

Form AR21

Trade Union and Labour Relations (Consolidation) Act 1992

Annual Return for a Trade Union

Name of Trade Union:	The Headmasters' & Headmistresses' Conference		
Year ended:	31 March 2020		
List no:			
Head or Main Office address:	12 The Point		
	Rockingham Road		
	Market Harborough, Leicestershire		
	United Kingdom		
Postcode	LE16 7QU		
Website address (if available)	www.hmc.org.uk		
Has the address changed during the year to which the return relates?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	('X' in appropriate box)
General Secretary:	Ian Power, Acting General Secretary		
Telephone Number:	01858 469 059		
Contact name for queries regarding the completion of this return	Amy Kendrick, Chief Operating Officer & Company Secretary		
Telephone Number:	01858 469 059		
E-mail:	amy@hmc.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: 0330 109 3602

You should send the annual return to the following email address stating the name of the union in subject:

For Unions based in England and Wales: returns@certoffice.org

For Unions based in Scotland: ymw@tcyoung.co.uk

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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	222	5	3	49	279
Female	66	3		7	76
Other					
Total	288	8	3	56	A 355

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

351

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

Change of Officers

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

Position Held	Name of Officer ceasing to hold Office	Name of Officer Appointed	Date of change
See appended sheet			
Not enough space here			

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:

Officers in post

(see note 12)

Please complete list of all officers in post at the end of the year to which this return relates.

Name of Officer	Position held
Please see separate sheet	
Not enough space here to include all Officers	

*Supplementary Sheet as not enough space in the Excel form P2 to include full list

HMC COMMITTEE: 2019-20

P2. Change of Officers*

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

Position held	Name of Officer ceasing to hold office	Name of Officer Appointed	Date of Change
Committee Member	Stephen Holliday	Brendan Wignall	31/08/2019
Committee Member	Chris Staley	Douglas Robb	31/08/2019
Committee Member	Heather Hanbury	Vicky Bingham	31/08/2019
Committee Member	David Craig	Kieran McLaughlin	31/08/2019
Committee Member	Michael Kennedy	Martin Boulton	31/08/2019
Committee Member	Simon Mills	Colin Gambles	31/08/2019
Committee Member	Jesse Elzinga	Joanne Thomson	31/08/2019
Committee Member	Angela Drew	Bruce Grindlay	31/08/2019
Committee Member	Ian Wilmshurst	Mark Lascelles	31/08/2019
Committee Member	Nick Gregory	Kathy Crewe-Read	11/09/2019
Committee Member	Alastair Land	Rob Jones	11/09/2019
Committee Member	Mark Steed	Matthew Taylor	31/10/2019
Committee Member	Chris Ramsey	Nick Weaver	01/01/2020

HMC COMMITTEE: 2019/20

*Complete list of all Officers in post at end of March 2020 as requested on P2a (Note 12). Please note, not all members of Committee are Directors.

