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# FORM AR21

Trade Union and Labour Relations (Consolidation) Act 1992

## ANNUAL RETURN FOR A TRADE UNION

Name of Trade Union:

ASSOCIATION OF SCHOOL AND COLLEGE LEADERS

Year ended:

31 DECEMBER 2015

List no:

564T

Head or Main Office:

130, REGENT ROAD  
LEICESTER  
LE1 7PG

Website address (if available)

www.ascl.org.uk

Has the address changed during the year to which the return relates?

Yes

No

(Click the appropriate box)

General Secretary:

MR MALCOLM TROBE

Telephone Number:

0116 2991122

Contact name for queries regarding

MR STEVE KIND

Telephone Number:

0116 2991122

E-mail:

steve.kind@ascl.org.uk

**PLEASE FOLLOW THE GUIDANCE NOTES IN THE COMPLETION OF THIS RETURN.**

Any difficulties or problems in the completion of this return should be directed to the Certification Officer as below or by telephone to: 020 7210 3734

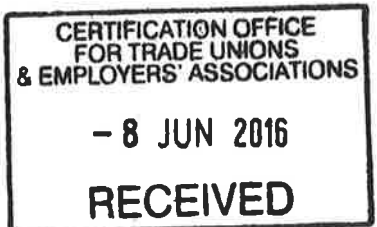
The address to which returns and other documents should be sent are:

For Unions based in England and Wales:

Certification Office for Trade Unions and Employers' Associations  
22<sup>nd</sup> Floor, Euston Tower, 286 Euston Road, London NW1 3JJ

For Unions based in Scotland:

Certification Office for Trade Unions and Employers' Associations  
Melrose House, 69a George Street, Edinburgh EH2 2JG



(Revised February 2011)

# RETURN OF MEMBERS

(see notes 10 and 11)

	NUMBER OF MEMBERS AT THE END OF THE YEAR				
	Great Britain	Northern Ireland	Irish Republic	Elsewhere Abroad (including Channel Islands)	TOTALS
MALE	9,476	91	0	18	<b>9,585</b>
FEMALE	8,684	87	0	15	<b>8,786</b>
TOTAL	18,160	178	0	33	A <b>18,371</b>

Number of members included in totals box 'A' above for whom no home or authorised address is held:

0
18,371

Number of members at end of year contributing to the General Fund

## OFFICERS IN POST

(see note 12)

Please attach as an annexe to this form a complete list of all officers in post at the end of the year to which this form relates, with the title of each persons office.

## RETURN OF CHANGE OF OFFICERS

Please complete the following to record any changes of officers during the twelve months covered by this return.

Title of Office	Name of Officer ceasing to hold office	Name of Officer Appointed	Date
PRESIDENT	PETER KENT	ALLAN FOULDS	01/09/2015
VICE PRESIDENT	ALLAN FOULDS	SIAN CARR	01/09/2015
IMMEDIATE PAST PRESIDENT	IAN BAUCKHAM	PETER KENT	01/09/2015

State whether the union is:

a. A branch of another trade union?

Yes  No

If yes, state the name of that other union:

b. A federation of trade unions?

Yes  No

If yes, state the number of affiliated unions:

and names:

# ASSOCIATION OF SCHOOL AND COLLEGE LEADERS

## GENERAL INFORMATION

### Officers

Allan Foulds, President  
Peter Kent, Immediate Past President  
Sian Carr, Vice President  
Carl Ward, Honorary Treasurer  
Jonathan Fawcett, Membership and Communications Officer  
Carolyn Roberts, Honorary Secretary  
Brian Lightman, General Secretary (resigned 31 January 2016)  
Malcolm Trobe, Interim General Secretary  
Vicky Bishop, ASCL PD Officer

### Bankers

National Westminster Bank Plc  
Gateway House  
Penman Way  
Grove Park  
Enderby  
Leicestershire  
LE19 1SY

### Investment Managers

Veritas Asset Management (UK) Ltd  
90 Long Acre  
London  
WC2E 9RA

### Solicitors

Browne Jacobson  
Mowbray House  
Castle Meadow Road  
Nottingham  
NG2 1BJ

Pattinson & Brewer  
4th Floor  
11 Pilgrim Street  
London  
EC4V 6RN

### Auditors

PKF Cooper Parry Group Ltd  
Chartered Accountants and Statutory Auditors  
No.8 Calthorpe Road  
Edgbaston  
Birmingham  
B15 1QT

### Registered Office

130 Regent Road  
Leicester  
LE1 7PG

# GENERAL FUND

(see notes 13 to 18)

	£	£
<b>INCOME</b>		
<b>From Members:</b> Contributions and Subscriptions		4,458,695
<b>From Members:</b> Other income from members (specify)		
 <b>Total other income from members</b>		
<b>Total of all income from members</b>		4,458,695
<b>Investment income (as at page 12)</b>		56,744
<b>Other Income</b>		
Income from Federations and other bodies (as at page 4)		
Income from any other sources (as at page 4)	1,677,807	
 <b>Total of other income (as at page 4)</b>		1,677,807
	<b>TOTAL INCOME</b>	6,193,246
<b>EXPENDITURE</b>		
<b>Benefits to members (as at page 5)</b>	2,639,201	
<b>Administrative expenses (as at page 10)</b>	4,552,051	
<b>Federation and other bodies (specify)</b>		
 <b>Total expenditure Federation and other bodies</b>		
<b>Taxation</b>		
	<b>TOTAL EXPENDITURE</b>	7,191,252
 Surplus (deficit) for year including net investment gains of £200,223		(797,783)
 Amount of general fund at beginning of year		3,968,239
 Amount of general fund at end of year		3,170,456

# ANALYSIS OF INCOME FROM FEDERATION AND OTHER BODIES AND OTHER INCOME

(see notes 19 and 20)

DESCRIPTION	£	£
<b>Federation and other bodies</b>		
<b>TOTAL FEDERATION AND OTHER BODIES</b>		0
<b>Other income</b>		
Conferencing and commissions	482,745	
Communications	105,758	
Annual Conference	596,971	
Rents received	15,000	
Fees and hire of services	227,630	
Management recharge	124,560	
Other income	83,998	
Education and employers taskforce	21,136	
BIS project grant	20,009	
<b>TOTAL OTHER INCOME</b>		1,677,807
<b>TOTAL OF ALL OTHER INCOME</b>		1,677,807

# ANALYSIS OF BENEFIT EXPENDITURE SHOWN AT GENERAL FUND

(see notes 21 to 23)

	£		£
Representation – Employment Related Issues		<b>brought forward</b>	212,666
		Education and Training services Conferences and seminars	248,325
Representation – Non Employment Related Issues		Negotiated Discount Services	
Communications			
Publications and postage	79,647		
Leader magazine	86,451		
Mailings to members	46,568	Salary Costs	
Advisory Services		Member Support salaries	1,644,312
		Member Support travel & exps	124,659
Dispute Benefits		Other Benefits and Grants (specify)	
		Branch Secretary training	16,904
		Branch expenses	20,401
		Legal fees support for Members	371,934
Other Cash Payments			
<b>carried forward</b>	212,666	<b>Total (should agree with figure in General Fund)</b>	2,639,201

