

Registered Company No. 06410037
Registered Charity No. 1121757

THE INDEPENDENT SCHOOLS' BURSARS ASSOCIATION
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

THE INDEPENDENT SCHOOLS' BURSARS ASSOCIATION
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FOR THE YEAR ENDED 31 DECEMBER 2020

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**THE INDEPENDENT SCHOOLS' BURSARS ASSOCIATION
CHARITY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2020**

CHARITY TRUSTEES

The Charity Trustees of the Independent Schools' Bursars Association Charity ('ISBA' or the 'Association') are the members of the Board. They have all served throughout the year except where indicated. Together with past Trustees who served in the year as indicated, they are:

Eleanor Sharman	Chair
Nicholas Shryane	Vice Chair
Paul Flowerday	Vice Chair
Jim Doherty*	Chair of FRAAC
Jonathan Molloy	Co-opted (Chair, Scottish Bursars)
Norman Patterson	
Elizabeth Raper*	
John Wilder	
Kathryn Pillar	
Miles MacEacharn*	
Amanda Webb	
Neil Cufley	
Guy Ralphs	(Resigned 28 June 2020)
Penelope Rudge	(Resigned 28 June 2020)
Timothy Williams*	(Resigned 31 July 2020 on re-appointment to a new school)

* Member of the Finance, Risk, Audit and Assurance Committee (FRAAC)
The Chair and Vice Chairs are ex-officio members of FRAAC.

KEY MANAGEMENT PERSONNEL

Chief Executive	David Woodgate
Chief Operating Officer	John Murphie
Professional Development Director/ Director of Training and Consultancy	Position vacant, duties discharged by Chief Operating Officer
Commercial Director	Barbara Jackson
Research Director	Edwina Dean-Lewis
Registered Address:	Bluett House Unit 11-12 Manor Farm Cliddesden Basingstoke Hampshire RG25 2JB
Website:	www.theisba.org.uk

THE INDEPENDENT SCHOOLS' BURSARS ASSOCIATION
CHARITY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2020

ADVISERS

Bankers:

Lloyds TSB Bank plc
Basingstoke Branch
2 Winchester Street
Basingstoke
Hampshire
RG21 7EB

CAF Bank Ltd
25 Kings Hill Avenue
West Malling
Kent
ME19 4JQ

Auditors:

Crowe U.K. LLP
Aquis House
49 – 51 Blagrove Street
Reading
RG1 1PL

Solicitors:

Farrer & Co LLP
66 Lincoln's Inn Fields
London
WC2A 3LH

Insurance Brokers:

Regis Mutual Management
8 Maltings Place
169 Tower Bridge Road
London
SE1 3JB

Investment Managers:

Rathbone Investment Management Limited
Port of Liverpool Building
Pier Head
Liverpool
L3 1NW

THE INDEPENDENT SCHOOLS' BURSARS ASSOCIATION TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their annual report for the year ended 31 December 2020 under the Companies Act 2006 and the Charities Act 2011 and the audited accounts for the year.

REFERENCE AND ADMINISTRATIVE INFORMATION

Founded in 1932, ISBA was established as an unincorporated charity under a trust deed in 1964 and registered with the Charity Commission under charity number 313680. In October 2007, it became incorporated as a charitable company with the liability of members being limited to £10 each by guarantee, under company number 06410037 and charity number 1121757. Details of ISBA's Registered Office and key personnel are on page 2; professional advisers are on page 3.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

ISBA is governed by its Articles of Association, approved 17 May 2011, effective from 1 January 2012, and as amended 17 May 2017.

Recruitment and Training of Trustees

ISBA's elected Trustees, under the Articles, are the members of the Board of Directors. They are appointed at the Annual General Meeting following a ballot of ordinary members. New Trustees/Directors attend an induction day to learn about the workings of the Association and their duties. As all Trustees are bursars, they are familiar with the responsibilities of charity trustees and company directors by virtue of their appointments within schools with charitable status. As part of their Continuous Professional Development, all Directors aim to attend the Annual Conference, regional updates, and other professional development courses.

Organisational Management

ISBA is managed by a Board of Directors of up to ten members elected by ISBA members, together with the Chair and two Vice-Chairs (whose membership of the Board is as a result of an election by members, but whose appointment as Chair and Vice Chair is by election by fellow Board members). The Board meets regularly to direct the management of the Association and to agree policy on any matters relevant to the administration of independent schools. The Chair of the Scottish Bursars Association also attends Board meetings as a co-opted member to advise on matters affecting Scottish schools.

ISBA has established a committee structure which challenges and scrutinises policies and plans before full Board approval. The Association's accounts are managed by its Head Office. The Finance, Risk, Audit and Assurance Committee (FRAAC) has responsibility for overseeing the accounting and financial work of Head Office and presentation of the financial statements to the AGM.

In 2020, ISBA employed ten staff: Chief Executive Officer (CEO), Chief Operating Officer (COO), Commercial Director, Research Director, Membership Manager, Event Manager, PD Co-ordinator, a part-time Accountant, an accounts technician, and a Professional Development Assistant. Additionally, ISBA retains the specialist services of consultants and contractors to support the full-time employees. The CEO, COO, Commercial Director and Research Director are the key management responsible for day-to-day management of ISBA.

The remuneration of the CEO is reviewed by the Remuneration and Nominations Committee. A pay benchmarking exercise was completed in the fourth quarter of 2020.

THE INDEPENDENT SCHOOLS' BURSARS ASSOCIATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

Amendments to the Articles of Association were agreed unanimously at the 2017 AGM. These amendments brought the Articles into line with current legislation and best practice, amended criteria for membership and devolved certain decision-making responsibilities from the AGM to the Board of Directors.

Membership

All independent schools which are separately constituted under their own governing document and whose Head is in full membership of one of the Independent Schools Council (ISC) constituent associations are eligible for full membership of ISBA, as are other schools which whilst not constituted under their own governing document are deemed eligible for full membership by the Board. Most member schools are educational charities. In addition, Associate membership is open to independent schools that are not in membership of the ISC. As of 31st December 2020, there were 1062 in membership of which 61 were Associate Members (excluding international schools) and 60 were International Schools. In 2020 there were 73 new member schools and two school group head offices joined (compared with 71 schools in 2019).