Elected Members			
Fiona Boulton	Chair	Guildford High School	Director
Shaun Fenton	Vice-Chair	Reigate Grammar School	Director
Sally-Anne Huang	Chair Elect	James Allen's Girls' School	Director
Brendan Wignall	Treasurer	Ellesmere College	Director
Chris Wheeler	Additional Vice-Chair	Monkton Senior School	Director
Divisional Members			
Bill Penty	Chair– East	Trent College	Director
Douglas Robb	Secretary – East	Gresham's School	Director
Robert Robinson	Chair – Irish	Campbell College	Director
Elizabeth Huddleson	Secretary - Irish	Bangor Grammar School	Director
Suzie Longstaff	Chair – London	Putney High School	Director
Vicky Bingham	Secretary - London	South Hampstead High School	Director
Anton Maree	Chair – North East	Ackworth School	Director
Kieran McLaughlin	Secretary – North East	Durham School	Director
Martin Boulton	Chair – North West	The Manchester Grammar School	Director
Simon Hyde	Secretary – North West	The King's School Macclesfield	Director
Johanna Urquhart	Chair – Scottish	Lomond School	Director
Colin Gambles	Secretary - Scottish	Hutchesons' Grammar School	Director
Adam Williams	Chair – South Central	Lord Wandsworth College	Director
Joanne Thomson	Secretary – South Central	Clayesmore School	Director
Julie Lodrick	Chair – South East	Kent College Pembury	Director
Bruce Grindlay	Secretary – South East	Sutton Valence School	Director
Andrew Gordon-Brown	Chair – South West	Truro School	Director
Mark Lascelles	Secretary – South West	Dauntsey's School	Director
Kathy Crewe-Read	Chair – West	Wolverhampton Grammar School	Director
Rob Jones	Secretary – West	Rendcomb College	Director
Mike Lambert	Chair - International	Dubai College	
Matthew Taylor (from Oct 19)	Secretary - International	Kings College Madrid	
Co-opted Members			
Martin Collier	Chair of Academic Policy Sub-Committee	Haileybury	
John Watson	Chair of Professional Development Sub-Committee	Leicester Grammar School	
Nick Weaver (from Jan 2020)	Chair of Universities Sub-Committee	Ipswich School	
Emma Hattersley	Chair of Inspection Sub-Committee	Godolphin School	
Philip Britton	Chair of Communications Sub-Committee	Bolton School	
Brendan Wignall	Chair of Membership Sub-Committee	Ellesmere College	
Kevin Knibbs	Chair of Sports Sub-Committee	Hampton School	
Chris Jeffery	Chair of Wellbeing Working Group	Bootham School	
Officers (in attendance)			
Mike Buchanan	Executive Director	HMC	
Ian Power	Membership Secretary	HMC	
Amy Kendrick	Chief Operating Officer & Company Secretary	HMC	Company Secretary

General Fund

(see notes 13 to 18)

	£	£
Income		
From Members: Contributions and Subscriptions		1,109,318
From Members: Other income from members (specify)		
ISC Income		505,204
Courses HMCPD		599,181
Annual conference		648,996
Total other income from members		1,753,381
Total of all income from members		2,862,699
Investment income (as at page 12)		122,104
Other Income		
Income from Federations and other bodies (as at page 4)		
Income from any other sources (as at page 4)	20,852	
Total of other income (as at page 4)		20,852
Total income		3,005,655
Interfund Transfers IN		
Expenditure		
Benefits to members (as at page 5)		2,833,500
Administrative expenses (as at page 10)		630,876
Federation and other bodies (specify)		
Total expenditure Federation and other bodies		
Taxation		-66,000
Total expenditure		3,398,376
Interfund Transfers OUT		
Surplus (deficit) for year		-392,721
Amount of general fund at beginning of year		5,056,261
Amount of general fund at end of year		4,663,540

Analysis of income from federation and other bodies and other income

(see notes 19 and 20)

Description	£
Federation and other bodies	
Total federation and other bodies	
Any Other Sources	
Rental Income Other Income	6,593 14,259
Total other sources	20,852
Total of all other income	20,852

Analysis of benefit expenditure shown at the General Fund

(see notes 21 to 23)

			£
Representation –		brought forward	1,859,577
Employment Related Issues		Advisory Services	
Professional fees	62,188		
Admin & Salaries	975,617		
Annual conference	706,360		
Representation –		Other Cash Payments	
Non Employment Related Issues		Membership inspection expenses	10,266
		Education and Training services	
		ISC subscriptions	505,204
		Courses (HMCPD)	435,804
		Spring Conference	22,649
Communications			
Insight Magazine	29,948		
Digital Comms & Marketing	85,464		
		Negotiated Discount Services	
Dispute Benefits			
		Other Benefits and Grants (specify)	
carried forward	1,859,577	Total (should agree with figure in General Fund)	2,833,500

(See notes 21 and 23)

Fund 8		Fund Account	
Name:		£	£
Income	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
	Interfund Transfers IN		
Expenditure	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Interfund Transfers OUT		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		
	Number of members contributing at end of year		

Fund 9		Fund Account	
Name:		£	£
Income	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
	Interfund Transfers IN		
Expenditure	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Interfund Transfers OUT		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		
	Number of members contributing at end of year		