(See notes 24 and 25)

FUND 2		Fund Account	
Name:		£	£
<b>Income</b>	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	<b>Total other income as specified</b>		
	<b>Total Income</b>		
<b>Expenditure</b>	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	<b>Total Expenditure</b>		
	<b>Surplus (Deficit) for the year</b>		
	<b>Amount of fund at beginning of year</b>		
	<b>Amount of fund at the end of year (as Balance Sheet)</b>		
	<b>Number of members contributing at end of year</b>		

FUND 3		Fund Account	
Name:		£	£
<b>Income</b>	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	<b>Total other income as specified</b>		
	<b>Total Income</b>		
<b>Expenditure</b>	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	<b>Total Expenditure</b>		
	<b>Surplus (Deficit) for the year</b>		
	<b>Amount of fund at beginning of year</b>		
	<b>Amount of fund at the end of year (as Balance Sheet)</b>		
	<b>Number of members contributing at end of year</b>		

(See notes 24 and 25)

<b>FUND 4</b>		<b>Fund Account</b>	
<b>Name:</b>		<b>£</b>	<b>£</b>
<b>Income</b>	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	<b>Total other income as specified</b>		
	<b>Total Income</b>		
<b>Expenditure</b>	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	<b>Total Expenditure</b>		
	<b>Surplus (Deficit) for the year</b>		
	<b>Amount of fund at beginning of year</b>		
	<b>Amount of fund at the end of year (as Balance Sheet)</b>		
<b>Number of members contributing at end of year</b>			

<b>FUND 5</b>		<b>Fund Account</b>	
<b>Name:</b>		<b>£</b>	<b>£</b>
<b>Income</b>	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	<b>Total other income as specified</b>		
	<b>Total Income</b>		
<b>Expenditure</b>	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	<b>Total Expenditure</b>		
	<b>Surplus (Deficit) for the year</b>		
	<b>Amount of fund at beginning of year</b>		
	<b>Amount of fund at the end of year (as Balance Sheet)</b>		
<b>Number of members contributing at end of year</b>			



(See notes 24 and 25)

<b>FUND 6</b>		<b>Fund Account</b>	
<b>Name:</b>		<b>£</b>	<b>£</b>
<b>Income</b>	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	<b>Total other income as specified</b>		
	<b>Total Income</b>		
<b>Expenditure</b>	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	<b>Total Expenditure</b>		
	<b>Surplus (Deficit) for the year</b>		
	<b>Amount of fund at beginning of year</b>		
	<b>Amount of fund at the end of year (as Balance Sheet)</b>		
	<b>Number of members contributing at end of year</b>		

<b>FUND 7</b>		<b>Fund Account</b>	
<b>Name:</b>		<b>£</b>	<b>£</b>
<b>Income</b>	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	<b>Total other income as specified</b>		
	<b>Total Income</b>		
<b>Expenditure</b>	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	<b>Total Expenditure</b>		
	<b>Surplus (Deficit) for the year</b>		
	<b>Amount of fund at beginning of year</b>		
	<b>Amount of fund at the end of year (as Balance Sheet)</b>		
	<b>Number of members contributing at end of year</b>		

(see notes 26 to 31)

<b>POLITICAL FUND ACCOUNT 1</b>		<b>To be completed by trade unions which maintain their own fund</b>		
		<b>£</b>	<b>£</b>	
<b>Income</b>	Members contributions and levies			
	Investment income (as at page 12)			
	Other income (specify)			
		Total other income as specified		
		Total income		
<b>Expenditure</b>	Expenditure under section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 (specify)			
	Administration expenses in connection with political objects (specify)			
	Non-political expenditure			
			Total expenditure	
			Surplus (deficit) for year	
			Amount of political fund at beginning of year	
			Amount of political fund at the end of year (as Balance Sheet)	
		Number of members at end of year contributing to the political fund		
		Number of members at end of the year not contributing to the political fund		
		Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund		

<b>POLITICAL FUND ACCOUNT 2</b>		<b>To be completed by trade unions which act as components of a central trade union</b>		
		<b>£</b>	<b>£</b>	
<b>Income</b>	Contributions and levies collected from members on behalf of central political fund			
	Funds received back from central political fund			
	Other income (specify)			
		Total other income as specified		
		Total income		
<b>Expenditure</b>	Expenditure under section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 (specify)			
	Administration expenses in connection with political objects (specify)			
	Non-political expenditure			
			Total expenditure	
			Surplus (deficit) for year	
			Amount held on behalf of trade union political fund at beginning of year	
			Amount remitted to central political fund	
		Amount held on behalf of central political fund at end of year		
		Number of members at end of year contributing to the political fund		
		Number of members at end of the year not contributing to the political fund		
		Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund		

# ANALYSIS OF ADMINISTRATIVE EXPENSES AND OTHER OUTGOINGS EXCLUDING AMOUNTS CHARGED TO POLITICAL FUND ACCOUNTS

(see notes 32 and 33)

		£
<b>Administrative Expenses</b>		
Remuneration and expenses of staff		2,294,009
Salaries and Wages included in above	£2,103,188	
Auditors' fees		8,516
Legal and Professional fees		86,329
Occupancy costs		55,895
Stationery, printing, postage, telephone, etc.		119,068
Expenses of Executive Committee (Head Office) – (not separately identified)		
Expenses of conferences – (included in benefits to members)		
Other administrative expenses (specify) various – see Note 4 on pages 8 to 10 of financial statements		1,862,515
 <b>Other Outgoings</b>		
Interest payable:		
Bank loans (including overdrafts)		
Mortgages		
Other loans		
Depreciation		93,187
Taxation		
Outgoings on land and buildings (specify)		
Other outgoings (specify)		
Maintenance		32,532
<b>Total</b>		4,552,051
Charged to:		
	General Fund (Page 3)	4,552,051
	Fund (Account )	
	Fund (Account )	
	Fund (Account )	
	Fund (Account )	
<b>Total</b>		4,552,051

# ANALYSIS OF OFFICIALS' SALARIES AND BENEFITS

(see notes 34 to 44 below)

Office held	Gross Salary £	Employers N.I. contributions £	Pension Contributions s £	Benefits		Total £
				Other Benefits		
				Description	Value £	
General Secretary	130,872	16,950	21,456	Health insurance	1,600	170,878



# ANALYSIS OF INVESTMENT INCOME

(see notes 45 and 46)

	Political Fund £		Other Fund(s) £
Rent from land and buildings			
Dividends (gross) from:			
Equities (e.g. shares)			56,192
Interest (gross) from:			
Government securities (Gilts)			
Mortgages			
Local Authority Bonds			
Bank and Building Societies			552
Other investment income (specify)			
			56,744
		Total investment income	56,744
		Credited to:	
		General Fund (Page 3)	56,744
		Fund (Account )	
		Fund (Account )	
		Fund (Account )	
		Fund (Account )	
		Fund (Account )	
		Political Fund	
		Total Investment Income	56,744

# BALANCE SHEET as at 31 DEC 2015

(see notes 47 to 50)