In 2020, 43 schools did not continue with membership. Of those which left, 10 were international, 10 closed, 10 did not renew as a cost cutting measure and 4 had no bursar. Four schools merged into two entities and a further 7 left for unspecified reasons.

Group Structure and Relationships

ISBA has a wholly owned trading subsidiary, ISBA Enterprises Limited, whose activities and trading performance are discussed in note 5. Two members of the ISBA Board are Directors of this subsidiary.

ISBA is an active constituent association of the ISC. ISBA's Chair and CEO are directors of the ISC. It also works closely with a wide range of professional advisers in its ongoing endeavours to ensure that the administration and ancillary services within independent schools are both efficient and effective.

To widen access to the help and support the ISBA provides, it also co-operates with many non-member schools – charitable, non-charitable, independent, and state maintained.

Risk Management

The Board is responsible for identifying and managing the risks faced by the Association. Detailed consideration of risk is delegated to the Finance, Risk, Audit and Assurance Committee which is assisted by the Head Office staff. Risks are identified, assessed and controls established. Whilst these controls are reviewed throughout the year, a formal review of the Association's risk management processes is undertaken on an annual basis.

The key controls used by the charity include:

- clear policies and procedures to guide governance;
- a scheme of delegation
- detailed Terms of Reference for all Committees and officers;
- comprehensive strategic planning, budgeting, and management accounting;
- established organisational structure and lines of reporting;
- formal written policies; and
- clear authorisation and written approval levels.

THE INDEPENDENT SCHOOLS' BURSARS ASSOCIATION TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Through the risk management processes established for the Association, the Board is satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks have been adequately managed.

The principal risks and uncertainties facing the charitable company are:

- financial – a decline in membership numbers, legal liability for incorrect Advice and Guidance, a major event affecting the annual conference or fraud. (See the post balance sheet statement below)
- financial – a sudden decline in the value of the ISBA reserve funds. (See the post balance sheet statement below)
- reputational – a failure to provide sound advice to members or compliance issues within the Association.
- personnel – the inability to recruit and retain staff with the appropriate skills and experience.
- competitive – the Association operates in a dynamic, evolving market with numerous commercial “competitors”;
- training – changes in routes to entry and background experience of new entrants to the profession;
- resource-related – ensuring that the Association has the capacity to meet member needs in the future;
- governance – a lack of strategic direction and forward planning; and
- Sectoral – a material diminution in the number of independent schools

Going Concern and the impact of COVID 19

During the accounting year and continuing after it, the effects of the COVID 19 pandemic are marked on the business of the Association and the independent schools' sector in general. With different variations, and different timings in the four home nations, the UK joined other European countries in placing varying restrictions on internal and external travel and large gatherings of people. This caused ISBA to postpone the annual conference due to be held in May, to December 2020 and finally to cancel it completely. Historically the Association has relied heavily on this annual event, and the one-day training events, to produce an annual surplus and that income is used to support ISBA activities and services throughout the remainder of the year. With this cancellation and replanning for November 2021, the decision was taken by the Board to alter the business model of the Association to one in which the core activity is covered by the income from annual subscriptions from schools, to charge for some online training and to start a business register. It is estimated that, with the new income streams in place, and the revised subscription level, the end of 2021 will see ISBA in surplus by £683k if the annual conference takes place.

Whilst the foregoing reflects the most likely outcome of the year, the charity has developed scenarios which look at different outcomes for 2020 and 2021, each accommodating a different effect as the current lockdown is eased.

Whatever the outcome, in accordance with Charity Commission guidance, the charity holds sufficient reserves to cover an unexpected shortfall in income no matter which scenario proves to be reality in the coming months. The charity retains sufficient reserves to enable it to continue in operational existence without interruption to the core services available to schools.

FUNDRAISING

The charity had no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

OBJECTS, PUBLIC BENEFIT AIMS, OBJECTIVES AND PRINCIPAL ACTIVITIES

The object of the Company, in accordance with its Articles, is the advancement of education by the promotion of efficient and effective financial management, administration and ancillary services at independent schools, in so far as it is charitable to do so.

THE INDEPENDENT SCHOOLS' BURSARS ASSOCIATION TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Aims and Intended Effect

ISBA's aim is to provide first class support to independent schools as businesses and charities for the public benefit. It achieves this through providing accurate and timely training, advice, and guidance, advising and assisting schools to help them benefit the public through achieving the highest possible standards of financial management, administration and ancillary services; and working closely with government, ISC, Non-Governmental Organisations and other agencies to ensure that the sector's and the Association's voices are heard as and when policy is being formulated or debated. In the furtherance of this aim the Directors, as charity Trustees, have complied with the duty in S17(5) of the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the Public Benefit requirement under that Act.

Objectives for the Year

The Board's main objective continued to be the provision of a range of services, to at least the same high standard achieved by the Association in previous years. The strategy for achieving this has been to seek timely and accurate information and to disseminate it to members by the most appropriate means. This strategy was proven to be valued by member schools this year as the Association pivoted its normal training output to an online platform and a very frequent series of webinars.

Principal Activities of the Year

ISBA's principal activities throughout the year have continued to be, as in past years, the provision of a range of services, advice, and support to independent schools; working closely with the government, the ISC, NGOs and other agencies to ensure that the sector's and the Association's voices are heard as and when policy is being formulated or debated.

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

Alongside the key focus for the year, the drafting and updating of many model policies, guidance notes, briefing notes and proforma contracts for the reference library, the Association conducted a continuous set of COVID 19 webinar briefings throughout the year to equip schools to safely deal with the ever-changing effects of the pandemic on their methods of operating. The Association also continued to provide longer term support to member schools facing up to the effects of increased employer contributions to the Teachers' Pension Scheme started in 2018.