Political fund account

(see notes 24 to 33)

£

£

Political fund account 1		To be completed by trade unions which maintain their own political fund	
Income	Members contributions and levies		
	Investment income (as at page 12)		
Other income (specify)			
	Total other income as specified		
		Total income	
Expenditure under section (82) of the Trade Union and Labour Relations (Consolidation) Act 1992 on purposes set out in section (72) (1) where consolidation of expenditures from the political funds exceeds £2,000 during the period			
	Expenditure A (as at page i)		
	Expenditure B (as at page ii)		
	Expenditure C (as at page iii)		
	Expenditure D (as at page iv)		
	Expenditure E (as at page v)		
	Expenditure F (as at page vi)		
	Non-political expenditure (as at page vii)		
		Total expenditure	
		Surplus (deficit) for year	
		Amount of political fund at beginning of year	
		Amount of political fund at the end of year (as <u>Balance Sheet</u>)	
		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 contribute to the political fund	
Political fund account 2		To be completed by trade unions which act as components of a central trade union	
Income	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	
Expenditure	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	
		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 34 and 35)

	£
Administrative Expenses	
Remuneration and expenses of staff	7,200
Salaries and Wages included in above	[REDACTED]
Auditors' fees	24,936
Legal and Professional fees	
Occupancy costs	
Stationery, printing, postage, telephone, etc.	27,044
Expenses of Executive Committee (Head Office)	51,571
Expenses of conferences	43,780
Other administrative expenses (specify)	
Honoraria, gifts & donations	30,530
Hospitality	53
Sundries	290
Research & Development	21,594
Running Costs - HQ	86,279
Office fixture & fittings	9,750
Other Outgoings	
Depreciation	18,300
Net Gain / Losses on Investments	309,549
Outgoings on land and buildings (specify)	
Other outgoings (specify)	
tretert	
Total	630,876
Charged to:	General Fund (Page 3)
	630,876
Total	630,876

Analysis of investment income

(see notes 47 and 48)

	Political Fund £		Other Fund(s) £
Rent from land and buildings			
Dividends (gross) from:			122,104
Equities (e.g. shares)			
Interest (gross) from:			
Government securities (Gilts)			
Mortgages			
Local Authority Bonds			
Bank and Building Societies			
Other investment income (specify)			
			122,104
		Total investment income	122,104
		Credited to:	
		General Fund (Page 3)	122,104
		Political Fund	
		Total Investment Funds	122,104

Fixed assets account

(see notes 53 to 57)

	Land and Buildings		Furniture and Equipment £	Motor Vehicles £	Not used for union business £	Total £
	Freehold £	Leasehold £				
Cost or Valuation						
At start of year	531,041		154,087			685,128
Additions			1,198			1,198
Disposals						
Revaluation/Transfers						
At end of year	531,041		155,285			686,326
Accumulated Depreciation						
At start of year	103,961		139,982			243,943
Charges for year	8,221		10,079			18,300
Disposals						
Revaluation/Transfers						
At end of year	112,182		150,061			262,243
Net book value at end of year	418,859		5,224			424,083
Net book value at end of previous year	427,080		14,105			441,185

Analysis of investments

(see notes 58 and 59)

Quoted	All Funds Except Political Funds £	Political Fund £
Equities (e.g. Shares)		
UK Quoted Investments	3,745,197	
Government Securities (Gilts)		
Other quoted securities (to be specified)		
Total quoted (as Balance Sheet)	3,745,197	
Market Value of Quoted Investment	3,584,916	
Unquoted		
Equities		
ISEB Ltd	4	
Government Securities (Gilts)		
Mortgages		
Bank and Building Societies		
Other unquoted investments (to be specified)		
Total unquoted (as Balance Sheet)	4	
Market Value of Unquoted Investments	4	

Summary sheet

(see notes 62 to 73)