Previous Year		£	£
1,206,301	<b>Fixed Assets</b> (at page 14)		1,171,049
	<b>Investments</b> (as per analysis on page 15)		
2,888,011	Quoted (Market value £2,888,011)	2,759,622	
1,000	Unquoted	1,000	
	<b>Total Investments</b>		2,760,622
	<b>Other Assets</b>		
	Loans to other trade unions		
469,618	Sundry debtors	440,482	
516,256	Cash at bank and in hand	91,882	
	Income tax to be recovered		
	Stocks of goods		
	Others (specify)		
	<b>Total of other assets</b>		532,364
5,081,186	<b>TOTAL ASSETS</b>		4,464,035
3,968,239	Fund (Account )		3,170,456
	Fund (Account )		
	Fund (Account )		
	Superannuation Fund (Account )		
	Political Fund (Account )		
	Revaluation Reserve		
	<b>LIABILITIES</b>		
	Amount held on behalf of central trade union political fund		
	Loans: From other trade unions		
148,000	Pension (FRS 102) – provision for liabilities & charges	166,000	
	Bank overdraft		
127,730	Tax payable	93,821	
	Sundry creditors		
624,927	Accrued expenses	833,798	
155,989	Provisions / deferred income	144,651	
56,301	Other liabilities	55,309	
	<b>TOTAL LIABILITIES</b>		1,293,579
5,081,186	<b>TOTAL ASSETS</b>		4,464,035

# FIXED ASSETS ACCOUNT

(see notes 51 to 55)

	Land and Buildings		Furniture and Equipment £	Motor Vehicles £	Not used for union business £	Total £
	Freehold	Leasehold				
<b>Cost or Valuation</b>						
At start of year	1,359,027		828,890			2,187,917
Additions	4,343		53,592			57,935
Disposals						
Revaluation/Transfer s						
At end of year	1,363,370		882,482			2,245,852
<b>Accumulated Depreciation</b>						
At start of year	320,227		661,389			981,616
Charges for year	21,200		71,987			93,187
Disposals						
Revaluation/Transfer s						
At end of year	341,427		733,376			1,074,803
<b>Net book value at end of year</b>	1,021,943		149,106			1,171,049
<b>Net book value at end of previous year</b>	1,038,800		167,501			1,206,301



# ANALYSIS OF INVESTMENTS

(see notes 56 and 57)

<b>QUOTED</b>	All Funds Except Political Funds £	Political Fund  £
Equities (e.g. Shares)	2,572,146	
Government Securities (Gilts)		
Other quoted securities (to be specified)		
Cash held by Investment Fund Manager	187,476	
<b>TOTAL QUOTED (as Balance Sheet)</b>	<b>2,759,622</b>	
Market Value of Quoted Investment	2,759,622	
<b>UNQUOTED</b>		
Equities		
Investment in subsidiary	1,000	
Government Securities (Gilts)		
Mortgages		
Bank and Building Societies		
Other unquoted investments (to be specified)		
<b>TOTAL UNQUOTED (as Balance Sheet)</b>	<b>1,000</b>	
Market Value of Unquoted Investments	2,760,622	

# ANALYSIS OF INVESTMENT INCOME (CONTROLLING INTERESTS)

(see notes 58 and 59)

<b>Does the union, or any constituent part of the union, have a controlling interest in any limited company?</b>		YES <input checked="" type="checkbox"/> X	NO <input type="checkbox"/>
If YES name the relevant companies:			
COMPANY NAME	COMPANY REGISTRATION NUMBER (if not registered in England & Wales, state where registered)		
ASCL Professional Development Ltd	02484662		
<b>Are the shares which are controlled by the union registered in the names of the union's trustees?</b>		YES <input checked="" type="checkbox"/> X	NO <input type="checkbox"/>
If NO, state the names of the persons in whom the shares controlled by the union are registered.			
COMPANY NAME	NAMES OF SHAREHOLDERS		

# SUMMARY SHEET

(see notes 60 to 71)

	All funds except Political Funds £	Political Funds £	Total Funds £
<b>INCOME</b>			
From Members	4,458,695		4,458,695
From Investments	56,744		56,744
Other Income (including increases by revaluation of assets)	1,677,807		1,677,807
<b>Total Income</b>	6,193,246		6,193,246
<b>EXPENDITURE</b> (including decreases by revaluation of			
<b>Total Expenditure</b>	7,191,252		7,191,252
Net Investment gain for year	200,223		200,223
<b>Funds at beginning of year</b> (including reserves)	3,968,239		3,968,239
<b>Funds at end of year</b> (including reserves)	3,170,456		3,170,456
<b>ASSETS</b>			
Fixed Assets			1,171,049
Investment Assets			2,760,622
Other Assets			532,364
		<b>Total Assets</b>	4,464,035
<b>LIABILITIES</b>			
		<b>Total Liabilities</b>	1,293,579
<b>NET ASSETS (Total Assets less Total Liabilities)</b>			3,170,456

# NOTES TO THE ACCOUNTS

(see notes 72 and 73)

**All notes to the accounts must be entered on or attached to this part of the return.**

Please refer to attached annual report and accounts

# ACCOUNTING POLICIES

(see notes 74 and 75)

Please refer to attached annual report and accounts

## SIGNATURES TO THE ANNUAL RETURN

(see notes 76 and 77)

including the accounts and balance sheet contained in the return.

Secretary's  
Signature: \_\_\_\_\_

*Malcolm Trobe*

Name: Malcolm Trobe \_\_\_\_\_

Date: 26 May  
2016

Chairman's  
Signature: \_\_\_\_\_

*Steve Kind*

(or other official whose position should be stated)

Name: Steve Kind, Director of  
Finance \_\_\_\_\_

Date: 26 May  
2016

## CHECK LIST

(please tick as appropriate)

IS THE RETURN OF OFFICERS ATTACHED? (see Page 2 and Note 12)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE RETURN OF CHANGE OF OFFICERS BEEN COMPLETED? (see Page 2 and Note 12)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE RETURN BEEN SIGNED? (see Pages 19 and 21 and Notes 76 and 77)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE AUDITOR'S REPORT BEEN COMPLETED? (see Pages 20 and 21 and Notes 2 and 77)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
IS A RULE BOOK ENCLOSED? (see Notes 8 and 78)	YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
A MEMBER'S STATEMENT ENCLOSED? (see Note 80)	TO FOLLOW	<input type="checkbox"/>	TO FOLLOW	<input checked="" type="checkbox"/>
HAS THE SUMMARY SHEET BEEN COMPLETED	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>

# AUDITOR'S REPORT

(see notes 81 to 86)

made in accordance with section 36 of the Trade Union and Labour Relations (Consolidation) Act 1992.

1. In the opinion of the auditors or auditor do the accounts they have audited and which are contained in this return give a true and fair view of the matters to which they relate?  
(See section 36(1) and (2) of the 1992 Act and notes 83 and 84)

YES

If "No" please explain below.