Supporting schools

In 2020, the Association published 670 new items in the reference library, issued 86 Covid 19 bulletins and 12 monthly bulletins. A refreshed website was launched in December 2020. The online reference library accessed via the members' website, remains the focal point for advice and guidance, along with telephone and email support. A wide range of staff in schools now access the website resource, which also offers six functional forum boards, the website now has more than 6,000 registered users.

The Association produced an impact report during the year outlining how it supports its members
<https://www.browseandread.co.uk/ISBA/impact-report/2019-2020>

Recruitment

The ISBA vacancy board on its website is well established and receives an average of 4500 visits per month. This free resource for schools is a popular addition to schools' own recruitment campaigns. The locum service for the provision of interim bursar support continued to assist schools during their recruitment phases and proved to be an affordable option for many schools.

Advice and Guidance

A total of 3520 requests (1103 in 2019) for information either in the form of phone calls or emailed requests were made to, and answered by, the Association during the year.

THE INDEPENDENT SCHOOLS' BURSARS ASSOCIATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

PROFESSIONAL DEVELOPMENT

General

Prior to the pandemic restrictions the Association ran a small number of "in person" events; these were:

- Finance
- Safer Recruitment
- Estates and three RoSPA courses.

In addition to the training above, 7863 delegates attended 103 webinars on various topics connected to COVID 19 and on the effects of the pandemic on the sector. Some of those webinars covered core skill subjects for support staff when the effects of the pandemic were stable at various points in the year.

So, you want to be a bursar?

We continued to run this course three times per year, online, with additional 1 to 1 support of potential new entrants to the profession.

New Bursars' Course

We look forward to re-establishing this residential course. In the meantime, newly appointed Bursars have a one-hour training session per month on subjects they select to deal with subject matter areas with which they are unfamiliar.

ISBATV

Each of the webinars has been recorded and is available via ISBA TV.

Support to regional groups

Throughout the year we have run regional group meeting virtually. These have varied in frequency from completing the cycle of meeting from every three weeks when the pandemic was at its height, to every half term now that the transition has started towards normal patterns of working.

E-learning - Safeguarding (in association with Educare)

The e-learning Safeguarding programme was launched in 2015. The programme is aimed at recently appointed members of the senior management team or governing body who are managing safeguarding in schools. The programme is actively being used by member schools.

E-learning – Health and Safety (in association with Educare)

The e-learning Health and Safety programme was launched in 2016. The programme offered new members of a school's senior management team and governing body a comprehensive online introduction to the statutory health and safety regulations for independent schools. Similar engagement from member schools as with the safeguarding programme.

Board Presentations

ISBA has delivered an increasing number of strategic presentations to Boards of Governors and senior leaders in member schools, covering the nature of, and responses to, threats and issues facing the independent education sector.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

Net outgoing resources for the financial year ended 31 December 2020 of £846,156 (2019 net incoming resources £62,151) before any gains or losses on investments; this reflects the very significant reduction in revenue generating activity caused by the Covid 19 pandemic.

Total funds held at the year-end were £717,013 (2019: £1,266,627). The Association's free reserves (after deducting the carrying value of tangible fixed assets held for the charity's own use) have decreased from £1,358,579 to £603,074. These reserves represent sufficient to cover the liabilities should trading conditions in 2021 not allow an annual conference to be held. The Board keep the reserves policy and level under regular review by balancing the need to have funds available to meet unexpected contingencies with investing in new products and services to meet member needs.

THE INDEPENDENT SCHOOLS' BURSARS ASSOCIATION TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Reserves Policy

The current reserves policy has been in effect since July 2015. It requires sufficient free reserves be held:

- to respond to a sudden increase or decrease in membership, and the resultant costs of restructuring to meet changed requirements.
- to respond promptly to the impact of future legislation or regulatory change by way of increased staffing, greater use of external advisers and increased Advice and Guidance.
- to respond to any other adverse and uninsurable short-term event.
- to secure or expand the office accommodation by way of increased leasing or a freehold property purchase.
- to set in motion projects or other similar work that will benefit the membership as a whole and further the objects of the charity; and

Free reserves should be between 65% and 75% of average expenditure over the previous 5 years which equates to between £1,266,622 and £1,461,486. The ISBA Group's current free reserves are £603,074 which is below the average. The pandemic caused a sharp drop in earnings for the ISBA Group, the main income planned for the year due from the annual conference could not be realised as restrictions of gatherings would not allow any of the planned training events to be held. As a consequence, the reserves the Group holds has had to reduce to support the minimised running costs of the Group this year. It is anticipated that the reserves holding will be back within the policy limits by December 2023.

Investment Policy, Objectives and Performance

ISBA, advised by its retained professional fund managers, invests its reserves according to two objectives:

- First, a short-term, readily available, and low risk investment policy.
- Second, a long-term investment policy to cover seeking to grow capital while generating an interest and dividend flow.

During 2016 the investment policy was set to achieve a return target of RPI plus 2% with a hard drawdown limit of 30% but with notification to the ISBA if the figure of 20% is reached. This was to provide Rathbones with greater flexibility in applying the policy. The returns target was comfortably exceeded in 2020.

FUTURE PLANS

The strategic themes are:

- Maintain and extend the advice and guidance core competence.
- Enhance training and development capabilities.
- Identify and develop business and commercial development opportunities.
- Maintain efficient marketing and communications plans.
- Identify opportunities for international expansion.
- Maintain the ISBA Group as a sustainable enterprise.

The objectives were tested to the full during 2020 as the Association moved all its training online and reacted with training, template policy documents, advice, and guidance promptly to the ever-changing demands of the pandemic. The operational plan to deliver these objectives was thus met and exceeded in 2020.

**THE INDEPENDENT SCHOOLS' BURSARS ASSOCIATION
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and the group and of its net outgoing resources for that period. 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 judgments and estimates that are reasonable and prudent.
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's and group transactions and disclose with reasonable accuracy at any time the financial position of the charity and 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 charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

So far as each of the Trustees of the charity at the date of approval of this report is aware:

- there is no relevant audit information of which the charity's auditor is unaware, and
- each Trustee has taken all the steps that he/she should have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Crowe U.K. LLP have expressed their willingness to continue in office as auditors and a resolution proposing their reappointment will be submitted to the forthcoming Annual General Meeting.

