may be categorised into a number of key areas including Training and Development, Guidance and Resources, Government Contracts, Research, Events, Collaboration, Commercial Partnerships, and business as usual.



## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

### **Review of activity and future plans**

It goes without saying that as a consequence of the COVID-19 pandemic, this has been an extraordinary period for the sector and our members: partial school closures, extensive testing, virtual provision, remote working and new assessment arrangements. As a key stakeholder, we continue to act as the conduit between practice and policy, and we have spent much of this helping our community understand and implement guidance and policy responding to the pandemic.

Despite the obvious and huge disruption to our face-to-face activity including training, events and conferences, ISBL demonstrated agility in moving this provision to the virtual/digital environment. Additionally, we seamlessly moved our staffing and administrative operation to a remote environment.

We have maintained high levels of member engagement in continuing professional development (CPD) and resources, and our member retention levels during the pandemic have been maintained in line with pre-pandemic expectations.

Moving from face-to-face activity to virtual has had an impact on revenue, but we have been prudent with expenditure and managed costs extremely well. As a result, the net impact on our financial position has been minimised.

### **1.1 COVID-19 response**

*Throughout the pandemic, we have worked hard to keep members up to date with the latest government guidance and any proposed policy. During the last 12 months, much of our energy has been expended on meeting with ministers and officials, feeding back to the school business professional (SBP) community and in turn taking practitioner concerns back to the Government.*

*We have helped our members work through the following:*

- *Understanding the COVID-19 "control framework"*
- *School and trust partial closures*
- *Testing arrangements*
- *Free school meals*
- *Catch-up funding*
- *Exceptional cost funding*
- *Remote learning*
- *Stakeholder and Department for Education (DfE) engagement*

*Additionally, we have been regularly meeting with international colleagues to gain a global perspective on managing the pandemic and sharing our experiences.*

### **1.2 Supporting the development of a national funding formula**

*We continue to work closely with the Funding Policy Unit (FPU) as we progress towards a hard national funding formula. ISBL has a seat at both the School and Academy Funding Group (SAFG) and Efficiency SAFG stakeholder consultation committees.*

### **1.3 Better Financial Reporting**

*ISBL has for some time been convening a group of close associates with a keen interest in the Better Financial Reporting (BFR) programme. The group consists of Education and Skills Funding Agency (ESFA) officials, Fellows with a strong technical finance knowledge, auditor firms, financial management systems (FMS) developers and other subject matter experts.*

*This forum allows ESFA to provide an update on the progress of the BFR programmes and stakeholders the opportunity to share experiences on the ground and any challenges related to implementation.*

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

### **1.4 Financial Assurance**

*ISBL has strong involvement with ESFA financial assurance development work through membership and leadership of the Academies Finance and Assurance Steering Group (AFASG) and its three working groups.*

*AFASG comprises ESFA, academy and sector representatives and works collaboratively to develop finance and assurance products, also providing a forum for ESFA to consult on its wider strategic aims. The Steering Group drives improvements to meet the needs of the academy sector in ensuring high standards of accountability and transparency in the use of public funds.*

*ISBL enjoys representation on the steering group (both CEO and Chair of Trustees) and all three Working Groups through a number of Members and Fellows including Mike Antoniou, Wendy Beasley, Hayley Dunn, Stephen Lester, Simon Oxenham and Sally Williams-McGlone.*

*Working Group 1 (chaired by an ISBL Fellow) leads on the Academies Financial Handbook, Fraud and Financial Management, and Governance Self-assurance (FMGS) for new and expanding academy trusts.*

*Working Group 2 focuses on the financial online forms development and collections (Accounts Return, Budget Forecast Returns, Land and Buildings Collection Tool), Sector Annual Report and Accounts, school resource management agenda, local government pension scheme, and long-term development of financial reporting (Better Financial Reporting Programme).*

*Working Group 3 focuses on development of the Academies Accounts Direction, reviewing outcomes from ESFA assurance work, development of sector guidance, and liaison with DfE to improve capability and financial awareness at pre-conversion stage and during academy transfers.*

### **1.5 Providing sector leadership in School Resource Management**

*Research conducted by DfE identified seven characteristics of efficient schools, which DfE has used to shape the programme:*

- Has a strong governing body and leadership team that challenges spending*
- Deploys the workforce effectively, with a focus on developing high-quality teachers*
- Uses evidence to determine the right mix of teaching and education support staff*
- Has a skilled school business manager who takes on a leadership role*
- Good use of financial benchmarking information to inform spending decisions*
- Part of a school cluster to share expertise, experience and data, and access economies of scale when making shared purchases*
- Manages down back-office and running costs through better procurement*

*The aim of DfE's School Resource Management (SRM) programme is to help schools improve outcomes for pupils by making every pound count.*

*The SRM offer draws together activity across ESFA and DfE aimed at securing efficiency and long-term value from schools' spending. It was set up to drive implementation progress and impact across the priorities set out in DfE's 2018 SRM strategy.*

*Effective school resource management sits at the core of ISBL's objects. We support the work of ESFA and DfE and have led in the following areas:*

- School Resource Management Adviser (SRMA) accreditation and induction (84 inductions took place, and 87 candidates attended an accreditation panel during 2020/21)*
- SRMA supply (providing circa 97 SRMAs throughout 2020/21)*
- Creation of a Finance and Resource and Management Hub*
- Development and delivery of sector-wide integrated curriculum and financial planning (ICFP) training*
- Ongoing evolution of our ICFP tool I-SOT*
- Our support of the DfE Commercial Team and buying hubs*

*ISBL was pleased to be announced by DfE in June 2021 as the SRMA provider with the largest number of advisers (to expand to 150) for a three-year contract from September 2021 to August 2024.*

*ISBL has also been appointed by DfE for the new innovative Chief Financial Officer Mentoring Programme pilot scheme, which will run from September 2021 to August 2022.*

### **1.6 Tools and resources**

*We continue to develop our portfolio of tools and resources. As well as existing tools including I-SOT, the capacity audit tool, professional self-assessment and the resource library, we have added a new Finance and Resource Management Hub.*

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

### **1.7 Professional development – qualifications, training and courses**

*Our professional development and training offering has performed well despite the disruption caused by the pandemic, with high levels of engagement.*

- *Our Professional Development Guidance was launched in February 2021 and received sector endorsement*
- *Estates and IOSH training courses saw increased demand throughout 2020 and into 2021*
- *The Diploma in School Financial and Operational Leadership has seen an increase in popularity over the last 6–9 months*

*Our new ICFP online training was launched in October 2020 and was extremely well received. Many practitioners are now using the inbuilt progression pathway and completing all three courses, which have been designed as developmental stepping stones.*

### **1.8 Diversity**

*ISBL continues to chair a sector leaders' diversity focus group. Participants include NAHT, ASCL, CST, NGA, ISC and the Chartered College of Teaching. This led to us hosting a national diversity round table in May 2021. We have continued to develop our diversity strategy using recent research to underpin our thinking. We have also been collaborating with Professor Paul Miller (the leading authority on research into diversity in education) to help inform our approach to equality, diversity and inclusion.*

*We published research into equality, diversity and inclusion in December 2020: Exploring ethnicity – school business leadership in England.*

*We have produced a matrix of diversity-related activity across our sector.*

### **1.9 International**

*ISBL continues to host a regular meeting of international education leaders including representatives from Canada, Australia, New Zealand, South Africa and the USA. Not only do we continue to share stories and experiences, but members of the group have presented to large audiences via ASBO International, the Schools and Academies Show and our own events. All conversations have been recorded and archived, and it is a shared ambition to publish a summary of our joint experiences during the pandemic in the near future.*

### **1.10 Stakeholder engagement**

*Since COVID-19 lockdown measures were introduced in March 2020, ISBL has been hosting a regular virtual meeting with representatives from the 46 affiliated SBP regional groups. This regular meeting has allowed the regions to share experiences on the ground; ISBL to provide ESFA, DfE and policy updates; regional chairs to share concerns raised by their members; and ISBL in turn to take these concerns back to officials and ministers.*