2. Have the auditors or auditor carried out such investigations in the preparation of their audit report as will enable them to form an opinion as to:
- (a) whether the trade union has kept proper accounting records in accordance with section 28 of the 1992 Act;
  - (b) whether it has maintained a satisfactory system of control over its transactions in accordance with the requirements of that section; and
  - (c) whether the accounts to which the report relates agree with the accounting records?
- (See section 36(3) of the 1992 Act, set out in note 83)

YES

If "No" please explain below.

3. Are the auditors or auditor of the opinion that the union has complied with section 28 of the 1992 Act and has:
- (a) kept proper accounting records with respect to its transactions and its assets and liabilities; and
  - (b) established and maintained a satisfactory system of control of its accounting records, its cash holding and all its receipts and remittances.
- (See section 36(4) of the 1992 Act set out in rule 83)

YES

If "No" please explain below.

4. Please set out a copy of the report made by the auditors or auditor to the union on the accounts to which this AR21 relates. The report is to set out the basis upon which the audit has been conducted and/or such other statement as the auditor considers appropriate. Such a statement may be provided as a separate document.  
(See note 85)

## AUDITOR'S REPORT (continued)

See attached

Signature(s) of auditor or auditors:	<i>PKF Cooper Parry Group Ltd.</i>	
Name(s):	SIMON ATKINS	
Profession(s) or Calling(s):	FCA - ICAEW	
Address(es):	PKF Cooper Parry 8, Calthorpe Rd, Edgbaston Birmingham B15 1QT	
Date:	27 May 2016	
Contact name and telephone number:	0121 4564456	

N.B. When notes to the accounts are referred to in the auditor's report a copy of those notes must accompany this return.

**ASSOCIATION OF SCHOOL AND COLLEGE LEADERS**

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# ASSOCIATION OF SCHOOL AND COLLEGE LEADERS

## NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2015

The Association of School and College Leaders is a professional association and a registered trade union serving the leaders of secondary schools and colleges.

### Statement of Officers' Responsibilities

The constitution requires the officers to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Association of School and College Leaders and of the income and expenditure of the Association for that period. The financial statements have been prepared in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". In preparing those financial statements, the officers are required to:

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

The Officers are responsible for keeping proper accounting records that are sufficient to show and explain the Association's transactions and disclose with reasonable accuracy at any time the financial position of the Association of School and College Leaders and to enable them to ensure that the financial statements comply with the accounting standards. They are also responsible for safeguarding the assets of the Association of School and College Leaders and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and the maintenance of appropriate internal controls.

The Officers are responsible for the maintenance and integrity of the corporate and financial information included on the Association of School and College Leaders' website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

So far as each of the officers are aware at the time the report is approved:

- there is no relevant audit information of which the auditors are unaware; and
- the officers have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

### Honorary Treasurer's Report

Support for our members remains the keystone of the Association. The budget has again enabled a very broad range of activities, advice, guidance and direct member support to be undertaken, as well as continuing to influence national education decisions and shape policies for the benefit of all members.

The 2015 year proved to be a challenging year financially with unprecedented demands placed upon our resources, particularly in the area of external legal fees where £372k (2014: £183k) was expended in supporting members. Total expenditure on direct support for members (including legal fees, solicitors, regional and field officers and hotline) has increased considerably during the year by 12% to £2,639,201 (2014: £2,349,484) which is 37% (2014: 36%) of the total expenditure. This figure excludes annual conference costs and the work of the Policy team in representing the membership at government level together with the guidance and publications issued as part of the overall membership service.

# ASSOCIATION OF SCHOOL AND COLLEGE LEADERS

## REPORT OF THE OFFICERS – continued

YEAR ENDED 31 DECEMBER 2015

### Honorary Treasurer's Report (continued)

The audited accounts for 2015 depicted an operating deficit of £998,006 (2014: £383,042 deficit). Realised and unrealised gains on the investment portfolio of £200,223 (2014: £156,908) took the total net movement on funds to a net deficit of £797,783 (2014: £226,134 deficit) for the year. The total assets carried forward amounted to £3,170,456 (2014: £3,968,239) which now incorporates the provision of an independent property valuation and the provision of a new pensions creditor in accordance with the accounting requirements of FRS 102.

The Association has fully acknowledged that the 2015 year was a challenging one in many differing aspects and the outcomes of an internal organisational review which commenced in late 2015 has resulted in a number of efficiency cost savings being made which will put the Association on a sound financial platform moving forward.

Overall, total membership increased by only 0.2% during 2015 to 18,371 (2014: 18,338) and we again experienced a high number of member resignations and retirements during the year.

The Association continues to strive to give a first class service to its members whilst embracing new technology to improve both efficiencies and performance and the 2015 year saw the implementation of both a new CRM database and Sage finance software system.

### Auditors

The business of Clement Keys LLP merged with PKF Cooper Parry Group Limited on 8 January 2016. Clement Keys LLP has resigned as auditor and the merged firm, PKF Cooper Parry Limited, has been appointed in its place.

PKF Cooper Parry Group Ltd have indicated their willingness to continue in office.

This report was approved by the Council on 8 July 2016 and signed on its behalf by:

.....  
**M Trobe**  
**Interim General Secretary**

## **ASSOCIATION OF SCHOOL AND COLLEGE LEADERS**

### **INDEPENDENT AUDITORS' REPORT TO MEMBERS OF THE ASSOCIATION OF SCHOOL AND COLLEGE LEADERS**

We have audited the financial statements of the Association of School and College Leaders for the year ended 31 December 2015 which comprise the Income and Expenditure Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the members, as a body, in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992. Our audit work has been undertaken so that we might state to the Association's members those matters we are required to state to them in an auditors' 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of the officers and auditors**

As explained more fully in the Statement of Officers' Responsibilities set out on page 1, the officers are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Association's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the officers and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements, and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 December 2015 and of its deficit 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 Trade Union and Labour Relations (Consolidation) Act 1992.

**ASSOCIATION OF SCHOOL AND COLLEGE LEADERS**

**INDEPENDENT AUDITORS' REPORT - continued**

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

We have nothing to report in respect of the following matters where the Trade Union and Labour Relations (Consolidation) Act 1992 requires us to report to you if, in our opinion:

- proper accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- a satisfactory system of control over transactions has not been maintained throughout the year; or
- we have not received all the information and explanations we require for our audit.