In preparing this report, the Trustees have taken advantage of the small company's exemptions provided by sections 415A of the Companies Act 2006.

Approved by the Trustees of ISBA
by:

24th May 2021

and signed on their behalf



E L Sharman
Chair

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF
THE INDEPENDENT SCHOOLS' BURSARS ASSOCIATION
FOR THE YEAR ENDED 31 DECEMBER 2020**

Opinion

We have audited the financial statements of The Independent Schools' Bursars Association for the year ended 31 December 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Balance Sheets, the Consolidated Cash Flow Statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the groups and the charitable company's affairs as at 31 December 2020 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 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 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 trustee's use of the going concern basis of accounting in the preparation of the financial statements 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 charitable company's or the 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.

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF
THE INDEPENDENT SCHOOLS' BURSARS ASSOCIATION (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 during our audit

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception.

In light of the knowledge and understanding of the group and the charitable company and their environment obtained during the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- the parent company has not kept adequate accounting records; or
- the parent 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small company's regime and take advantage of the small companies' exemption in preparing the Trustees Annual Report.

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF
THE INDEPENDENT SCHOOLS' BURSARS ASSOCIATION (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 groups or the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and group for fraud. The laws and regulations we considered in this context were Charity Commission regulations and General Data Protection Regulation (GDPR).

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF
THE INDEPENDENT SCHOOLS' BURSARS ASSOCIATION (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Finance, Risk, Audit and Assurance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members and trustees 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 charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Janette Joyce
Senior Statutory Auditor

For and on behalf of
Crowe U.K. LLP

Statutory Auditor
Reading

Date: 24 May 2021

Crowe U.K. LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE INDEPENDENT SCHOOLS' BURSARS ASSOCIATION
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating a Consolidated Income and Expenditure Account)
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019
INCOME AND ENDOWMENTS FROM:					
Charitable activities:					
Subscriptions		558,839	-	558,839	518,733
Conference		395	-	395	250,070
Courses		130,578	-	130,578	446,186
Other		3,264	178,626	181,890	63,304
Income from investments	4	19,039	-	19,039	25,119
Other trading activities	5	94,896	-	94,896	1,163,592
Total income		807,011	178,626	985,637	2,467,004
EXPENDITURE:					
Expenditure on charitable activities					
Charitable donations	8	900	-	900	925
Conference expenses	8	240,463	-	240,463	726,329
Course expenses	8	522,386	-	522,386	690,532
Grants to regions	8	4,942	-	4,942	15,329
Advice, guidance, and information	8	876,214	178,626	1,054,840	963,761
Expenditure on raising funds					
Investment managers fees	8	8,262	-	8,262	7,977
Total expenditure	8	1,653,167	178,626	1,831,793	2,404,853
Net (outgoings)/ income		(846,156)	-	(846,156)	62,151
Net gains/(losses) on investments	11	78,316	-	78,316	156,075
Net Movement in Funds		(767,840)	-	(767,840)	218,226
Funds Brought Forward		1,484,853	-	1,484,853	1,266,627
Funds Carried Forward	14a	717,013	-	717,013	1,484,853

The statement of financial activities contains all recognised gains and losses in the year and the results reported relate to continuing operations.

The notes on pages 18 to 30 form part of these financial statements

THE INDEPENDENT SCHOOLS' BURSARS ASSOCIATION
COMPANY NUMBER: 06410037
BALANCE SHEETS
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Group 2020 £	Charity 2020 £	Group 2019 £	Charity 2019 £
FIXED ASSETS					
Tangible fixed assets	10	113,939	113,939	126,274	126,274
Investments	11	<u>1,247,607</u>	<u>1,247,609</u>	<u>1,158,646</u>	<u>1,158,648</u>
		1,361,546	1,361,548	1,284,920	1,284,922
CURRENT ASSETS					
Debtors	12	257,887	240,105	456,721	301,551
Cash on deposit		101,977	101,977	101,872	101,872
Cash at bank		<u>396,822</u>	<u>301,269</u>	<u>254,975</u>	<u>158,863</u>
		756,686	643,351	813,568	562,286
CREDITORS					
Amounts falling due within one year	13	<u>(1,401,219)</u>	<u>(1,262,357)</u>	<u>(613,635)</u>	<u>(362,355)</u>
NET CURRENT (LIABILITIES)/ ASSETS					
		<u>(644,533)</u>	<u>(619,006)</u>	<u>199,933</u>	<u>199,931</u>
NET ASSETS					
		<u>717,013</u>	<u>742,542</u>	<u>1,484,853</u>	<u>1,484,853</u>
UNRESTRICTED FUNDS					
Revaluation reserve	11	291,886	291,886	240,320	240,320
General funds		<u>425,127</u>	<u>450,656</u>	<u>1,244,533</u>	<u>1,244,533</u>
	14)	<u>717,013</u>	<u>742,542</u>	<u>1,484,853</u>	<u>1,484,853</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small company regime within Part 15 of the Companies Act 2006.

The loss for the year in relation to the charity only was £742,311 (2019: surplus £218,226).