*Regional group chairs have expressed a keen interest in creating more formal arrangements that would help facilitate the following: ongoing dialogue across the regions, ensure a more consistent approach/better access to professional development opportunities, development of a single coherent narrative (voice) for SBP practice, and a clear route into the Government.*

*In January 2021, we launched the first Fellow Forum event. This was attended by over 75 Fellows who participated in rich discussion. A committee structure has been developed to help facilitate this ongoing dialogue. We have also worked with The Education Collective to develop a dedicated platform to be launched in April 2021.*

*Additionally, we engaged in weekly conversations with other sector leaders, and we participated in all DfE COVID-19 response stakeholder meetings.*

### **1.11 ISBL Blueprint**

*In March 2021, we published a Blueprint for school business leadership practice. The Blueprint provides a road map for school business leader development and underpins ISBL's future strategy.*

*Our four focus areas and associated aims are as follows:*

#### **Professional competency and sector assurance**

- *develop appropriately qualified, skilled and experienced practitioners*
- *encourage all practitioners to be well informed and fully engaged*
- *enable our members to stand up to scrutiny, be highly accountable and work within a strict code of conduct*

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

### **Professional recognition**

- promote the role amongst all key stakeholder groups
- champion school business professionals (SBPs) as credible and highly effective senior education leaders
- facilitate professional growth and career opportunity

### **Professional development**

- oversee a portfolio of high-quality qualifications linked to ISBL professional standards
- curate courses, training and academic programmes of study that help improve practice
- deliver high-quality and relevant events, conferences and workshops, both virtual and face to face

### **Professional voice (conduit between policy and practice)**

- review relevant education policy, sector guidance and legislation
- consult with key stakeholders (including government) and practitioners on the implications of new policy, guidance and legislation
- advise key stakeholders (including government) on the both the impact and implementation of new policy, guidance and legislation

### **1.12 New initiatives**

Throughout 2020/21, we have been working on a specific industry standard focusing on school and trust proficiency in financial governance and effective resource management.

SchoolMark ([www.schoolmark.org](http://www.schoolmark.org)) is the accreditation scheme developed in consultation with key sector partners that assesses numerous aspects of financial operations, celebrates best practice and helps schools raise standards in financial management.

SchoolMark is awarded by the Institute of School Business Leadership, and assessments are made by leading school finance professionals, guaranteeing a high-quality assessment and road map. The accreditation is valid for two years.

The SchoolMark accreditation celebrates schools and trusts running an efficient financial model based on a sound strategy that puts students first.

### **1.13 Events**

#### **• National conference**

ISBL delivered its 2020 national conference focused on 'unleashing potential' via a virtual platform following a decision in September 2020 to pivot the event from live attendance to virtual. We successfully migrated over 95% of the existing delegate bookings to participate in the virtual event, and all exhibitors were retained and supported the event. The whole programme was able to be delivered remotely and provided additional benefits to delegates through access to 85% of all content for up to 30 days post event delivery, meaning improved value for money as content could be rewatched and shared with internal colleagues to support wider CPD.

Over 8.5% of active members attended the event, and feedback from both delegates and exhibitors was positive, with 90% rating the event as good or above. ISBL will use the learning from the virtual event to develop a hybrid national conference in future years to ensure the best access opportunities for our members and SBPs to engage in CPD, particularly those in smaller and rural schools.

#### **• Regional events**

Immediately prior to the pandemic, ISBL was able to deliver one in-person event in February 2020 in London, where over 120 delegates attended.

ISBL had planned to run a further five conferences across the remainder of the year; however, despite postponement and expectations that measures would be removed, further live events were not possible for the remainder of the year. In place of this, ISBL developed virtual regional conferences in September 2020 and March 2021 to continue to provide access for our members to rich, relevant content and networking opportunities. The response from members was hugely positive, with almost 200 registrations to each of these events. During the pandemic, these events were opened free of charge to non-members to support sector development and engagement.



## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

### **1.14 Commercial partnerships**

#### **Approved Partners**

*During the pandemic, the relationship with partners has been maintained, although this has been more difficult as supplier organisations had to furlough colleagues, so communication and engagement could often be delayed.*

*Despite these challenges, ISBL continued to retain strong commercial relationships with key sector suppliers (circa 48). There were some partners that chose not to renew during 2020/21 as their income had been significantly impacted by the pandemic but hope to reinstate in future years. Interest in the promotional opportunity has remained strong, with over 10 approaches during 2021 year-to-date to become partners.*

*These relationships provide ISBL with important ancillary income. The suppliers have been assessed by ISBL using references from end users – however, we continue to highlight that we do not recommend or endorse approved partners as providers of choice.*

### **1.15 Routine operations**

#### **• Membership growth**

*Renewals were delayed as members were engaged in partial closures. Membership renewal remained at around 80% across the year, and late renewals moved into new renewal periods. There was a growth in the number of members paying by direct debit, which demonstrates the benefit of offering monthly payments to spread the cost of membership. There were increased retirements across the year, with additional stress of the pandemic being cited. Despite increased retirement across the sector, ISBL has maintained its membership in line with figures reported at the end of 2019. New memberships have been delivered through the development of relationships with learning providers offering the School Business Professional Apprenticeship (SBPA), which is an entry qualification into the profession, and ISBL is an end-point assessment organisation (EPAO) on this apprenticeship.*

#### **• Member services**

*During the pandemic, ISBL continued to work with a range of associates, ESFA and ISBL Fellows to develop guidance documentation for practitioners, including the Good Practice Library. This included a new development with IMP Software on a Finance and Resource Management Hub, which aims to provide a one-stop shop for guidance, regulatory requirements, auditor interpretation, practitioner experiences and answers to those frequently asked questions. The new hub, having been developed across 2020/21, launched in April 2021.*

#### **• Member communication**

*The member bulletins continued throughout 2020/21 on a fortnightly basis to support our practitioners. Additionally, further communications were developed including fortnightly dedicated COVID-19 communications providing updates and guidance on changes specifically relating to COVID. These were produced between April and November 2020.*

*ISBL recognised that bite-size online support and guidance was needed on COVID-19 specific issues and worked with approved partners, Fellows and other sector specialists to deliver a series of Expert Talks, which were free to access for all SBPs and ran during the summer and autumn terms in 2020. This content has remained available throughout this year via a dedicated ISBL YouTube channel, sessions from regional conferences and the series of podcasts sharing insights from practitioners as talking-head items with the CEO.*

#### **• Publications**

*ISBL made the decision to continue to produce and distribute a hard-copy member magazine during the pandemic, containing articles related to all areas of the ISBL Professional Standards. Content is supplied by sector specialists and leading practitioners. This was positively received by members as all other media partners had ceased content delivery or moved to digital, and members value engagement through an additional channel during the pandemic.*

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

### **Context**

This has been a highly unusual period not only for us as charity but for society at large.

The impact of the pandemic has been significant and extremely challenging for the education sector. Many of our members have been at the forefront of trying to keep the wheels of the education system turning. There is widespread consensus that without school business professionals (SBPs), things would have been close to impossible.

Our members supported schools through an intense period of crisis management in which many of the challenges the education system faced as a result of COVID-19 fell squarely at the feet of SBPs and their teams.

SBPs are enjoying an enhanced reputation and new-found respect from their pedagogical peers and are now reaching across and influencing all strands of strategic leadership, including pedagogy, business and governance. To support this increased strategic influence, the Institute has needed to demonstrate agility by quickly intercepting, interpreting and synthesising complex guidance.

The pandemic encouraged the Institute to accelerate plans to further embrace technology. This helped us develop new ways of online working and remote services.

Additionally, much of our time has been spent engaging in regular dialogue with senior officials, ministers and indeed members of the Scientific Advisory Group for Emergencies (SAGE), helping to develop appropriate measures in response to the pandemic whilst trying to minimise the disruption to children's education.