	All funds except Political Funds £	Political Funds £	Total Funds £
Income			
From Members	2,862,699		2,862,699
From Investments	122,104		122,104
Other Income (including increases by revaluation of assets)	20,852		20,852
Total Income	3,005,655		3,005,655
Expenditure (including decreases by revaluation of assets)			
Total Expenditure	3,398,376		3,398,376
Funds at beginning of year (including reserves)	5,056,261		5,056,261
Funds at end of year (including reserves)	4,663,540		4,663,540
Assets			
Fixed Assets			424,083
Investment Assets			3,745,201
Other Assets			884,018
		Total Assets	5,053,302
Liabilities		Total Liabilities	389,762
Net Assets (Total Assets less Total Liabilities)			4,663,540

Ballots & Industrial Action- If you have 6 or more entries for either of these, please complete the Excel Spreadsheet

(see notes 74 to 80)

Did the union hold any ballots in respect of industrial action during the return period?	<input type="text" value="No"/>
If Yes How many ballots were held: <input style="width: 50px;" type="text"/>	
For each ballot held please complete the information below:	
Ballot 1	
Number of individual who were entitled to vote in the ballot	<input style="width: 80px;" type="text"/>
Number of votes cast in the ballot	<input style="width: 80px;" type="text"/>
Number of Individuals answering "Yes" to the question	<input style="width: 80px;" type="text"/> ¹
Number of individuals answering "No" to the question	<input style="width: 80px;" type="text"/> ²
Number of invalid or otherwise spoiled voting papers returned	<input style="width: 80px;" type="text"/> ³
1-3 should total "Number of votes cast"	
Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot	<input style="width: 60px;" type="text"/>
Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?	<input style="width: 60px;" type="text"/>
If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot	<input style="width: 60px;" type="text"/>
Ballot 2	
Number of individual who were entitled to vote in the ballot	<input style="width: 80px;" type="text"/>
Number of votes cast in the ballot	<input style="width: 80px;" type="text"/>
Number of Individuals answering "Yes" to the question	<input style="width: 80px;" type="text"/> ¹
Number of individuals answering "No" to the question	<input style="width: 80px;" type="text"/> ²
Number of invalid or otherwise spoiled voting papers returned	<input style="width: 80px;" type="text"/> ³
1-3 should total "Number of votes cast"	
Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot	<input style="width: 60px;" type="text"/>
Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?	<input style="width: 60px;" type="text"/>
If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot	<input style="width: 60px;" type="text"/>
Ballot 3	
Number of individual who were entitled to vote in the ballot	<input style="width: 80px;" type="text"/>
Number of votes cast in the ballot	<input style="width: 80px;" type="text"/>
Number of Individuals answering "Yes" to the question	<input style="width: 80px;" type="text"/> ¹
Number of individuals answering "No" to the question	<input style="width: 80px;" type="text"/> ²
Number of invalid or otherwise spoiled voting papers returned	<input style="width: 80px;" type="text"/> ³
1-3 should total "Number of votes cast"	
Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot	<input style="width: 60px;" type="text"/>
Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?	<input style="width: 60px;" type="text"/>
If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot	<input style="width: 60px;" type="text"/>

Ballots & Industrial Action: If you have 6 or more entries for either of these, please complete the Excel Spreadsheet

Ballot 4

Number of individual who were entitled to vote in the ballot

Number of votes cast in the ballot

Number of Individuals answering "Yes" to the question 1

Number of individuals answering "No" to the question 2

Number of invalid or otherwise spoiled voting papers returned 3

1-3 should total "Number of votes cast"

Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot

Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?

If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot

Ballot 5

Number of individual who were entitled to vote in the ballot

Number of votes cast in the ballot

Number of Individuals answering "Yes" to the question 1

Number of individuals answering "No" to the question 2

Number of invalid or otherwise spoiled voting papers returned 3

1-3 should total "Number of votes cast"

Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot

Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?

If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot

Ballot 6

Number of individual who were entitled to vote in the ballot

Number of votes cast in the ballot

Number of Individuals answering "Yes" to the question 1

Number of individuals answering "No" to the question 2

Number of invalid or otherwise spoiled voting papers returned 3

1-3 should total "Number of votes cast"

Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot

Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?