These financial statements were approved and authorised for issue by the Board of Trustees.
On 24.05.21 and signed on its behalf:



E L Sharman
Trustee

The notes on pages 18 to 30 form part of these financial statements

**THE INDEPENDENT SCHOOLS' BURSARS ASSOCIATION
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020 £	2019 £
Cash flows from operating activities:		
Net (expenditure)/ income	(767,840)	218,226
Depreciation and impairment of fixed assets	55,748	7,860
Loss on sale of fixed assets	-	802
(Gains)/losses on investments	(78,316)	(156,075)
(Increase)/decrease in debtors	198,834	(272,384)
Increase/(decrease) in creditors	<u>787,584</u>	<u>325,943</u>
Net cash provided by operating activities	<u>196,010</u>	<u>124,372</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(43,413)	(65,975)
Dividend reinvestment	(18,907)	(24,858)
Investment managers fees	<u>8,262</u>	<u>7,977</u>
Net cash (used in)/ provided by investing activities	<u>(54,058)</u>	<u>(82,856)</u>
Change in cash and cash equivalents in the year	<u>141,952</u>	<u>41,516</u>
Reconciliation of net cash flow to movement in net funds/debt:		
Net funds at 1 January 2019	356,847	315,331
Increase/ (decrease) in cash in the year	<u>141,952</u>	<u>41,516</u>
Net funds at 31 December 2019	<u>£ 498,799</u>	<u>£ 356,847</u>

	2020 £	2019 £
Cash at bank	396,822	254,975
Cash on deposit	<u>101,977</u>	<u>101,872</u>
	<u>£ 498,799</u>	<u>£ 356,847</u>

The notes on pages 18 to 30 form part of these financial statements

THE INDEPENDENT SCHOOLS' BURSARS ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1 Company information

The Charity's principal activities are the provision of a range of services, advice, and support to independent schools; working closely with the government, the ISC, NGOs and other agencies to ensure that the sector's and the association's voices are heard as and when policy is being formulated or debated. The charity (company number 06410037 and charity number 1121757), is incorporated and domiciled in the UK. The address of the registered office is Bluett House, Unit 11-12, Manor Farm, Cliddesden, Basingstoke, Hampshire, RG25 2JB.

2 Accounting Policies

Basis of Accounting

The financial statements have been prepared in accordance with 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 1A (effective 1 January 2017), the Charities SORP (FRS 102), and the Companies Act 2006.

ISBA meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Basis of Consolidation

The group financial statements consolidate the financial statements of the Charity and its subsidiary undertaking, ISBA Enterprises Limited up to 31 December 2020. All inter-group transactions are fully eliminated on consolidation.

The Charity has taken exemption from presenting its unconsolidated income and expenditure account under section 408 of Companies Act 2006. The parent company's loss for the year was £742,311 (2019: surplus £218,226).

Going Concern

During the accounting year and continuing after it, the effects of the COVID 19 pandemic are marked on the business of the Association and the independent schools' sector in general. With different variations, and different timings in the four home nations the UK joined other European countries in placing varying restrictions on internal and external travel and large gatherings of people, this caused ISBA to postpone the annual conference due to be held in May, to December 2020 and finally to cancel it completely. The Association depends on this annual event, and the one-day training events, to produce an annual surplus and that income is used to support ISBA activities throughout the remainder of the year. With this cancellation and replanning for November 2021, the decision was taken by the Board to alter the business model of the Association to one in which the core activity is covered by the income from annual subscriptions from schools, to charge for some online training and to start a business register. It is estimated that, with the new income streams in place, and the revised subscription level, the end of 2021 will see ISBA in surplus by £683k if the annual conference takes place.

Whilst the foregoing reflects the most likely outcome of the year, the charity has looked at one further outcome for 2020 and 2021, each accommodating a different effect as the current lockdown is eased.

Whatever the outcome, in accordance with Charity Commission guidance, the charity holds sufficient reserves to cover an unexpected shortfall in income no matter which scenario proves to be reality in the coming months. Whilst there has been a fall in value of the ISBA investments since the year end, there are still sufficient funds to enable the charity to continue in operational existence without interruption to the core services available to schools.

Income

All income is credited to the Consolidated Statement of Financial Activities on a receivable basis. Income received relating to subscriptions and to courses and conferences to be held in the following financial year is treated as deferred income and included within creditors in the Balance Sheet.

THE INDEPENDENT SCHOOLS' BURSARS ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Resources Expended and Allocation of Expenditure in the Statement of Financial Activities

All expenditure is accounted for on an accruals basis. Expenditure is accrued as soon as there is a legal or constructive obligation, it is probable that settlement will be received and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged against the category of expense to which it relates.

Charitable expenditure is disclosed by functional activity, with all direct and indirect costs (including both support and governance costs) being attributed to each category; where costs are not wholly attributable to an expenditure category they have been allocated on the basis of usage.

Staff costs have also been allocated according to the estimated time spent by staff working on each charitable function.

Governance costs are those associated with constitutional and statutory requirements.

Fixed Assets and Depreciation

Items of equipment and furniture costing under £1,000 are written off in the year in which purchase occurs. Depreciation is calculated to write off the cost of fixed assets, by equal annual instalments over their expected useful lives on the basis of:

Short term leasehold improvements – over the term of the lease
Office equipment and furniture - 3 years

Assets under the course of construction have no depreciation applied to them.

Investments

Investments are included at market value on the Balance Sheet date. Any gain or loss on revaluation or disposal is taken to the Consolidated Statement of Financial Activities. Investment income is recognised in the period to which it relates.

Recognition of Liabilities

Liabilities are recognised when the Association has an obligation to make payment to a third party.

Taxation

As a registered charity, the Association is entitled to tax exemptions on all its income and gains, properly applied for its charitable purposes.

THE INDEPENDENT SCHOOLS' BURSARS ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2 Accounting Policies (continued)

Funds

Unrestricted funds are expendable at the discretion of the Trustees in furtherance of the objects or administration of the charity.

Operating Lease Rentals

Operating lease rentals are charged to the Consolidated Statement of Financial Activities on a straight line basis over the term of the lease.

Pensions

Contributions to employees' private pension schemes are charged to the Consolidated Statement of Financial Activities as they accrue. See more detail in Note 7.

Debtors

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

Cash at bank

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

Creditors and provisions

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

Financial Instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Note 19 provides more information in respect of this area.

3. Significant judgements and estimates

In the application of the charity's accounting policies, which are described in note 2, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects the current and future periods.

The Trustees consider that there are no material judgements in applying accounting policies or key sources of estimation uncertainty.