Despite this huge distraction, ISBL has continued to deliver all its core services, and notwithstanding the need to deliver much of our portfolio using remote channels, we were still able to execute a successful national conference and various regional events.

Member retention remains steady and marginally above pre-pandemic levels. Professional development uptake has been good throughout the year, and there has been no drop-off caused by COVID-19 disruptions. We successfully managed three government contracts in the period January 2020 – March 2021: School Resource Management Adviser (SRMA) Induction and Accreditation, SRMA Supply, and Integrated Curriculum and Financial Planning (ICFP) training.

We have kept our research efforts going with a deeper exploration into diversity. We host a sector leaders' diversity forum, and throughout the pandemic, we have chaired an international education leaders' panel.

ISBL members and ISBL structures have been tested in distinctive ways that are unlike many other organisations and have not only survived but, in some ways, thrived and become stronger through COVID-19.

Early this year, we published our Blueprint (copy available from our website). This has been created not only to set out the necessary steps required to embed structural (sector-led) self-improvement but also is the guiding document and anchor point for ISBL's short-, medium- and longer-term strategy.

### **Strategic report**

The descriptions under the headings "Context", "Review of activity and future plans" and "Financial review" meet the company law requirements for the trustees to present a strategic report.

### **Financial review - Group**

The financial period to 31 March 2021 saw the organisation incur a deficit of £39,426 (2019: surplus of £129,604).

The organisation had a successful year due to the introduction of new initiatives that met member demand, specifically around the areas of ICFP training development, additional conferences based on demand and the achievement of KPIs against DfE contracts ensuring the expected delivery on our contracts.

The organisation expects to generate an in-year deficit in 2022 of £35,205 in accordance with its budget expectations. The organisation will be seeking cost savings to mitigate this expectation.

Cash reserves have increased to £702,636 from £698,759 at the end of the financial period. The Trustees believe this is an appropriate level to allow the organisation to continue with the ISBL strategic aims to allow for a wider appeal to members.

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

### **Financial review - Charity**

The financial period to 31 March 2021 saw the parent charity generate a surplus of £44,827 (2019: deficit of £175,282).

The surplus is after taking account of the inter-company management charge made by the parent charity to the Trading Subsidiary.

At present the charity, by being the main employer, incurs a disproportionate amount of costs, some of which has been addressed during the year with the advent of a management charge to provide a greater transparency of the relevant costs to operate each organisation, and this charge is under review to ensure an appropriate level is reached. In addition, the Trading subsidiary will make a post year end distribution from its reserves to the charity which will remove the deficit in its entirety, leaving the charity with net surplus on reserves.

### **Reserves policy**

The Trustees believe the level of reserves within the organisation to be at an appropriate level for an organisation of its size and turnover. The current level gives the organisation a modest level of working capital to further grow its services to members in the form of courses and wider opportunities but to retain a degree of caution so as not to overcommit the organisation.

The current unrestricted reserves at 31 March 2021 are £314,393 of which free reserves (unrestricted reserves less fixed assets) are £268,432.

The Board of Trustees have adopted a reserves policy that requires the Institute to keep reserves at a level sufficient to meet 60 days of operating costs.

The Board are content that current reserve levels meet that policy expectation.

### **Risk management**

The Institute's principal risks centre around the following:

- An ageing workforce and a need to develop a succession pipeline
- The extensive range of products and services required to meet the needs of a diverse membership community
- Perceived influence and confusion over the distinct roles of a professional body and representative body

Each of these, without mitigation, could have an impact on our financial sustainability, reputation and relevance.

The Trustees are aware of the need to mitigate these risks and have developed robust strategies to respond to each of these areas. These strategies are anchored by the Blueprint.

### **Risk Mitigation**

As a third sector organisation, ISBL has a responsibility not only to clearly articulate its strategic vision but also to highlight potential risks to these ambitions.

The Trustees maintain a register of risks to which ISBL is exposed, in particular those related to the sector environment and ISBL's operations and finances, and are satisfied that systems and procedures are in place to mitigate exposure.

#### **Environmental**

In responding to the risks associated to the evolving education landscape, ISBL will adopt the following strategies:

- Development of a succession pipeline through improved engagement with undergraduates and aspiring SBPs and talent management within the sector;
- Regular workforce learning needs analysis using a variety of methodologies, including surveys, workshops, forums and learning provider feedback;
- Clear articulation of our role within the education system – in particular, the recent publication of our Blueprint;
- Investment in improved technology infrastructure and platforms;
- Ensuring a unique and highly relevant proposition.

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

### **Operational**

ISBL is committed to optimising operational effectiveness and recognises the risks associated with negligence in any of the following areas:

- systems and processes must be clear, robust and workable;
- staff structures must provide appropriate levels of competency and capacity;
- the working environment must be conducive to productivity and staff wellbeing;
- effective performance management must ensure staff engagement and career development.

### **Financial**

Beyond its commitment to assurance, regularity and propriety, ISBL must demonstrate high levels of financial accountability and transparency, as this is at the core of school business leadership practice.

ISBL therefore takes very seriously its responsibility to its subscribing members for the effective safeguarding of all funds. Management information systems are reviewed on a regular basis to ensure fitness for purpose. We have engaged the services of a reputable audit firm to carry out our annual audit and assist with the annual report, and, in addition, we have committed to periodic internal audits. The Audit Committee, a subcommittee of the Board, presides over the detail of financial reports and periodic financial monitoring.

### **Fundraising practices**

The main focus for the group in respect of raising funds is through its membership and through its training and various courses being offered. As a result, the group does not engage in any direct or indirect fundraising practices with the general public or select groups.

The group does not use any professional fundraisers or involve any commercial participators. No complaints have been received in this regard.

The group has not signed up to any Fundraising Code of Practice as it does not see this as relevant to its activities; however, if deemed relevant, it would review this.

### **External reputation**

Our reputation hinges on the integrity of our communication. We must ensure we communicate authoritatively in the areas in which we are qualified to do so. This will be further underpinned as we develop our research capability. Whilst we do not have a direct national competitor, many of the institutes and education service providers occasionally stray into our territory. We continue to develop closer working relationships with key stakeholders and partners and so we have been able to eradicate this overlap and ensure a sufficiently differentiated offer to mitigate against any potential duplication.

We are working with regional leaders to develop a national group who will together provide a single voice for the profession and ensure quality-assured training and resources are accessible to all practitioners at every level of practice.

### **Governance**

Strong governance is important in any organisation but arguably of particular importance in the charity sector, where the objects of the organisation are clearly defined and for public benefit.

It is essential that in this context Trustees discharge their governance duties with integrity and absolute impartiality. It is important that they understand the scope and limitations of their responsibility and that they hold the Chief Executive to account through effective performance management and oversight of adherence to the organisation's statutory responsibilities.

The Board of Trustees have worked to ensure the required breadth and depth of expertise, including the recruitment of a cadre of high-calibre trustees and a highly respected education leader as the new chair. This process has included a review of the board's skills mix, a conscious effort to ensure cognitive and professional diversity, and a commitment to equality, diversity and inclusion. In addition to supporting the recruitment effort, the Remuneration and Nominations Committee have also invested significant time and effort in improving ISBL's approach to induction and trustee training and developing an evaluation process to measure the Board's impact on the organisation.



## **INSTITUTE OF SCHOOL BUSINESS LEADERSHIP**

### **(A Company Limited by Guarantee)**

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## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

### **Long term plans for the future**

ISBL plans to continue the activities outlined under the "Context" section of this document, enhance the current offer and embrace technological advancements. We continue to build strong relationships with all education stakeholders, and we are committed to supporting the Department for Education and indeed other government agencies, irrespective of the political orientation of the Government.

We are committed to improving the profile and status of school business leadership practice and ensuring that it is seen as a credible profession in its own right.