**No.8 Calthorpe Road  
Edgbaston  
Birmingham  
B15 1QT**

**PKF COOPER PARRY GROUP LTD  
Statutory Auditors**

**Date: 8 July 2016**

**ASSOCIATION OF SCHOOL AND COLLEGE LEADERS**

**INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Note	Restated 2015 £	Restated 2014 £
<b>Income</b>			
Subscriptions		4,458,695	4,344,592
Conferencing and commission	3	482,745	423,720
Communications	3	105,758	116,474
Annual Conferences		596,971	548,169
Investment income	3	56,744	64,146
Rent received		15,000	15,695
Fees and shared services		227,630	251,311
Management charge		124,560	172,644
Other income		83,998	87,548
PPC Project grant		-	45,380
BIS Project grant		20,009	29,991
Education and employers taskforce		21,136	25,000
		<hr/>	<hr/>
<b>Total incoming resources</b>		6,193,246	6,124,670
		<hr/>	<hr/>
<b>Expenditure</b>			
Staff costs	4	3,747,500	3,397,299
HQ and central services	5	355,583	360,895
Equipment and materials	5	237,785	266,734
Other central expenses	5	568,944	597,060
Support for members	5	994,889	819,814
National meetings	5	468,186	395,115
Annual conference costs		645,268	477,018
Depreciation	6	93,187	85,939
PPC Project grant costs		-	35,455
PPC other costs		41,375	36,900
BIS and other project costs		38,535	35,483
		<hr/>	<hr/>
<b>Total resources expended</b>		7,191,252	6,507,712
		<hr/>	<hr/>
<b>Net outgoing resources before other recognised gains and losses</b>		(998,006)	(383,042)
<b>Other recognised gains</b>			
Realised and unrealised gains on investments	7	200,223	156,908
		<hr/>	<hr/>
<b>Net movement on funds</b>		(797,783)	(226,134)
<b>Reconciliation of funds:</b>			
<b>Funds brought forward at 1 January 2015</b>		3,968,239	4,194,373
		<hr/>	<hr/>
<b>Funds carried forward at 31 December 2015</b>		3,170,456	3,968,239
		<hr/> <hr/>	<hr/> <hr/>

Incoming resources and resources expended relate to continuing operations.

There were no other gains and losses for the year other than those recognised above.

# ASSOCIATION OF SCHOOL AND COLLEGE LEADERS

## BALANCE SHEET AS AT 31 DECEMBER 2015

	Note	31 December 2015	Restated 31 December 2015	31 December 2014	Restated 31 December 2014
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	6		1,171,049		1,206,301
Investments at market value	7		2,759,622		2,888,011
Investment in subsidiary	8		1,000		1,000
			<hr/>		<hr/>
			3,931,671		4,095,312
<b>Current assets</b>					
Cash at bank and in hand		91,882		516,256	
Debtors	9	440,482		469,618	
		<hr/>		<hr/>	
		532,364		985,874	
<b>Creditors: amounts falling due within one year</b>					
Creditors	10	(1,127,579)		(964,947)	
		<hr/>		<hr/>	
<b>Net current (liabilities)/assets</b>			(595,215)		20,927
<b>Provision for liabilities and charges</b>	11		(166,000)		(148,000)
			<hr/>		<hr/>
<b>Total assets</b>			3,170,456		3,968,239
			<hr/>		<hr/>
<b>Funds employed</b>					
Fixed Asset Fund			1,171,049		1,206,301
Building Maintenance Fund			40,000		40,000
Database Upgrade Fund			-		50,000
IT Development Fund			-		50,000
Future Development Fund			-		100,000
School-led System Taskforce Fund			-		15,137
General Fund			25,407		154,801
ASCL Reserve Fund			2,100,000		2,500,000
Pension Reserve			(166,000)		(148,000)
			<hr/>		<hr/>
<b>Total Funds</b>	12		3,170,456		3,968,239
			<hr/>		<hr/>

Approved by the Council on 8 July 2016 and signed on their behalf by:

..... HONORARY TREASURER

..... INTERIM GENERAL SECRETARY

The attached notes form an integral part of these financial statements.

# ASSOCIATION OF SCHOOL AND COLLEGE LEADERS

## NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2015

### 1.1 General information

The Association of School and College Leaders is a professional association and a registered trade union and is domiciled in the United Kingdom. The address of the registered office is shown on the general information page.

The financial statements are prepared in sterling (£). The financial statements are for a period of 52 weeks ended 31 December 2015. (2014: 52 weeks ended 31 December 2014).

### 1.2 Accounting policies

The following accounting policies have been applied in dealing with items which are considered material in relation to the financial statements.

#### Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified for the revaluation of certain fixed assets and investments and in accordance with Financial Reporting Standard 102 (FRS 102), the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Trade Union and Colour Relations (Consolidation) Act 1992.

The company transitioned from previously extant UK GAAP to FRS 102 as at 1 January 2014. The transition is considered to have a material effect on the financial statements and adjustments were necessary to restate the financial statements previously presented under UK GAAP, including the balance sheet as at 1 January 2014 and the financial statements as at and for the year ended 31 December 2014. Information on the impact of the first-time adoption of FRS 102 is given in note 20.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the company's accounting policies. The areas involving a higher degree of judgment or complexity or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

#### a) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Association and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding value added tax.

#### b) Fixed assets

Depreciation is charged on the freehold buildings in order to write off their valuation over their expected useful lives. The rate used is 2% on valuation. No depreciation is provided on land.

Depreciation on other tangible fixed assets is charged so as to write off their full cost less estimated residual value over their expected useful lives at the following rates:

Office furniture and equipment	- 20% of cost per annum
Computer equipment	- 33.3% of cost per annum

# ASSOCIATION OF SCHOOL AND COLLEGE LEADERS

## NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2015

### Accounting policies (continued)

- c) **Investments**  
Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains/(losses) on investments' in the Income and Expenditure Account if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.
- Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.
- d) **Stock**  
Stock of publications and goods is valued at the lower of cost and net realisable value.
- e) **Operating leases**  
Rentals charged on operating leases are written off to the Income and Expenditure Account over the period of the lease.
- f) **Pension costs and liabilities**  
The amount charged to the Income and Expenditure Account as part of staff costs in respect the Association's pensions arrangements represents the employer's contributions due for the year. Please see note 19 for details of The Pensions Trust's Growth Plan.
- g) **Debtors**  
Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.
- h) **Cash and cash equivalents**  
Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible into known amounts of cash with insignificant risk of change in value.
- i) **Financial instruments**  
The Association enters into only basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.
- j) **Creditors**  
Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

### 2. Judgements in applying accounting policies and key sources of estimation uncertainty

The Association makes estimates and assumptions concerning the future. Management are also required to exercise judgement in the process of applying the Association's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.



## ASSOCIATION OF SCHOOL AND COLLEGE LEADERS

### NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2015

#### **Judgements in applying accounting policies and key sources of estimation uncertainty (continued)**

The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

In preparing these financial statements, the officers have made the following judgements:

- Impairment of other assets – The Association reviews the carrying value of all other assets for indications of impairment at each period end. If indicators of impairment exist, the carrying value of the asset is subject to further testing to determine whether its carrying value exceeds its recoverable amount. This process will usually involve the estimation of future cash flows which are likely to be generated by the asset.
- A provision is recognised when the Association has a present legal or constructive obligation as a result of past event for which it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flow at a rate that reflects the time value of money and the risks specific to the liability.

Whether a present obligation is probable or not requires judgment. The nature and type of risks for these provisions differ and management's judgment is applied regarding the nature and extent of obligations in deciding if an outflow of resources is probable or not.

The following are the Association's key sources of estimation uncertainty:

Recoverability of trade debtors. Trade and other receivables are recognised to the extent that they are judged recoverable. Management reviews are performed to estimate the level of reserves required for irrecoverable debt. Provisions are made specifically against invoices where recoverability is uncertain.