THE INDEPENDENT SCHOOLS' BURSARS ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

4 Income from investments

	2020 £	2019 £
Cash held on deposit	132	261
Dividends	<u>18,907</u>	<u>24,858</u>
	<u>19,039</u>	<u>25,119</u>

5 Trading Subsidiary

The Charity owns 100% of the ordinary £2 share capital of ISBA Enterprises Limited, a company registered in England and Wales (Company number 04334495). The registered office address can be seen under Note 1. The trading subsidiary participates in trading activities relating to the Association and donates all its taxable profits to the ISBA.

Its trading results for the year are extracted from their audited financial statements below:

	2020 £	2019 £
Turnover	94,896	1,163,592
Administration expenses	<u>(120,425)</u>	<u>(328,807)</u>
Net profit	(25,529)	834,785
Covenanted to ISBA	<u>-</u>	<u>(834,785)</u>
Retained in subsidiary	<u>(25,529)</u>	<u>-</u>

The subsidiary donates all its profits to ISBA each year under a Deed of Covenant. No profits were made this year to donate.

The gift aid payment of £Nil (2019: £834,785) and the management charge of £115,227 (2019: £325,087) totalling £115,227 (2019: £1,159,872), will be paid to ISBA.

At 31 December 2020 the net liabilities of ISBA Enterprises limited were (£25,527) (2019 net assets: £2).

6 Net (Outgoing)/Incoming Resources

Net(outgoing)/incoming resources is stated after charging:	2020 £	2019 £
Auditor's remuneration:		
For audit services	9,115	9,115
Depreciation and impairment of tangible fixed assets	55,748	7,860
Operating lease rentals	<u>26,502</u>	<u>27,491</u>

THE INDEPENDENT SCHOOLS' BURSARS ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

7 Staff Costs

	2020 £	2019 £
Staff costs comprised:		
Wages and salaries (including agency salaries)	635,118	589,346
Social Security costs	70,412	64,274
Other pension costs	63,503	57,743
Other staff costs	15,667	22,552
	<u>784,700</u>	<u>733,915</u>
The average number of persons employed during the year	<u>10.2</u>	<u>10.5</u>
Aggregate employee-benefits of key management personnel:	<u>439,654</u>	<u>374,315</u>

Key management personnel include the Trustees and the Senior Management Team noted on page 2 of the financial statements.

The number of employees whose emoluments exceeded £60,000 were:

	2020 No.	2019 No.
£60,001 - £70,000	2	2
£70,001 - £80,000	1	1
£90,001 - £100,000	1	-
£130,001 - £140,000	-	1
£140,001 - £150,000	<u>1</u>	<u>-</u>

In the year contributions were made for 4 higher paid employees to a defined contribution pension scheme (2019: 3).

Included within staff costs is £Nil (2019: £44,026) in relation to settlement costs.

No fee or other remuneration is payable to the Trustees other than the reimbursement of costs incurred in attending meetings. All the Trustees claim for these expenses which totalled £1,477 (2019: £10,605).

Pension Costs

The Charity paid into 10 (2019: 11) defined contribution pension schemes. The assets of the schemes are held separately from those of the Charity in independently administered funds.

The pension cost charge represents contributions payable by the Charity to the fund and amounted to £63,503 (2019: £57,743). Other staff costs include £5,358 (2019: £5,002) for Death in Service benefits for all employees.

THE INDEPENDENT SCHOOLS' BURSARS ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

8 Analysis of Resources Expended

		Support Costs £	Staff Costs £	Other Costs £	Depreciation/ impairment £	Total £
Charitable Activities						
Charitable donations		-	-	900	-	900
Conference expenses	9a	67,534	146,044	11,097	15,788	240,463
Course expenses	9b	129,989	283,548	78,518	30,331	522,386
Grants to the regions (institutions)		-	-	4,942	-	4,942
Advice, guidance, and information	9c	<u>42,995</u>	<u>355,108</u>	<u>647,108</u>	<u>9,629</u>	<u>1,054,840</u>
		240,518	784,700	742,565	55,748	1,823,531
Expenditure on Raising Funds						
Investment management fees		-	-	8,262	-	8,262
Total Resources Expended		<u>240,518</u>	<u>784,700</u>	<u>750,827</u>	<u>55,748</u>	<u>1,831,793</u>

Included in support costs are governance costs of £11,048 (2019: £19,720).

2019 Comparative figures

		<i>Support Costs £</i>	<i>Staff Costs £</i>	<i>Other Costs £</i>	<i>Depreciation £</i>	<i>Total £</i>
<i>Charitable Activities</i>						
Charitable donations		-	-	925	-	925
Conference expenses	9a	35,301	107,970	581,902	1,156	726,329
Course expenses	9b	71,367	223,370	393,403	2,392	690,532
Grants to the regions (institutions)		-	-	15,329	-	15,329
Advice, guidance, and information	9c	<u>139,631</u>	<u>402,575</u>	<u>417,243</u>	<u>4,312</u>	<u>963,761</u>
		246,299	733,915	1,408,802	7,860	2,396,876
<i>Expenditure on Raising Funds</i>						
Investment management fees		-	-	7,977	-	7,977
Total Resources Expended		<u>246,299</u>	<u>733,915</u>	<u>1,416,779</u>	<u>7,860</u>	<u>2,404,853</u>

THE INDEPENDENT SCHOOLS' BURSARS ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

9 Allocation of Support Costs

2020	Conference Expenses £	Course Expenses £	Advice, guidance, and Information £	Total Allocated £
Premises costs	15,578	29,926	9,501	55,005
Human resource costs	11,705	22,486	7,139	41,330
Communication costs	17,844	34,279	10,882	63,005
General office costs	13,865	26,887	8,456	49,208
Strategic projects	3,998	7,680	2,438	14,116
Governance costs	3,129	6,011	1,908	11,048
Travel costs	1,415	2,720	2,671	6,806
	<u>67,534</u>	<u>129,989</u>	<u>42,995</u>	<u>240,518</u>
<i>2019 Comparative figures</i>	<i>Conference Expenses £</i>	<i>Course Expenses £</i>	<i>Advice, guidance, and Information £</i>	<i>Total Allocated £</i>
<i>Premises costs</i>	<i>7,778</i>	<i>14,431</i>	<i>26,016</i>	<i>48,225</i>
<i>Human resource costs</i>	<i>1,141</i>	<i>2,360</i>	<i>4,255</i>	<i>7,756</i>
<i>Communication costs</i>	<i>8,371</i>	<i>17,317</i>	<i>31,220</i>	<i>56,908</i>
<i>General office costs</i>	<i>7,534</i>	<i>15,585</i>	<i>31,347</i>	<i>54,466</i>
<i>Strategic projects</i>	<i>2,412</i>	<i>4,990</i>	<i>8,995</i>	<i>16,397</i>
<i>Governance costs</i>	<i>5,108</i>	<i>10,568</i>	<i>26,772</i>	<i>42,448</i>
<i>Travel costs</i>	<i>2,957</i>	<i>6,116</i>	<i>11,026</i>	<i>20,099</i>
	<u>35,301</u>	<u>71,367</u>	<u>139,631</u>	<u>246,299</u>