### **Structure, governance and management**

#### **Governing Document, Company Status and Constitution**

The charitable company is a company limited by guarantee, which was incorporated on 27 August 1997.

The Trustees, who are also the directors for the purpose of company law, and who served during the period and up to the date of signature of the financial statements, were:

Paul Armstrong	
Helen Burge	(Appointed 24 March 2021)
Matthew Burrell	
Matthew Clements-Wheeler	(Resigned 13 November 2020)
Jonathan Coates	(Appointed 25 March 2021)
Gary Corban	
Alison Jefferson	
Stephen Lester MBE	(Appointed 28 July 2020)
Josephine Marchant	
Rachel Prince	(Resigned 20 November 2020)
Stephen Rayner	(Appointed 24 March 2021)
Yvonne Spencer	
Trevor Summerson	
Sandy Tomlinson	(Appointed 23 September 2020)
Michael White	(Appointed 24 March 2021)

The directors of the company are also charity Trustees for the purpose of charity law and under the company's Articles are known as Trustees and Directors. Under the requirements of the Articles of Association, the members of the Trustee Board are elected to serve for a period of three years, after which they must be re-elected at the next Annual General Meeting (AGM) or co-opted by existing Trustees until the earlier of the next AGM or 12 months from the date of co-option.

If any Trustee is a corporate body, it must act through a named representative whose contact details are notified to the Trustees.

A Trustee who retires at the AGM may, if willing to act, be re-elected in accordance with the Articles up to a maximum of two further consecutive terms of office and must then not seek further re-election for a period of 12 months.

ISBL has a Board of Trustees who meet a minimum of four times per year and are responsible for the strategic direction and policy of the charitable company. The Board of Trustees had 13 members at the period end.

A scheme of delegation is in place, and day-to-day responsibility for the provision of the services rests with the Chief Executive.

The Chief Executive is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met.

Aspects of the charitable company's work are then monitored on a routine basis by standing subcommittees of the Board of Trustees and ad hoc working parties as required.

The Board of Trustees is made up of practising school business professionals (or equivalent) and individuals with relevant professional expertise that will enhance ISBL's ability to deliver its core objects. Board members complete self-review assessments against relevant benchmark standards, the results of which are discussed by the Remuneration and Nominations Committee.

The Remuneration and Nominations Committee then make training and induction recommendations to the Board of Trustees in order to increase the knowledge, skills and experience of the Board as a whole.

**INSTITUTE OF SCHOOL BUSINESS LEADERSHIP**  
**(A Company Limited by Guarantee)**

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**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

New Trustees are required to familiarise themselves with the charitable company and the context within which it operates through dialogue with the Chair of Trustees, the Chair of the Remuneration and Nominations Committee and the Chief Executive of the charity. These arrangements have been further strengthened via the Remuneration and Nominations Committee. All Trustees participate in a robust induction process.

The Trustees have determined that the process for making decisions on the pay of staff shall be delegated to a Staffing Committee. There shall be a quorum of three. Trustees have decided that no Trustee who is an employee of ISBL will be a member of any committee that makes decisions about the pay of other staff. The committee shall decide the pay of all staff by the effective application of the policy in all circumstances, including upon appointment and when the staffing structure changes. In the case of the Chief Executive's salary review, the two Trustees appointed to undertake the Chief Executive's appraisal will make a recommendation about performance pay where the Chief Executive is eligible.

The Chief Executive is responsible for the appraisal of all staff and the recommendation regarding performance pay decisions if relevant. However, the Chief Executive may delegate responsibility for the appraisal of staff but retain the responsibility for any associated recommendation regarding performance pay decisions or may delegate responsibility in its entirety for the appraisal of staff and the associated recommendation regarding performance pay decisions.

Insofar as it is complementary to the charitable company's objectives, ISBL is guided by both local and national policy. ISBL works closely with the Department for Education and the Education and Skills Funding Agency. ISBL acts as the conduit between policy and practice by working with both the regulator and regional group representatives.

**Related parties**

Where Trustees are conflicted due to positions held within organisations or local and/or regional groups, this conflict is recorded in the charitable company's register of pecuniary interests, and conflicted Trustees withdraw from discussions and decisions.

At the end of 2017, ISBL established a trading subsidiary, ISBL Trading Limited, for the purposes of organising and running the trading activities previously within the main charitable company. The trading company has been active since 01 January 2018. The results from the trading activities have been incorporated in this set of consolidated financial statements.

**Disclosure of audit information**

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

**Auditor**

UHY Hacker Young (Birmingham) LLP were appointed as auditor to the charitable group and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at the General Meeting.

The trustees' report was approved by the Board of Trustees.



**Stephen Lester MBE**

**Chair of Trustees**

Date: 23 September 2021

**INSTITUTE OF SCHOOL BUSINESS LEADERSHIP**  
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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees, who are also the directors of Institute of School Business Leadership for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable group 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 charitable group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE TRUSTEES OF INSTITUTE OF SCHOOL BUSINESS LEADERSHIP**

**Opinion**

We have audited the financial statements of Institute of School Business Leadership (the 'charitable company') and its subsidiaries (the 'group') for the period ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charitable Company Balance Sheets, the Consolidated Statement of Cash Flows and the related notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice) and the Charities SORP (FRS 102) 2019.

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including income and expenditure, for the period 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 and the Charities Act 2011.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the provisions available for small entities and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statement is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the parent charitable company or group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

**Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the financial statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE TRUSTEES OF INSTITUTE OF SCHOOL BUSINESS LEADERSHIP**

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the parent charitable company, its subsidiaries and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. 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 by the parent charitable company or its subsidiaries, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 12, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the group and the sector in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the charitable company, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls, and determined that the principal risks were related to inflated revenue and the charitable company's net income for the year.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with and reports to the regulators, including correspondence with the Charities Commission review of correspondence with legal advisors and enquiries of management so far as they related to the financial statements, and testing of journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.



**INSTITUTE OF SCHOOL BUSINESS LEADERSHIP**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITOR'S REPORT**  
**TO THE TRUSTEES OF INSTITUTE OF SCHOOL BUSINESS LEADERSHIP**

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent charitable company and group's
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent charitable company's and group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the parent charitable company and group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Use of our report**

This report is made solely to the group'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 parent charitable company and group'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 parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Malcolm Winston**  
**Senior Statutory Auditor**  
**UHY Hacker Young (Birmingham) LLP, Statutory Auditor**  
**9 - 11 Vittoria**  
**Street**  
**Birmingham**

Date: 23 September 2021

UHY Hacker Young (Birmingham) LLP is eligible for appointment as auditor of the charitable group by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

**INSTITUTE OF SCHOOL BUSINESS LEADERSHIP**  
**(A Company Limited by Guarantee)**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**(Incorporating a consolidated income and expenditure account)**  
**FOR THE 15 MONTH PERIOD ENDED 31 MARCH 2021**

				Period ended 31 March 2021	Year ended 31 December 2019
	Notes	Unrestricted Funds £	Designated Funds £	Total Funds £	Total Funds £
<b>Incoming from:</b>					
Donations and legacies	3	11,213	-	11,213	-
<i>Income from charitable activities:</i>					
Charitable activities	4	288,217	-	288,217	266,349
<i>Income from other trading activities:</i>					
Other trading activities	5	644,133	948,465	1,592,598	2,244,140
Investments	6	1,196	-	1,196	1,890
<b>Total income</b>		<b>944,759</b>	<b>948,465</b>	<b>1,893,224</b>	<b>2,512,379</b>
<b>Expenditure on:</b>					
<i>Expenditure on charitable activities:</i>					
Charitable activities	8	691,314	29,154	720,468	652,999
<i>Expenditure from other trading activities:</i>					
Other trading activities	10	473,746	738,436	1,212,182	1,729,776
<b>Total expenditure</b>		<b>1,165,060</b>	<b>767,590</b>	<b>1,932,650</b>	<b>2,382,775</b>
<b>Net incoming/(outgoing) resources before transfers</b>		<b>(220,301)</b>	<b>180,875</b>	<b>(39,426)</b>	<b>129,604</b>
Gross transfers between funds		196,692	(196,692)	-	-
<b>Net income/(expenditure) for the period/ Net movement in funds</b>		<b>(23,609)</b>	<b>(15,817)</b>	<b>(39,426)</b>	<b>129,604</b>
Funds balances at 01 January 2020		338,002	15,817	353,819	224,215
<b>Funds balances at 31 March 2021</b>		<b>314,393</b>	<b>-</b>	<b>314,393</b>	<b>353,819</b>

The statement of financial activities includes all gains and losses recognised in the period.