Management makes allowance for doubtful debts based on an assessment of the recoverability of debtors. Allowances are applied to debtors where events or changes in circumstances indicate that the carrying amounts may not be recoverable. Management specifically analyse historical bad debts, making a judgment to evaluate the adequacy of the provision for doubtful debts. Where the expectation is different from the original estimate, such difference will impact the carrying value of debtors and the charge in the profit and loss account.

- Depreciation and residual values. The Officers have reviewed the asset lives and associated residual values of all fixed asset classes, and in particular, the useful economic life and residual values of fixtures and fittings, and have concluded that asset lives and residual values are appropriate.

The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projects disposal values.

# ASSOCIATION OF SCHOOL AND COLLEGE LEADERS

## NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2015

		2015 £	2014 £
<b>3</b>	<b>Income</b>		
	<i>Conferencing and commission</i>		
	Conferences and seminars	334,709	243,627
	Commission received	148,036	180,093
		482,745	423,720
	<i>Communications</i>		
	Leader	45,594	58,115
	Website charges	34,111	30,539
	Mailings	26,053	27,820
		105,758	116,474
	<i>Investment income</i>		
	Dividends from investments	56,192	56,713
	Bank interest	552	7,433
		56,744	64,146
<b>4</b>	<b>Staff Costs</b>	<b>2015 Number</b>	<b>2014 Number</b>
	The average monthly number of persons employed during the year was as follows:		
	Member support	38	39
	Policy and Directorate	9	8
	Specialists	13	13
	Membership and communications	12	12
	Operations and administration	14	13
		86	85
	Staff costs for the above persons:	<b>2015 £</b>	<b>2014 £</b>
	Wages and salaries	2,972,993	2,702,253
	Social security costs	315,717	294,867
	Other pension costs	441,634	384,780
		3,730,344	3,381,900
	Contracted out staffing services	17,156	15,399
		3,747,500	3,397,299

# ASSOCIATION OF SCHOOL AND COLLEGE LEADERS

## NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2015

5 Expenditure	2015 £	2014 £
<b><i>Headquarters and central services</i></b>		
Bank and credit card charges	17,135	14,642
Rates, light, heating and cleaning	55,895	59,000
Building maintenance	32,532	51,911
Staff training and development	51,596	45,093
HQ travel expenses	94,562	88,871
Insurance	32,543	30,965
Staff recruitment costs	61,302	61,218
Business continuity costs	10,018	9,195
	355,583	360,895
<b><i>Equipment and materials</i></b>		
Hire and maintenance of equipment	87,366	93,363
Postage, telephone and mobile connectivity	84,079	77,041
Website and IT purchases	31,351	50,168
General printing, stationery and books	34,989	46,162
	237,785	266,734
<b><i>Other central expenses</i></b>		
Audit, accounting and professional fees	94,845	93,297
Database support and training	260,784	203,452
Donation to Benevolent Fund	15,387	15,026
Affiliation fees and subscriptions	12,190	14,105
Media and communications	17,290	30,152
Sundry expenses	414	2,359
Future Shape of ASCL professional fees	14,450	51,055
PR strategy and manifesto costs	65,457	45,535
Member recruitment and advertising	77,008	79,167
Exhibition costs	26,856	17,873
Party political conferences	8,970	41,407
Hospitality and sundry expenses	3,997	3,632
Recoverable VAT	(28,704)	-
	568,944	597,060
<b><i>Support for members</i></b>		
Conferences and seminars – direct costs	248,325	214,211
Legal support for members	371,934	182,979
Publications and postage	79,647	42,225
Leader	86,451	103,161
Mailings to members	46,568	106,626
Member support travel and expenses	124,659	134,259
Branch secretary training and support	16,904	14,987
Branch expenses	20,401	21,366
	994,889	819,814

## ASSOCIATION OF SCHOOL AND COLLEGE LEADERS

### NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2015

<b>5</b>	<b>Expenditure: continued</b>	<b>2015</b>	<b>2014</b>
		£	£
	<b><i>National meetings and working groups</i></b>		
	Presidential support	144,000	133,095
	Council meetings (accommodation and travel)	167,201	121,317
	Panels and working groups	15,826	15,307
	Subscriptions	4,382	8,892
	Travel expenses	40,518	39,612
	Specialists travel expenses	96,259	74,407
	National and district elections	-	2,485
		468,186	395,115
		468,186	395,115

<b>6</b>	<b>Fixed Assets</b>				
		<b>Freehold land &amp; buildings £</b>	<b>Computer equipment £</b>	<b>Office Furniture &amp; equipment £</b>	<b>Total £</b>
	<b>Cost or Valuation</b>				
	At 1 January 2015	1,359,027	620,655	208,235	2,187,917
	Additions	4,343	50,044	3,548	57,935
		1,363,370	670,699	211,783	2,245,852
	<b>Depreciation</b>				
	At 1 January 2015	320,227	519,860	141,529	981,616
	Charge for the year	21,200	50,270	21,717	93,187
		341,427	570,130	163,246	1,074,803
	<b>Net book value</b>				
	At 31 December 2015	1,021,943	100,569	48,537	1,171,049
	At 31 December 2014	1,038,800	100,795	66,706	1,206,301

Freehold land and buildings are included at fair value. The most recent valuation was carried out as at 31 December 2015 by Innes England, Leicester, on an open market basis as defined in the RICS Valuation – Professional Standards UK January 2014 (revised April 2015).

**ASSOCIATION OF SCHOOL AND COLLEGE LEADERS**

**NOTES TO THE ACCOUNTS  
YEAR ENDED 31 DECEMBER 2015**

<b>7</b>	<b>Investments</b>	<b>2015</b>	<b>2014</b>
		<b>£</b>	<b>£</b>
	Market value at 1 January 2015	2,888,011	2,703,019
	Additions	566,926	622,807
	Disposal proceeds	(910,846)	(463,420)
	Movement in cash	15,308	(131,303)
	Net investment gain	200,223	156,908
		<hr/>	<hr/>
	Market value at 31 December 2015	2,759,622	2,888,011
		<hr/> <hr/>	<hr/> <hr/>

	<b>Market Value</b>		<b>Cost</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Other listed investments	2,572,146	2,715,843	1,689,539	2,016,831
Cash on deposit	187,476	172,168	187,476	172,168
	<hr/>	<hr/>	<hr/>	<hr/>
	2,759,622	2,888,011	1,877,015	2,188,999
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The fair value of listed investments is determined by reference to the quoted price for identical assets in an active market at the balance sheet date.

All investments are carried at their fair value. Investments in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the

The main risk to the Association from financial instruments lies in the combination of uncertain investment markets and volatility in yield. Liquidity risk is anticipated to be low as all assets are traded. The Association's investments are mainly traded in markets with good liquidity and high trading volumes. The Association has no material investment holdings in markets subject to exchange controls or trading restrictions.

The Association manages these investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment classes that are quoted on recognised stock exchanges.