9a Conference expenses – other costs

	2020 £	2019 £
Conference accommodation	-	203,745
Conference overheads	11,097	195,761
Conference exhibitors and sponsorship	-	182,396
	<u>11,097</u>	<u>581,902</u>

9b Course expenses – other costs

Training expenses	<u>78,518</u>	<u>393,403</u>
	<u>78,518</u>	<u>393,403</u>

9c Advice, guidance, and information – other costs

Professional expenses in the provision of advice and guidance to member schools	398,245	307,882
Human resource costs	156,049	83,555
Other costs	92,814	25,806
	<u>647,108</u>	<u>417,243</u>

THE INDEPENDENT SCHOOLS' BURSARS ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

10 Tangible Fixed Assets – Charity and Group

	Office Equipment and Furniture £	Short-Term Leasehold Improvements £	Assets Under Course of Construction- Website & Database £	Total 2020 £
Cost				
At 1 January 2020	49,273	9,234	120,915	179,422
Additions	2,117	-	41,296	43,413
Impairment	-	-	(50,726)	(50,726)
Disposals	-	-	-	-
At 31 December 2020	<u>51,390</u>	<u>9,234</u>	<u>111,485</u>	<u>172,109</u>
Depreciation				
At 1 January 2020	43,914	9,234	-	53,148
Depreciation charged in the year	4,327	-	695	5,022
Disposals	-	-	-	-
At 31 December 2020	<u>48,241</u>	<u>9,234</u>	<u>695</u>	<u>58,170</u>
Net book value				
At 31 December 2020	<u>3,149</u>	<u>-</u>	<u>110,790</u>	<u>113,939</u>
At 31 December 2019	<u>5,359</u>	<u>-</u>	<u>120,915</u>	<u>126,274</u>

THE INDEPENDENT SCHOOLS' BURSARS ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

11 Investments – Charity and Group

	2020	2019
	£	£
Listed investments		
Market value at 1 January	1,121,406	956,494
Additions	275,411	101,931
Disposals	(252,415)	(93,094)
Revaluation (losses)/ gains	<u>78,316</u>	<u>156,075</u>
Total investments	1,222,718	1,121,406
Cash awaiting investment	<u>24,891</u>	<u>37,242</u>
Market value at 31 December- Charity	<u>1,247,609</u>	<u>1,158,648</u>
Less £2 investment in subsidiary	<u>(2)</u>	<u>(2)</u>
Market value at 31 December- Group	<u><u>1,247,607</u></u>	<u><u>1,158,646</u></u>

The charity holds a £2 investment in its trading subsidiary – ISBA Enterprises Limited, which must be deducted to arrive at the market value of investments for the group.

Historic cost at 31 December (excludes cash)	<u>930,832</u>	<u>881,086</u>
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Listed investments in pooled funds comprise: -

UK equities	357,639	353,322
Overseas equities	534,485	449,072
UK fixed interest securities	127,042	143,065
Overseas fixed interest securities	28,460	33,503
Infrastructure funds	60,712	52,276
Property funds	36,456	36,515
Commodities	14,623	-
Hedge funds	63,301	53,653
Cash	<u>24,891</u>	<u>37,242</u>
	<u><u>1,247,609</u></u>	<u><u>1,158,648</u></u>

Investments which comprise more than 5% of the market value of investments are: -

	2020	2020	2019	2019
	Market Value	Cost	Market Value	Cost
	£	£	£	£
T Bailey Fund	94,172	91,066	79,567	69,112
AXA Framlington UK	83,710	73,107	52,000	41,720
Scottish Mortgage Trust	70,412	18,885	33,582	18,885
Edgewood L Select Fund	<u>68,080</u>	<u>31,475</u>	<u>41,454</u>	<u>20,367</u>

The revaluation reserve figure on page 16 is calculated by deducting the historic cost figure (£930,832) from the total market value of investments figure (£1,222,718).

THE INDEPENDENT SCHOOLS' BURSARS ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

12 Debtors

	Group 2020 £	Charity 2020 £	Group 2019 £	Charity 2019 £
Trade debtors	18,008	18,008	261,137	7,817
Other debtors	67,952	67,917	10,000	10,000
Amounts due from subsidiary	-	-	-	98,150
Prepayments	<u>171,927</u>	<u>154,180</u>	<u>185,584</u>	<u>185,584</u>
	<u>257,887</u>	<u>240,105</u>	<u>456,721</u>	<u>301,551</u>

Included within other debtors is a loan to the Independent Schools' Mutual Limited for £14,000 (2019: £10,000) which is repayable in greater than one year.