All incoming resources and resources expended relate to continuing activities of the group.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**INSTITUTE OF SCHOOL BUSINESS LEADERSHIP**  
**(A Company Limited by Guarantee)**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**(Incorporating a consolidated income and expenditure account)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

Prior financial year	Notes	Unrestricted Funds £	Designated Funds £	Year ended 31 December 2019 Total Funds £
<b><u>Incoming from:</u></b>				
<i>Income from charitable activities:</i>				
Charitable activities	4	266,349	-	266,349
<i>Income from other trading activities:</i>				
Other trading activities	5	915,135	1,329,005	2,244,140
Investments	6	1,890	-	1,890
<b>Total income</b>		<b>1,183,374</b>	<b>1,329,005</b>	<b>2,512,379</b>
<b><u>Expenditure on:</u></b>				
<i>Expenditure on charitable activities:</i>				
Charitable activities	8	653,831	(832)	652,999
<i>Expenditure from other trading activities:</i>				
Other trading activities	10	653,999	1,075,777	1,729,776
<b>Total expenditure</b>		<b>1,307,830</b>	<b>1,074,945</b>	<b>2,382,775</b>
<b>Net incoming/(outgoing) resources before transfers</b>		<b>(124,456)</b>	<b>254,060</b>	<b>129,604</b>
Gross transfers between funds		261,034	(261,034)	-
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>136,578</b>	<b>(6,974)</b>	<b>129,604</b>
Funds balances at 01 January 2019		201,424	22,791	224,215
<b>Funds balances at 31 December 2019</b>		<b>338,002</b>	<b>15,817</b>	<b>353,819</b>

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended relate to continuing activities of the group.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.



**INSTITUTE OF SCHOOL BUSINESS LEADERSHIP**  
**(A Company Limited by Guarantee)**

**CONSOLIDATED AND CHARITABLE COMPANY BALANCE SHEETS 31 MARCH 2021**

	Notes	Group 2021 £	Charity 2021 £	Group 2019 £	Charity 2019 £
<b>Fixed assets</b>					
Intangible assets	14	38,263	38,263	65,593	65,593
Tangible assets	15	7,698	7,698	11,644	11,644
Fixed Asset Investments	16	-	1	-	1
		<b>45,961</b>	<b>45,962</b>	<b>77,237</b>	<b>77,238</b>
<b>Current assets</b>					
Debtors	17	423,531	46,831	719,841	77,304
Cash at bank and in hand	27	702,636	277,807	698,759	247,535
		<b>1,126,167</b>	<b>324,638</b>	<b>1,418,600</b>	<b>324,839</b>
<b>Creditors: amounts falling due within one year</b>	18	<b>(857,735)</b>	<b>(385,117)</b>	<b>(1,142,018)</b>	<b>(461,421)</b>
<b>Net current assets</b>		<b>268,432</b>	<b>(60,479)</b>	<b>276,582</b>	<b>(136,582)</b>
<b>Net assets</b>		<b>314,393</b>	<b>(14,517)</b>	<b>353,819</b>	<b>(59,344)</b>
<b>Income funds</b>					
<u>Unrestricted funds</u>					
Other unrestricted funds		314,393	(14,517)	338,002	(27,268)
Designated funds	21	-	-	15,817	(32,076)
		<b>314,393</b>	<b>(14,517)</b>	<b>353,819</b>	<b>(59,344)</b>

The charitable company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the period ended 31 March 2021, although an audit has been carried out under section 151 of the Charities Act 2011. No member of the charitable company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The trustees acknowledge their responsibilities for ensuring that the group and charitable company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the group and charitable company as at the end of the financial period and of its incoming resources and application of resources, including its income and expenditure, for the financial period in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 16 to 33 were approved by the Trustees and authorised for issue on 23 September 2021 and are signed on their behalf by:



**Stephen Lester MBE**  
**Chair of Trustees**

**Company Registration Number: 03425492**

**Gary Corban**  
**Trustee**



**INSTITUTE OF SCHOOL BUSINESS LEADERSHIP**  
**(A Company Limited by Guarantee)**

**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE 15 MONTH PERIOD ENDED 31 MARCH 2021**

	Notes	2021 £	2019 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	26	4,842	254,220
<b>Investing activities</b>			
Purchase of tangible fixed assets	15	(2,160)	(10,060)
Interest received	6	1,196	1,890
<b>Net cash generated from/(used in) investing activities</b>		<b>(964)</b>	<b>(8,170)</b>
<b>Net increase in cash and cash equivalents</b>		<b>3,878</b>	<b>246,050</b>
Cash and cash equivalents at beginning of period		<b>698,758</b>	452,709
<b>Cash and cash equivalents at end of period</b>	27	<b>702,636</b>	<b>698,759</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE 15 MONTH PERIOD ENDED 31 MARCH 2021**

**1 Accounting policies**

**Charitable group information**

Institute of School Business Leadership is a private company limited by guarantee incorporated in England and Wales.

ISBL Trading Limited is a private company limited by shares incorporated in England and Wales.

The registered office for both organisations is 53 Butts, Coventry, West Midlands, CV1 3BH.

**1.1 Accounting convention**

The financial statements have been prepared in accordance with the charitable group's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charitable group is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charitable group. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

**1.2 Group financial statements**

The financial statements consolidate the results of the charity and its wholly owned subsidiary ISBL Trading Limited on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption afforded by Companies Act 2006, s.408.

**1.3 Going concern**

At the time of approving the financial statements, despite the ongoing and potential effects of COVID-19, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The trustees continue to adopt the going concern basis of accounting in preparing the financial statements, and no adjustments to the results or the carrying values declared in these financial statements are required, and none have been made.

**1.4 Fund accounting**

Unrestricted Funds are available to spend on activities that further any of the purposes of the charity.

Designated Funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted Funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

**1.5 Incoming resources**

Income is recognised when the charitable group is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable group has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

**1.6 Government Grants**

A grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs shall be recognised in income in the period in which it becomes receivable.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE 15 MONTH PERIOD ENDED 31 MARCH 2021**

**1.7 Resources expended**

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at headquarters. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**1.8 Intangible fixed assets other than goodwill**

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	over 5 years
----------	--------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the period.

**1.9 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

All assets costing more than £1,000 are capitalised.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and Fittings	between 4 and 5 years
Computers	over 3 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the period.

**1.10 Investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price, except for the shares in the trading subsidiary which are carried at cost. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the period.

The charity does not acquire put options, derivatives or other complex financial instruments.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial period. Unrealised gains and losses are calculated as the difference between the fair value at the period-end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

A subsidiary is an entity controlled by the charitable company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE 15 MONTH PERIOD ENDED 31 MARCH 2021**

**1.11 Impairment of fixed assets**

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

**1.12 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.13 Financial instruments**

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

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**1.14 Taxation**

**Charitable company**

The activities of the charitable company are exempt from Corporation Tax to the extent that they are applied to the organisation's charitable objectives.

**Trading subsidiary**

The tax expense represents the sum of the tax currently payable and deferred tax.