If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot

Ballots and Industrial Action: If you have 6 or more entries for either of these, please complete the Excel Spreadsheet

(see note 81)

***Categories of Nature of Trade Dispute**

- A: terms and conditions of employment, or the physical conditions in which any workers require to work;
- B: engagement or non-engagement, or termination or suspension of employment or the duties of employment, of one or more workers;
- C: allocation of work or the duties of employment between workers or groups of workers;
- D: matters of discipline;
- E: a worker's membership or non-membership of a trade union;
- F: facilities for officials of trade unions;
- G: machinery for negotiation or consultation, and other procedures, relating to any of the above matters, including the recognition by employers or employers' associations of the right of a trade union to represent workers in such negotiation or consultation or in the carrying out of such procedures

Did Union members take industrial action during the return period in response to any inducement on the part of the Union? YES/NO

If **YES**, for each industrial action taken please complete the information below:

Industrial Action 1

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

Industrial Action 2

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

Industrial Action 3

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

use a continuation page if necessary

Industrial Action 4

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

Industrial Action 5

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

Industrial Action 6

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

Industrial Action 7

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

Industrial Action 8

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

Ballots & Industrial Action- If you have 6 or more entries for either of these, please complete the Excel Spreadsheet

Notes to the accounts

(see notes 82 and 83)

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

Please refer to Pages 9 to 13 of the appended Financial Statements as unable to copy and paste here without formatting errors.

Accounting policies



(see notes 84 and 85)

Please refer to section 2 of page 9 on the appended Financial Statements, as unable to copy and paste here without formatting errors.

Signatures to the annual return

(see notes 86 & 87)

Including the accounts and balance sheet contained in the return. Please copy and paste your electronic signature here

Secretary's Signature:		Chairman's Signature:	
			(or other official whose position should be stated)
Name:	Amy Kendrick, Chief Operating Officer & Company Secretary	Name:	Ian Power, Acting General Secretary
Date:	12th August 2020	Date:	12th August 2020

Checklist

(see notes 88 to 89)

(please tick as appropriate)

Has the return of change of officers been completed? (see Page 2 and Note 12)	Yes	Y	No	
Has the list of officers in post been completed? (see Page 2 and Note 12)	Yes	Y	No	
Has the return been signed? (see Pages 23 and 25 and Notes 86 and 95)	Yes	Y	No	
Has the auditor's report been completed? (see Pages 20 and 21 and Notes 2 and 77)	Yes	Y	No	
Is a rule book enclosed? (see Notes 8 and 88)	Yes	Y	No	
A member statement is: (see Note 80)	Enclosed	Y	To follow	
Has the summary sheet been completed? (see Page 17 and Notes 7 and 62)	Yes	Y	To follow	
Has the membership audit certificate been completed? (see Page i to iii and Notes 97 and 103)	Yes	Y	No	

Checklist for auditor's report

(see notes 90 and 96)

The checklist below is for guidance. A report is still required either set out overleaf or by way of an attached auditor's report that covers the 1992 Act requirements.

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 related? (See section 36(1) and (2) of the 1992 Act and notes 92 and 93)

Please explain in your report overleaf or attached.

2. 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 note 92)

Please explain in your report overleaf or attached

3. Your auditors or auditor must include in their report the following wording:

In our opinion the financial statements:

- give a true and fair view of the matters to which they relate to.
- have been prepared in accordance with the requirements of the sections 28, 32 and 36 of the Trade Union and Labour Relations (consolidation) Act 1992.

Auditor's report (continued)

Please refer to pages 5 and 6 of the enclosed Financial Statements.

Signature(s) of auditor or auditors:



Name(s):

Tina Allison

Profession(s) or Calling(s):

Senior Statutory Auditor

Address(es):

Crowe U.K. LLP

St Bride's House

10 Salisbury Square

London, UK

Postcode

EC4Y 8EH

Date

13-Aug-20

Contact name for inquiries and telephone number:

Karen Sallnow
(0) +44 207 842 7392

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

Membership audit certificate

made in accordance with section 24ZD of the Trade Union and Labour Relations (Consolidation) Act 1992

(See notes 97 to 103)

At the end of the reportign period proceding the one to which this audit relates was the total membership of the trade union greater than 10,000?