13 Creditors

	Group 2020 £	Charity 2020 £	Group 2019 £	Charity 2019 £
Trade Creditors	31,360	31,360	78,377	78,377
Taxation and social security costs	783	783	33,548	33,548
Other creditors	2,586	2,586	60,895	60,895
Amounts due to subsidiary	-	871,489	-	-
Accruals	170,494	166,614	99,442	95,562
Deferred income	<u>1,195,996</u>	<u>189,525</u>	<u>341,373</u>	<u>93,973</u>
	<u>1,401,219</u>	<u>1,262,357</u>	<u>613,635</u>	<u>362,355</u>

The movements on deferred income relating to subscriptions, conferences and courses during the year were:

	£
Balance at 1 January 2020	341,373
Amounts received during the year in relation to subscriptions, conference & courses	128,361
Current year subscriptions, conference & course income	<u>726,262</u>
Balance at 31 December 2020	<u>1,195,996</u>

14a) Net Assets of the Funds

The Charity's and Group's net assets belong to the various funds as follows:

	Fixed Assets £	Investments £	Net Current Assets £	Fund Balances £
Charity – Unrestricted	113,939	1,247,609	(619,006)	742,542
Non-charitable trading funds	<u>-</u>	<u>(2)</u>	<u>(25,527)</u>	<u>(25,529)</u>
Group	<u>113,939</u>	<u>1,247,607</u>	<u>(644,533)</u>	<u>717,013</u>

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14b) 2019 COMPARATIVE - Net Assets of the Funds

The Charity's and Group's net assets belong to the various funds as follows:

	<i>Fixed Assets</i>	<i>Investments</i>	<i>Net Current Assets</i>	<i>Fund Balances</i>
	£	£	£	£
<i>Charity – Unrestricted</i>	126,274	1,158,648	199,931	1,484,853
<i>Non-charitable trading funds</i>	-	(2)	2	-
<i>Group</i>	<u>126,274</u>	<u>1,158,646</u>	<u>199,933</u>	<u>1,484,853</u>

15a) RESTRICTED FUNDS- Charity and Group

The funds of the charity include restricted funds comprising the following unexpended balances of donations held for specific purposes:

	<i>Balance at 1 January 2020</i>	<i>Incoming resources</i>	<i>Resources expended</i>	<i>Balance at 31 December 2020</i>
	£	£	£	£
<i>Business interruption insurance fighting fund</i>	-	178,626	(178,626)	-

15b) 2019 COMPARATIVE – Restricted funds

	<i>Balance at 1 January 2019</i>	<i>Incoming resources</i>	<i>Resources expended</i>	<i>Balance at 31 December 2019</i>
	£	£	£	£
<i>Brexit courses</i>	-	88,001	(88,001)	-
<i>ISC contribution for TPS work</i>	-	60,000	(60,000)	-
	<u>-</u>	<u>148,001</u>	<u>(148,001)</u>	<u>-</u>

15 Other Financial Commitments

At 31 December 2020, the Charity had future minimum lease payments under non-cancellable operating leases as follows:

Expiry:	Land & Buildings	
	2020	2019
	£	£
Within 1 year	26,250	26,250
Within 2 – 5 years	19,688	45,938
Greater than 5 years	<u>-</u>	<u>-</u>

16 Capital Commitments

At 31 December 2020 the group had capital commitments of £5,997 (2019: £Nil).

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17 Related Party Transactions

There were no related party transactions in relation to the group in the year, other than those disclosed in Note 5.

18 FINANCIAL INSTRUMENTS

Financial assets held at amortised cost are trade debtors, other debtors, amounts owed by group companies, cash at bank and cash on deposit.

Financed liabilities held at amortised cost are trade creditors, amounts owed to group companies, other creditors, and accruals.

Financial assets measured at fair value are investments.

	2020 £	2019 £
GROUP		
Financial assets measured at amortised cost	597,727	627,984
Financial liabilities measured at amortised cost	204,440	238,714
Financial assets measured at fair value	<u>1,222,718</u>	<u>1,121,404</u>

The group's income, expense, gains, and losses in respect of financial instruments are summarised below:

Interest income and expense:

Total interest income for financial assets held at amortised cost	1,012	261
Total interest expense for financial liabilities held at amortised cost	<u>-</u>	<u>-</u>

CHARITY

Financial assets measured at amortised cost	484,627	376,702
Financial liabilities measured at amortised cost	1,072,049	234,834
Financial assets measured at fair value	<u>1,222,718</u>	<u>1,121,406</u>

The Charity's income, expense, gains, and losses in respect of financial instruments are summarised below:

Interest income and expense:

Total interest income for financial assets held at amortised cost	1,012	261
Total interest expense for financial liabilities held at amortised cost	<u>-</u>	<u>-</u>

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19. COMPARATIVE 2019 CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	<i>Unrestricted Funds £</i>	<i>Restricted Funds £</i>	<i>Total 2019 £</i>
<i>INCOME AND ENDOWMENTS FROM:</i>			
<i>Charitable activities:</i>			
<i>Subscriptions</i>	518,733	-	518,733
<i>Conference</i>	250,070	-	250,070
<i>Courses</i>	358,185	88,001	446,186
<i>Other</i>	3,304	60,000	63,304
<i>Income from investments</i>	25,119	-	25,119
<i>Other trading activities</i>	<u>1,163,592</u>	<u>-</u>	<u>1,163,592</u>
<i>Total income</i>	<u>2,319,003</u>	<u>148,001</u>	<u>2,467,004</u>
<i>EXPENDITURE:</i>			
<i>Expenditure on charitable activities</i>			
<i>Charitable donations</i>	925	-	925
<i>Conference expenses</i>	726,329	-	726,329
<i>Course expenses</i>	602,531	88,001	690,532
<i>Grants to regions</i>	15,329	-	15,329
<i>Advice, guidance, and information</i>	903,761	60,000	963,761
<i>Expenditure on raising funds</i>			
<i>Investment managers fees</i>	<u>7,977</u>	<u>-</u>	<u>7,977</u>
<i>Total expenditure</i>	<u>2,256,852</u>	<u>148,001</u>	<u>2,404,853</u>
<i>Net income</i>	62,151	-	62,151
<i>Net gains/(losses) on investments</i>	<u>156,075</u>	<u>-</u>	<u>156,075</u>
<i>Net Movement in Funds</i>	218,226	-	218,226
<i>Funds Brought Forward</i>	<u>1,266,627</u>	<u>-</u>	<u>1,266,627</u>
<i>Funds Carried Forward</i>	<u>1,484,853</u>	<u>-</u>	<u>1,484,853</u>