**Current tax**

The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

It is the policy of the company to make a corporate donation equivalent to the taxable profits for the period ended to its parent company and registered charity under the applicable regulations. This payment is to be made within 9 months of the end of the accounting period and as such, under corporation tax regulations, the company is eligible to carry back the effect of this payment to the current period. No provision for corporation tax is made within the financial statements.

**1.15 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**1.16 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

**1.17 Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

**1.18 Legal status**

**Charitable company**

The charitable company is a company limited by guarantee. In accordance with the Articles of Association, the members of the charitable company are the Trustees, who must sign a declaration of willingness to act as a Member. Membership is terminated when the individual ceases to be a Trustee.

In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable company.

**Trading subsidiary**

The trading subsidiary is a company limited by shares. The members of the company are its shareholders. Directors are appointed on behalf of the members to oversee the day-to-day operations of the subsidiary and ensure good governance in its activities.

**2 Critical accounting estimates and judgements**

In the application of the charitable company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.



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<b>3 Donations and legacies</b>		<b>Unrestricted Funds £</b>	<b>Designated Funds £</b>	<b>Period ended 31 March 2021 £</b>	<b>Year ended 31 December 2019 £</b>	
Grants receivable for core activities		11,213	-	11,213	-	
For the year ended 31 December 2019		-	-		-	
<b>Grants receivable for core activities</b>						
Coronavirus Job Retention Scheme Grant		11,213	-	11,213	-	
<b>4 Charitable activities</b>		<b>Memberships £</b>	<b>Conference and Training £</b>	<b>Other activities £</b>	<b>Period ended 31 March 2021 £</b>	<b>Year ended 31 December 2019 £</b>
Membership income		284,430	-	-	284,430	263,497
Conference income		-	-	-	-	371
Training income		-	-	-	-	(400)
Consultancy income		-	-	3,787	3,787	2,824
Other income		-	-	-	-	57
		284,430	-	3,787	288,217	266,349
<b>For the year ended 31 December 2019</b>						
Membership income		263,497	-	-		263,497
Conference income		-	371	-		371
Training income		-	-	(400)		(400)
Consultancy income		-	-	2,824		2,824
Other income		-	-	57		57
		263,497	371	2,481		266,349
<b>5 Other trading activities</b>		<b>Unrestricted Funds £</b>	<b>Designated Funds £</b>	<b>Period ended 31 March 2021 £</b>	<b>Year ended 31 December 2019 £</b>	
Income from trading activities		644,133	948,465	1,592,598	2,243,995	
Website income		-	-	-	145	
		644,133	948,465	1,592,598	2,244,140	
For the year ended 31 December 2019		915,135	1,329,005		2,244,140	
<b>6 Investments</b>		<b>Unrestricted Funds £</b>	<b>Designated Funds £</b>	<b>Period ended 31 March 2021 £</b>	<b>Year ended 31 December 2019 £</b>	
Interest receivable		1,196	-	1,196	1,890	
For the year ended 31 December 2019		1,890	-		1,890	

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<b>7 Expenditure</b>	<b>Staff Costs</b>	<b>Premises Costs</b>	<b>Other Costs</b>	<b>Period ended 31</b>	<b>Year ended 31</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>March 2021</b>	<b>December 2019</b>
				<b>£</b>	<b>£</b>
Expenditure on charitable activities:					
Charitable activities	467,708	13,404	239,356	<b>720,468</b>	652,999
<b>Total expenditure</b>	<b>467,708</b>	<b>13,404</b>	<b>239,356</b>	<b>720,468</b>	<b>652,999</b>
<b>Prior financial year</b>					
Expenditure on charitable activities:					
Charitable activities	376,537	13,581	262,881		652,999
<b>Total expenditure</b>	<b>376,537</b>	<b>13,581</b>	<b>262,881</b>		<b>652,999</b>
<b>8 Charitable activities</b>	<b>Memberships</b>	<b>Conference and Training</b>	<b>Other Activities</b>	<b>Period ended 31</b>	<b>Year ended 31</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>March 2021</b>	<b>December 2019</b>
				<b>£</b>	<b>£</b>
Conference expenses	-	467	-	<b>467</b>	-
Training costs	-	(11,562)	-	<b>(11,562)</b>	(1,132)
Marketing	23,248	1,995	-	<b>25,243</b>	31,056
Special Interest Group costs	-	-	297	<b>297</b>	1,721
Other expenses	-	-	-	<b>-</b>	1,823
	<b>23,248</b>	<b>(9,100)</b>	<b>297</b>	<b>14,445</b>	<b>33,468</b>
Share of support costs (see note 9)	660,443	-	8,793	<b>669,236</b>	584,817
Share of governance costs (see note 9)	36,304	-	483	<b>36,787</b>	34,714
	<b>719,995</b>	<b>(9,100)</b>	<b>9,573</b>	<b>720,468</b>	<b>652,999</b>
<b>Analysis by fund</b>					
Unrestricted Funds	719,995	(38,254)	9,573	<b>691,314</b>	
Designated Funds	-	29,154	-	<b>29,154</b>	
	<b>719,995</b>	<b>(9,100)</b>	<b>9,573</b>	<b>720,468</b>	
<b>For the year ended 31 December 2019</b>					
Unrestricted Funds	644,335	181	9,315		653,831
Designated Funds	(832)	-	-		(832)
	<b>643,503</b>	<b>181</b>	<b>9,315</b>		<b>652,999</b>

**Description of charitable activities**

Memberships

Membership income and related services connected to assisting and administering memberships.

Conference and Training

Income and costs related to hosting national and regional conferences and supplying training courses for members.

Other Activities

General charitable activities undertaken by the organisation.



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<b>9 Support Costs</b>	<b>Support costs</b>	<b>Governance costs</b>	<b>Period ended 31 March 2021</b>	<b>Year ended 31 December 2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Staff costs	467,708	-	<b>467,708</b>	376,537
Staff training and other staff costs	2,828	-	<b>2,828</b>	2,990
Depreciation	33,436	-	<b>33,436</b>	25,658
Rent and service charge costs	43,169	-	<b>43,169</b>	38,973
Premises costs	13,404	-	<b>13,404</b>	13,581
Associate Practitioner costs	(7,067)	-	<b>(7,067)</b>	(460)
Travel and subsistence costs	2,306	-	<b>2,306</b>	7,563
Computer and website costs	58,629	-	<b>58,629</b>	41,750
Office costs	26,850	-	<b>26,850</b>	32,062
Bad debt write off and provision	-	-	<b>-</b>	16,595
VAT Partial exemption	24,972	-	<b>24,972</b>	23,496
Trustee expenses	150	-	<b>150</b>	2,623
Bank and finance charges	2,651	-	<b>2,651</b>	3,449
Charitable Donations	200	-	<b>200</b>	-
Audit fees	-	7,000	<b>7,000</b>	11,675
Legal and professional costs	-	22,721	<b>22,721</b>	15,035
Governance costs	-	7,066	<b>7,066</b>	8,004
	<b>669,236</b>	<b>36,787</b>	<b>706,023</b>	<b>619,531</b>

Governance costs include fees paid to the Auditors for audit services in relation to the Charitable Company. Audit services in relation to the Trading Subsidiary are included within Expenditure from trading activities (Note 10 below).

<b>10 Other trading activities</b>	<b>Unrestricted Funds</b>	<b>Designated Funds</b>	<b>Period ended 31 March 2021</b>	<b>Year ended 31 December 2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Expenditure from trading activities	473,746	738,436	<b>1,212,182</b>	1,729,776
For the year ended 31 December 2019	<b>653,999</b>	<b>1,075,777</b>		<b>1,729,776</b>

<b>11 Net movement in funds</b>	<b>Period ended 31 March 2021</b>	<b>Year ended 31 December 2019</b>
	<b>£</b>	<b>£</b>
Net movement in funds is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	<b>6,106</b>	3,794
Amortisation of intangible assets	<b>27,330</b>	21,864
Operating lease charges	<b>41,756</b>	30,683
Audit of the charitable group's annual accounts	<b>8,950</b>	11,175

**12 Trustees**

None of the Trustees (or any persons connected with them) received any remuneration from the charity during the period, but 2 of them were reimbursed a total of £150 for travelling and subsistence expenses (2019 - 8 were reimbursed £3,161 travelling and subsistence expenses).