No

If "YES" please complete SECTION ONE below or provide the equivalent information on a separate document to be submitted with the completed AR21

If "NO" please complete SECTION TWO below or provide the equivalent information on a separate document to be submitted with the completed AR21

Membership audit certificate

Section one

For a trade union with more than 10,000 members, required by section 24ZB of the 1992 Act to appoint an independent assurer

- 1 In the opinion of the assurer appointed by the trade union was the union's system for compiling and maintaining its register of the names and addresses of its members satisfactory to secure, so far as is reasonably practicable, that the entries in its register were accurate and up-to-date throughout the reporting period?

YES

- 2 In the opinion of the assurer has he/she obtained the inforamation and explanations necessary for the performance of his/her functions?

YES

If the answer to **either** questions 1 or 2 above is "NO" the assurer must:

- (a) set out below the assurer's reasons for stating that
- (b) provide a description of the information or explanation requested or required which has not been obtained
- (c) state whether the assurer required that information or those explanations from the union's officers, or officers of any of its branches or sections under section 24ZE of the 1992 Act
- (d) send a copy of this certificate to the Certification Officer as soon as is reasonably practicable after it is provided to the union.

Membership audit certificate (continued)

N/A

Signature of assurer

Name

Address

Date

Contact name and
telephone number

Membership audit certificate

Section two

For a trade union with no **more than 10,000 members** at the end of the reporting period preceding the one to which this audit relates.

To the best of your knowledge and belief has the trade union during this reporting period complied with its duty to compile and maintain a register of the names and addresses of its members and secured, so far as is reasonably practicable, that the entries in the register are accurate and up-to-date?

Yes

If "No" Please explain below:

[Large greyed-out area for explanation]

Signature	<i>A Kendrick</i>
Name	Amy Kendrick
Office held	Chief Operating Officer & Company Secretary
Date	12th August 2020

Company number: 00101760

THE HEADMASTERS' AND HEADMISTRESSES' CONFERENCE

(A Company limited by Guarantee)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Together with comments and Auditor's report

THE HEADMASTERS' AND HEADMISTRESSES' CONFERENCE
(A Company limited by Guarantee)
REPORT OF THE COMMITTEE
FOR THE YEAR ENDED 31 MARCH 2020

1. COMMITTEE

The following were members of the Committee and are the directors under company law.

Fiona Boulton	Chair
Shaun Fenton	Vice-Chair
Sally-Anne Huang	Chair-Elect
Brendan Wignall	Treasurer

Served until 31 August 2019

Stephen Holliday
Chris Staley
Heather Hanbury
David Craig
Michael Kennedy
Simon Mills
Jesse Elzinga
Angela Drew
Ian Wilmshurst
Nick Gregory
Alastair Land

Served throughout the year

Fiona Boulton
Shaun Fenton
Sally-Anne Huang
Bill Penty
Robert Robinson
Elizabeth Huddleson
Suzie Longstaff
Anton Maree
Simon Hyde
Johanna Urquhart
Adam Williams
Julie Lodrick
Andrew Gordon-Brown

Elected 1st September 2019

Brendan Wignall
Chris Wheeler
Douglas Robb
Vicky Bingham
Kieran McLaughlin
Martin Boulton
Colin Gambles
Joanne Thomson
Bruce Grindlay
Mark Lascalles
Kathy Crewe-Read
Rob Jones

The directors are advised, through the Treasurer, by the HMC Finance & Risk Steering Group (FRSG).

2. REVIEW OF ACTIVITIES

HMC exists to serve and support its members, to represent their views and to exemplify excellence in education. Throughout the period, the Conference has continued to act as a professional association of Headmasters and Headmistresses for the purpose of the advancement of independent education and the interest of members and their schools. As well as being a company limited by guarantee, HMC is a trade union. During the last financial period, HMC held its celebratory 150th anniversary annual conference in London with regional meetings taking place on a termly basis in the ten 'Divisions' of the UK and Ireland.