# ASSOCIATION OF SCHOOL AND COLLEGE LEADERS

## NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2015

### 8 Investment in subsidiary

The Association's investment at the balance sheet date in the share capital of unlisted companies is as follows:

<b>Subsidiary Undertaking:</b>	ASCL Professional Development Limited
<b>Nature of business:</b>	Provider of professional development for ASCL members and other members of school and college leadership teams
<b>Class of shares held:</b>	1,000 Ordinary shares
<b>% held:</b>	100%

Net assets as at 31 December 2015: £37,713 (2014: £306,839)

Result after tax for the year ended 31 December 2015: £269,127 loss (2014: £12,573 profit)

	2015 £	2014 £
<b>9 Debtors</b>		
Sales ledger balances	200,945	190,900
Other sundry debtors and prepayments	141,312	111,606
Accrued income	22,343	34,797
Amount due from subsidiary undertaking	75,498	119,572
Amount due to ASCL Benevolent Fund	(2,512)	(3,136)
Amount due from ASCL Educational Development Trust	2,896	15,879
	<u>440,482</u>	<u>469,618</u>
<b>10 Creditors</b>		
PAYE and NIC	105,438	98,680
SWPF and other pensions	55,309	56,301
Other sundry creditors, accruals and deferred income	833,798	624,927
Subscriptions in advance	50,067	41,539
Subscriptions for lifetime members	58,916	57,863
Commission in advance	35,668	56,587
VAT (recoverable)/payable	(11,617)	29,050
	<u>1,127,579</u>	<u>964,947</u>

# ASSOCIATION OF SCHOOL AND COLLEGE LEADERS

## NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2015

11	Provision for liabilities and charges	2015 £	2014 £
	<b>Pension fund liability</b>		
	As at 1 January	148,000	154,000
	Movement in year through income and expenditure accounts	18,000	(6,000)
		166,000	148,000
	As at 31 December	166,000	148,000

In accordance with Financial Reporting Standard 102, the Association has recognised a provision for the future deficit contribution payments it is required to make under the terms of its membership of The Pensions Trust Growth Plan pension plan. Movements in the provision are recognised in the Income and Expenditure Account. (See note 19 for further detail of the Growth Plan).

## 12 Analysis of funds

	At 1.1.2015	Income	Expenditure	Transfers	Investment gain	At 31.12.2015
	£	£	£	£	£	£
Fixed Asset Fund	1,206,301	-	-	(35,252)	-	1,171,049
Building Maintenance Fund	40,000	-	-	-	-	40,000
Database Upgrade Fund	50,000	-	(50,000)	-	-	-
IT Development Fund	50,000	-	(50,000)	-	-	-
Future Development Fund	100,000	-	(100,000)	-	-	-
Taskforce Fund	15,137	-	(15,137)	-	-	-
General Fund	154,801	6,193,246	(6,976,115)	653,475	-	25,407
Pension Liability Fund	(148,000)	-	-	(18,000)	-	(166,000)
ASCL Reserve Fund	2,500,000	-	-	(600,223)	200,223	2,100,000
	3,968,239	6,193,246	(7,191,252)	-	200,223	3,170,456
	3,968,239	6,193,246	(7,191,252)	-	200,223	3,170,456

### Fixed asset Fund

The purpose of this fund is to fund the future depreciation of fixed assets.

### Building Maintenance Fund

The purpose of this fund is for the external decoration and maintenance of the freehold property occupied by the Association in Leicester.

### General Fund

The fund represents the accumulated un-earmarked reserves of the Association.

### Pension Liability Fund

This fund matches the provisions in respect of deficit contribution payments due from the Association to the Pension Fund.

### ASCL Reserve Fund

The purpose of this fund is to cover any extraordinary costs (including legal defence) that may arise in future years. The Officers have established a policy whereby the Fund should be maintained within a range of £2,100,000 and £2,500,000 with any shortfall or excess being transferred from or to the General Fund.

# ASSOCIATION OF SCHOOL AND COLLEGE LEADERS

## NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2015

### 13 Taxation

The Association is exempt from corporation tax on income which is not trading income.

### 14 Contingent liabilities

At 31 December 2015 there were no contingent liabilities.

### 15 Branch funds

These accounts exclude any funds relating to Branches of the Association. The known funds of these branches at 31 December 2015 are £25,415 (2014: £29,740).

### 16 Subsidiary undertaking

The Association has a 100% shareholding in ASCL Professional Development Limited, which is a private company registered in England.

### 17 Related party transactions

During the year, The Association paid for expenses on behalf of ASCL Professional Development Limited totalling £775,698 (2014: £749,667).

In addition, during the year net purchases of £94,600 (2014: £69,400) were made from ASCL Professional Development Limited.

The balance due to The Association from ASCL Professional Development Limited as at the year ended 31 December 2015 was:

Trade debtors    £109,149 (2014: £119,572)

A number of the Association's officers are also Trustees of The ASCL Educational Development Trust, from whom £2,896 (2014: £15,879) was due at the year end.

### 18 Capital Commitments

The Association had capital commitments totalling £Nil as at 31 December 2015 (2014: £16,205).

### 19 Pensions Trust Growth Plan

1. The Association of School and College Leaders participates in The Pensions Trust's Growth Plan (the Plan). The Plan is funded and is not contracted-out of the State scheme. The Plan is a multi-employer pension plan.
2. Contributions paid into the Plan up to and including September 2001 were converted to defined amounts of pension payable from Normal Retirement Date. From October 2001 contributions were invested in personal funds which have a capital guarantee and which are converted to pension on retirement, either within the Plan or by the purchase of an annuity.
3. The rules of the Plan allow for the declaration of bonuses and/or investment credits if this is within the financial capacity of the Plan assessed on a prudent basis. Bonuses/investment credits are not guaranteed and are declared at the discretion of the Plan's Trustee.
4. The Trustee commissions an actuarial valuation of the Plan every three years. The purpose of the actuarial valuation is to determine the funding position of the Plan by comparing the assets with the past service liabilities as at the valuation date. Asset values are calculated by reference to market levels. Accrued past service liabilities are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.



## ASSOCIATION OF SCHOOL AND COLLEGE LEADERS

### NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2015

5. The rules of the Plan give the Trustee the power to require employers to pay additional contributions in order to ensure that the statutory funding objective under the Pensions Act 2004 is met. The statutory funding objective is that a pension scheme should have sufficient assets to meet its past service liabilities, known as Technical Provisions.
6. If the actuarial valuation reveals a deficit, the Trustee will agree a recovery plan to eliminate the deficit over a specified period of time either by way of additional contributions from employers, investment returns or a combination of these.
7. The rules of the Plan state that the proportion of obligatory contributions to be borne by the member and the member's employer shall be determined by agreement between them. Such agreement shall require the employer to pay part of such contributions and may provide that the employer shall pay the whole of them.
8. The Association of School and College Leaders paid contributions at the rate of 14.1% during the accounting period. Members paid contributions at the rate of 6.2% during the accounting period.
9. As at the balance sheet date there were 53 (2014: 55) active members of the Plan employed by The Association of School and College Leaders. The Association of School and College Leaders continues to offer membership of the Plan to its employees.
10. It is not possible in the normal course of events to identify on a reasonable and consistent basis the share of underlying assets and liabilities belonging to individual participating employers. The Plan is a multi-employer scheme, where the assets are co-mingled for investment purposes, and benefits are paid out of the Plan's total assets. Accordingly, due to the nature of the Plan, the accounting charge for the period under FRS17 represents the employer contribution payable.
11. The valuation results at 30 September 2011 were completed in 2012 and have been formalised. The valuation of the Plan was performed by a professionally qualified Actuary using the Projected Unit Method. The market value of the Plan's assets at the valuation date was £780 million and the Plan's Technical Provisions (i.e. past service liabilities) were £928 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £148 million, equivalent to a funding level of 84%.
12. The financial assumptions underlying the valuation as at 30 September 2011 were as follows:

	% p.a.
Rate of return pre-retirement	4.9
Rate of return post retirement:	
Active/Deferred	4.2
Pensioners	4.2
Bonuses on accrued benefits	0.0
Inflation: Retail Prices Index (RPI)	2.9
Inflation: Consumer Prices Index (CPI)	2.4

13. In determining the investment return assumptions the Trustee considered advice from the Scheme Actuary relating to the probability of achieving particular levels of investment return. The Trustee has incorporated an element of prudence into the pre and post retirement investment return assumptions; such that there is a 60% expectation that the return will be in excess of that assumed and a 40% chance that the return will be lower than that assumed over the next 10 years.
14. The Scheme Actuary is currently finalising the 2014 valuation and results will be communicated in due course. At 30 September 2013, the market value of the Plan's assets was £772 million and the Plan's Technical Provisions (i.e. past service liabilities) was £927 million. The update, therefore, revealed a shortfall of assets compared with the value of liabilities of £155 million, equivalent to a funding level of 83%.
15. If an actuarial valuation reveals a shortfall of assets compared to liabilities, the Trustee must prepare a recovery plan setting out the steps to be taken to make up the shortfall.

# ASSOCIATION OF SCHOOL AND COLLEGE LEADERS

## NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2015

16. The Pensions Regulator has the power under Part 3 of the Pensions Act 2004 to issue scheme funding directions where it believes that the actuarial valuation assumptions and/or recovery plan are inappropriate. For example, the Regulator could require that the Trustee strengthens the actuarial assumptions (which would increase the Plan liabilities and hence impact on the recovery plan) or impose a schedule of contributions on the Plan (which would effectively amend the terms of the recovery plan). A copy of the recovery plan in respect of the September 2011 valuation was forwarded to The Pensions Regulator on 2 October 2012, as is required by legislation.
17. Following a change in legislation in September 2005 there is a potential debt on the employer that could be levied by the Trustee of the Plan and The Pensions Act 2011 has more recently altered the definition of Series 3 of the Growth Plan so that a liability arises to employers from membership of any Series except Series 4. (Our recent correspondence to all employers refers.) The debt is due in the event of the employer ceasing to participate in the Plan or the Plan winding up.
18. The debt for the Plan as a whole is calculated by comparing the liabilities for the Plan (calculated on a buy-out basis i.e. the cost of securing benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the Plan. If the liabilities exceed assets there is a buy-out debt.
19. The leaving employer's share of the buy-out debt is the proportion of the Plan's liability attributable to employment with the leaving employer compared to the total amount of the Plan's liabilities (relating to employment with all the currently participating employers). The leaving employer's debt therefore includes a share of any 'orphan' liabilities in respect of previously participating employers. The amount of the debt therefore depends on many factors including total Plan liabilities, Plan investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of debt can therefore be volatile over time.
20. When an employer withdraws from a multi-employer defined benefit pension scheme which is in deficit, the employer is required by law to pay its share of the deficit, calculated on a statutory basis (known as the buy-out basis). Due to a change in the definition of money purchase contained in the Pensions Act 2011 the calculation basis that applies to the Growth Plan will be amended to include Series 3 liabilities in the calculation of an employer's debt on withdrawal.
21. The Growth Plan is a "last man standing" multi-employer scheme. This means that if a withdrawing employer is unable to pay its debt on withdrawal the liability is shared amongst the remaining employers. The participating employers are therefore, jointly and severally liable for the deficit in the Growth Plan.

# ASSOCIATION OF SCHOOL AND COLLEGE LEADERS

## NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2015

### 20 FIRST-TIME ADOPTION OF FRS 102

The effect of the transition from previous UK Generally Accepted Accounting Practice to FRS 102 is outlined below.

BALANCE SHEET	As previously stated 1 Jan 2014 £	Effect of transition 1 Jan 2014 £	FRS 102 (as restated) 1 Jan 2014 £	As previously stated 31 Dec 2014 £	Effect of transition 31 Dec 2014 £	FRS 102 (as restated) 31 Dec 2014 £
<b>Fixed assets</b>						
Tangible fixed assets	924,388	287,042	1,211,430	925,762	280,539	1,206,301
Investments at market value	2,703,019	-	2,703,019	2,888,011	-	2,888,011
Investments in subsidiary	1,000	-	1,000	1,000	-	1,000
<b>Current assets</b>						
Cash at bank and in hand	872,837	-	872,837	516,256	-	516,256
Debtors	473,592	-	473,592	469,618	-	469,618
<b>Current liabilities</b>						
Creditors	(893,502)	-	(893,502)	(964,947)	-	(964,947)
<b>Provisions for liabilities and charges</b>						
Pension reserve	-	(154,000)	(154,000)	-	(148,000)	(148,000)
<b>Funds</b>						
Fixed asset fund	(924,388)	(287,042)	(1,211,430)	(925,762)	(280,539)	(1,206,301)
Building Maintenance Fund	(40,000)	-	(40,000)	(40,000)	-	(40,000)
Database Upgrade Fund	(150,000)	-	(150,000)	(50,000)	-	(50,000)
IT Development Fund	(50,000)	-	(50,000)	(50,000)	-	(50,000)
Future Development Fund	(200,000)	-	(200,000)	(100,000)	-	(100,000)
Staff Contingency Fund	(30,000)	-	(30,000)	-	-	-
School-led System Taskforce Fund	(25,000)	-	(25,000)	(15,137)	-	(15,137)
General Fund	(161,943)	-	(161,943)	(154,801)	-	(154,801)
ASCL Reserve Fund	(2,500,000)	-	(2,500,000)	(2,500,000)	-	(2,500,000)
Pension Reserve	-	154,000	154,000	-	148,000	148,000
	-	-	-	-	-	-
	-	-	-	-	-	-

**ASSOCIATION OF SCHOOL AND COLLEGE LEADERS**

**NOTES TO THE ACCOUNTS  
YEAR ENDED 31 DECEMBER 2015**

**20 FIRST-TIME ADOPTION OF FRS 102 (continued)**

**INCOME AND EXPENDITURE ACCOUNT**

	<b>As previously stated 31 Dec 2014 £</b>	<b>Effect of transition 31 Dec 2014 £</b>	<b>FRS 102 (as restated) 31 Dec 2014 £</b>
Income	6,124,670	-	6,124,670
Expenditure	(6,507,209)	(503)	(6,507,712)
Realised and unrealised gains on investments	156,908	-	156,908
	<hr/>	<hr/>	<hr/>
Net expenditure	(225,631)	(503)	(226,134)
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