The expenses are made up of Trustee expenses reimbursed for travel and accommodation costs £150 (2019 - £3,055), hotel/meeting costs organised direct by the Institute of £0 (2019 - £106).

During the period, directors P Armstrong, M Burrell, M Clements-Wheeler, G Corban, A Jefferson, S Lester, J Marchant, R Prince, Y Spencer, T Summerson and S Tomlinson had access to free attendance at the Virtual National Conference at a cost of £125 each. The £1,375 Conference Expenses have been included in the cost of the National Conference (2019 - £4,130).

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**13 Employees**

**Number of employees**

The average monthly number of employees during the period was:

Direct charitable and support staff

<b>Period ended 31 March 2021</b>	<b>Year ended 31 December 2019</b>
<b>Number</b>	<b>Number</b>
<b>14</b>	<b>16</b>

**Employment Costs (Group)**

Wages and salaries

Social security costs

Other pension costs

<b>Period ended 31 March 2021</b>	<b>Year ended 31 December 2019</b>
<b>£</b>	<b>£</b>
<b>618,299</b>	<b>482,657</b>
<b>59,930</b>	<b>46,934</b>
<b>61,903</b>	<b>50,896</b>
<b>740,132</b>	<b>580,487</b>

**Employment Costs (Charity)**

Wages and salaries

Social security costs

Other pension costs

<b>Period ended 31 March 2021</b>	<b>Year ended 31 December 2019</b>
<b>£</b>	<b>£</b>
<b>385,135</b>	<b>310,641</b>
<b>37,686</b>	<b>30,936</b>
<b>44,887</b>	<b>34,960</b>
<b>467,708</b>	<b>376,537</b>

The number of employees whose remuneration for the period was £60,000 or more were:

£70,001 - £80,000

£90,001 - £100,000

£130,001 - £140,000

<b>Period ended 31 March 2021</b>	<b>Year ended 31 December 2019</b>
<b>1</b>	<b>-</b>
<b>-</b>	<b>1</b>
<b>1</b>	<b>-</b>

Contributions for the period totalling £27,863 (2019: £11,144) were made to defined contribution pension schemes on behalf of employees whose emoluments exceed £60,000.

**14 Intangible assets**

**Group and Charity**

**Cost**

At 01 January 2020 and 31 March 2021

Software  
£

**Total**  
**£**

109,322 **109,322**

**Amortisation**

At 01 January 2020

Amortisation charge for the period

At 31 March 2021

43,729 **43,729**

27,330 **27,330**

71,059 **71,059**

**Net book value**

At 31 March 2021

38,263 **38,263**

At 31 December 2019

65,593 **65,593**

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**15 Tangible assets**

	Fixtures and Fittings £	Computers £	Total £
<b>Group and Charity Cost</b>			
At 01 January 2020	38,686	15,557	<b>54,243</b>
Additions	-	2,160	<b>2,160</b>
Disposals	(21,825)	(677)	<b>(22,502)</b>
At 31 March 2021	<u>16,861</u>	<u>17,040</u>	<u><b>33,901</b></u>
<b>Depreciation</b>			
At 01 January 2020	36,180	6,419	<b>42,599</b>
Depreciation charge for the period	1,824	4,282	<b>6,106</b>
Disposals	(21,825)	(677)	<b>(22,502)</b>
At 31 March 2021	<u>16,179</u>	<u>10,024</u>	<u><b>26,203</b></u>
<b>Net book value</b>			
At 31 March 2021	<u>682</u>	<u>7,016</u>	<u><b>7,698</b></u>
At 31 December 2019	<u>2,506</u>	<u>9,138</u>	<u><b>11,644</b></u>

**16 Fixed Asset Investments**

The charitable company holds 1 share of £1 each in its wholly owned trading subsidiary company, ISBL Trading Limited, which is incorporated in the United Kingdom. These are the only shares allotted, called up and fully paid. The activities and results of this company is summarised in note 25.

**17 Debtors**

	<b>Group</b>		<b>Charity</b>	
	<b>2021</b>	<b>2019</b>	<b>2021</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	<b>152,122</b>	239,052	<b>540</b>	4,936
Amounts owed by group undertakings	-	-	<b>23,302</b>	-
Other debtors	<b>214,546</b>	436,573	-	55,358
Prepayments and accrued income	<b>56,863</b>	44,216	<b>22,989</b>	17,010
	<u><b>423,531</b></u>	<u>719,841</u>	<u><b>46,831</b></u>	<u>77,304</u>

**18 Creditors: amounts falling due within one year**

	<b>Group</b>		<b>Charity</b>	
	<b>2021</b>	<b>2019</b>	<b>2021</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Other taxation and social security	<b>66,244</b>	114,540	<b>28,130</b>	13,959
Deferred income (see Note 19)	<b>390,228</b>	370,073	<b>97,055</b>	97,848
Trade creditors	<b>125,262</b>	172,405	<b>31,673</b>	15,529
Amounts owed to group undertakings	-	-	<b>202,771</b>	280,009
Other creditors	<b>8,827</b>	6,101	<b>8,827</b>	6,101
Accruals	<b>267,174</b>	478,899	<b>16,661</b>	47,975
	<u><b>857,735</b></u>	<u>1,142,018</u>	<u><b>385,117</b></u>	<u>461,421</u>

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**19 Deferred income**

	<b>Group</b>		<b>Charity</b>	
	<b>2021</b>	<b>2019</b>	<b>2021</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Arising from charitable activities	<b>97,055</b>	97,848	<b>97,055</b>	97,848
Arising from trading activities	<b>293,173</b>	272,225	-	-
	<b>390,228</b>	370,073	<b>97,055</b>	97,848

Deferred income is included in the financial statements as follows:

	<b>Group</b>		<b>Charity</b>	
	<b>2021</b>	<b>2019</b>	<b>2021</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Deferred income at 01 January	<b>370,073</b>	460,813	<b>97,848</b>	388,476
Resources deferred during the period	<b>438,121</b>	370,073	<b>97,055</b>	97,848
Amounts released from previous period	<b>(417,966)</b>	(460,813)	<b>(97,848)</b>	(388,476)
Deferred income at 31 March	<b>390,228</b>	370,073	<b>97,055</b>	97,848

Deferred income arises where income has been received in respect of membership income, approved partner income, conference events and training courses that have not yet been fully provided by the company.

**20 Retirement benefit schemes**

**Defined contribution schemes**

The charitable company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charitable company in an independently administered fund.

The charge to profit or loss in respect of the defined contribution schemes was £61,903 (2019: £50,896).

**21 Designated Funds**

	<b>At 01 January 2020</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Transfers</b>	<b>At 31 March 2021</b>
<b>Group</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Training - SRMA Induction & Accreditation	-	141,467	(58,276)	(83,191)	-
Training - SRMA Deployment	-	549,492	(549,492)	-	-
Training - SRMA Supply	39,868	173,738	(103,445)	(110,161)	-
Training - Clerking Programme	(31,776)	38,275	(10,888)	4,389	-
Training - DfE - ICFP Contract	7,725	45,493	(45,489)	(7,729)	-
	<b>15,817</b>	<b>948,465</b>	<b>(767,590)</b>	<b>(196,692)</b>	<b>-</b>
	<b>At 01 January 2019</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Transfers</b>	<b>At 31 December 2019</b>
<b>Group</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Training - SRMA (Pilot Scheme)	4,170	-	-	(4,170)	-
Training - SRMA Induction & Accreditation	52,760	298,505	(95,234)	(256,031)	-
Training - SEA Grant	-	-	833	(833)	-
Training - SRMA Deployment	(2,688)	832,212	(832,212)	2,688	-
Training - SRMA Supply	-	145,168	(102,612)	(2,688)	<b>39,868</b>
Training - Clerking Programme	(31,451)	17,600	(17,925)	-	<b>(31,776)</b>
Training - DfE - ICFP Contract	-	35,520	(27,795)	-	<b>7,725</b>
	<b>22,791</b>	<b>1,329,005</b>	<b>(1,074,945)</b>	<b>(261,034)</b>	<b>15,817</b>

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21 Designated Funds (continued)	At 01 January 2020 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2021 £
<b>Charity</b>					
Training - SRMA Supply	-	-	(29,154)	29,154	-
Training - Clerking Programme	(32,076)	-	-	32,076	-
	<u>(32,076)</u>	<u>-</u>	<u>(29,154)</u>	<u>61,230</u>	<u>-</u>
	At 01 January 2019 £	Incoming resources £	Resources expended £	Transfers £	At 31 December 2019 £
<b>Charity</b>					
Training - SRMA (Pilot Scheme)	4,170	-	-	(4,170)	-
Training - SEA Grant	-	-	833	(833)	-
Training - Clerking Programme	(32,076)	-	-	-	(32,076)
	<u>(27,906)</u>	<u>-</u>	<u>833</u>	<u>(5,003)</u>	<u>(32,076)</u>

**Description of Designated Funds:**

**Training - SRMA (Pilot Scheme)** relates to funds received towards the DfE School Efficiency Advisor Pilot.

**Training - SRMA Induction & Accreditation** relates to funds received in conjunction with the contract awarded to ISBL from DfE to induct and undertake all accreditation of School Resource Management Advisers (SRMAs).

**Training - SRMA Deployment** relates to funds received in conjunction with the contract awarded to ISBL by DfE to supply and manage SRMAs deployments.

**Training - Clerking Programme** relates to funds received, in conjunction with another organisation (Confederation of School Trusts) to deliver training and accreditation to School Clerks.

**Training - DfE - ICFP Contract** relates to funds received, in conjunction with the contract awarded by DfE to ISBL, to develop and deliver workshops and webinars on ICFP which commenced from November 2019.

22 Analysis of net assets between funds	Unrestricted Funds £	Designated Funds £	Period ended 31 March 2021 £
<b>Group</b>			
Fund balances at 31 March 2021 are represented by:			
Intangible assets	38,263	-	38,263
Tangible assets	7,698	-	7,698
Current assets/(liabilities)	268,432	-	268,432
	<u>314,393</u>	<u>-</u>	<u>314,393</u>
	Unrestricted Funds £	Designated Funds £	Year ended 31 December 2019 £
<b>Group</b>			
Fund balances at 31 December 2019 are represented by:			
Intangible assets	65,593	-	65,593
Tangible assets	11,644	-	11,644
Current assets/(liabilities)	260,765	15,817	276,582
	<u>338,002</u>	<u>15,817</u>	<u>353,819</u>

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**22 Analysis of net assets between funds (cont'd)**

**Charity**

Fund balances at 31 March 2021 are represented by:

	Unrestricted Funds £	Designated Funds £	Period ended 31 March 2021 £
Intangible assets	38,263	-	38,263
Tangible assets	7,698	-	7,698
Fixed Asset Investments	1	-	1
Current assets/(liabilities)	(60,479)	-	(60,479)
	<u>(14,517)</u>	<u>-</u>	<u>(14,517)</u>

**Charity**

Fund balances at 31 December 2019 are represented by:

	Unrestricted Funds £	Designated Funds £	Year ended 31 December 2019 £
Intangible assets	65,593	-	65,593
Tangible assets	11,644	-	11,644
Fixed Asset Investments	1	-	1
Current assets/(liabilities)	(104,506)	(32,076)	(136,582)
	<u>(27,268)</u>	<u>(32,076)</u>	<u>(59,344)</u>

**23 Operating lease commitments**

**Lessee**

At the reporting end date the charitable group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

**Group and charity**

	Other	
	2021	2019
	£	£
Expiry date:		
Within one year	34,401	32,963
Between two and five years	76,289	114,378
	<u>110,690</u>	<u>147,341</u>

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**24 Related party transactions**

**Remuneration of key management personnel**

The remuneration of key management personnel is as follows:

Aggregate compensation

	Period ended 31 March 2021	Year ended 31 December 2019
	£	£
	<b>255,492</b>	187,988

Key management personnel includes the senior management team and trustees. Trustees are not remunerated for their role in the charitable company.

Owing to the nature of the charity's operations and the composition of the board of trustees being drawn from interested and affiliate parties, transactions may take place with organisations in which the charity has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the charity's financial regulations and normal procurement procedures.

The following related party transactions were approved during the period.

Expenditure of £8,990 (2019: £nil) was invoiced by SKL Education Consultancy Limited with a further provision included of £nil (2019: £nil) in relation to work performed by S. Lester, a director, on behalf of the charitable group. At the period end there was a balance outstanding of £8,990 due by the charitable group. The expenditure was in relation to consultancy and support services provided to assist with the charitable objects of the charitable group.

Income of £5,775 (2019: £nil) was invoiced to Veal Wasborough Wizard with a further provision included of £nil (2019: £nil) in relation to invoices raised to Y Spencer, a director, on behalf of the charitable group. At the period end there was a balance outstanding of £nil due to the charitable group. The income was in relation to events hosted by charitable group.

The Articles of Association permit a Trustee or Connected Person to supply goods or services in return for a payment or other material benefit only in agreed circumstances, as outlined in the Articles.

**25 Subsidiaries**

The wholly owned subsidiary, ISBL Trading Limited, is incorporated in the United Kingdom (company number 11105488) and pays all of its taxable surpluses to the parent charitable company as a distribution under gift aid.

The summary financial performance of the subsidiary company alone is:

	Period ended 31 March 2021	Year ended 31 December 2019
	£	£
Turnover	<b>1,640,491</b>	2,196,102
Cost of sales	<b>1,055,318</b>	1,577,170
<b>Gross profit</b>	<b>585,173</b>	618,932
Administrative expenses	<b>(256,263)</b>	(253,663)
<b>Operating profit</b>	<b>328,910</b>	365,269
Interest receivable and similar income	-	1
<b>Profit on ordinary activities before taxation</b>	<b>328,910</b>	365,270
Tax on profit	-	-
<b>Profit on ordinary activities after taxation</b>	<b>328,910</b>	365,270
Distributions to parent charity under gift aid	<b>365,270</b>	108,275
<b>The assets and liabilities of the subsidiary were:</b>	<b>2021</b>	<b>2019</b>
	£	£
Current assets	<b>1,027,603</b>	1,373,768
Current liabilities	<b>(698,692)</b>	(1,008,497)
<b>Total net assets</b>	<b>328,911</b>	365,271

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<b>26 Cash generated from/(absorbed by) operations</b>	<b>2021</b>	<b>2019</b>
<b>Group</b>	<b>£</b>	<b>£</b>
(Deficit)/surplus for the period	<b>(39,426)</b>	129,604
Adjustments for:		
Investment income recognised in statement of financial activities	<b>(1,196)</b>	(1,890)
Amortisation and impairment of intangible assets	<b>27,330</b>	21,864
Depreciation and impairment of tangible fixed assets	<b>6,106</b>	3,794
Movements in working capital:		
Decrease/(increase) in debtors	<b>296,310</b>	(366,774)
(Decrease)/increase in creditors	<b>(284,282)</b>	467,622
<b>Cash generated from operations</b>	<b>4,842</b>	254,220
<b>27 Analysis of cash and cash equivalents</b>	<b>2021</b>	<b>2019</b>
<b>Group</b>	<b>£</b>	<b>£</b>
Cash in hand and at bank	<b>702,636</b>	698,759
<b>Total cash and cash equivalents</b>	<b>702,636</b>	698,759