The work of previous years in monitoring examining in England and its regulation continued as did that of reviewing patterns of supply and demand in university admissions. In addition to this, there has been added work on staff and pupil well-being along with significant public affairs activity on behalf of members around the 2019 general election and political views pertaining to VAT and independent school fees. More recently the Conference's activity has moved quickly to support members in the crisis management and planning related to the current COVID-19 pandemic.

2019/20 continued the growth trend in membership of recent years as more heads of outstanding schools previously unconnected with the Conference were welcomed into membership. The Conference benefitted once again this year from an active and successful programme of Professional Development as well as from the use of facilities at the Independent Schools Council offices in London.

The Committee approved a new strategic plan under the leadership of the Executive Director to replace that of the past five years which has now concluded. In March 2020, the Executive Director left the organisation. Interim arrangements have been established, with the Membership Secretary taking the reins. A recruitment process was undertaken to appoint a successor to the Membership Secretary who retires in August. During the year, the directors formally considered a risk register of all the spheres of work in which the Conference is active.

HMC owns its office premises in Market Harborough which it purchased in November 2005.

3. INVESTMENTS

During the year, investment managers were Smith and Williamson. There was a loss on revaluation and sale of quoted investments of £309,549 (31 March 2019: gain of £169,277), reflecting the trend of the Stock Market over the financial year, and the recent months in particular.

THE HEADMASTERS' AND HEADMISTRESSES' CONFERENCE
(A Company limited by Guarantee)
REPORT OF THE COMMITTEE
FOR THE YEAR ENDED 31 MARCH 2020

4. FINANCIAL SUMMARY

The deficit for the year before tax amounted to £458,722 (31 March 2019: surplus of £242,808). The deficit for the year after tax amounted to £392,722 (31 March 2019: surplus £211,008). This decreased the accumulated fund brought forward from last year of £5,056,262. The accumulated fund carried forward to the next year amounts to £4,663,539.

At 31 March 2020, HMC's net current assets stood at £566,255 (31 March 2019: £940,935). Investments totalled £3,745,201 (2019: £3,812,142) which included the portfolio of listed shares, valued at £3,745,197 (31 March 2019: £3,812,138).

The directors' policy for reserves requires HMC to maintain liquid resources (cash or liquid asset, capable of being converted into cash at short notice) of at least £2.7m to cover four needs: winding up costs (£850,000); running costs for twelve months (£750,000); contingencies (£500,000); and provision for a possible increase in the size of the premises (£600,000). Together these resources would ensure efficient operation of the Conference and thus compliance with the Conference's main objectives.

5. Going Concern

The Directors have assessed the Company's ability to continue as a going concern. This assessment was reviewed at the Board meeting on 24th June 2020 in light of the changed circumstances taking into account the impacts from the coronavirus outbreak. The Directors have considered several factors when forming their conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements including a review of updated forecasts to March 2022, a consideration of key risks, including the impact of coronavirus, that could negatively impact the company and the latest available valuation of the investment portfolio.

The Covid-19 pandemic has had a significant impact on the Company's finances. The Company's principal source of income is from annual subscriptions. This represents approximately 54% of the Company's income. As reported in the Review of Activities, membership income in 2019/20 continued the growth trend. Membership numbers are expected to be broadly consistent through the next financial year, however, forecasts do include an assumption for minor reductions in membership income as a result of member schools' financial challenges; cost control and mitigation means that the current cashflow forecast maintains positive bank balances through the next financial year. Positively, c.80% of the annual membership income has already been received.

In the current environment, forecasts for other income and expenditure have been reviewed and it is assumed the ability to run courses will be limited, and this represents on average 21% of the Company's income. Planning is underway to determine how online delivery methods may allow provision to continue, in order to generate revenue for both courses and conference. Delivery costs would also be reduced should face-to-face events not be possible, which provides a degree of mitigation. The key area of uncertainty relates to the impact of the current market turmoil on the valuation of investments. The impact as currently expressed by our Investment Managers has been built into the cashflow forecasts outlined above.

After considering these factors, the Directors have concluded that the Company has a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future and have continued to prepare the financial statements on the going concern basis. The current forecasts demonstrate the Company is able to meet its ordinary working capital requirements through its existing bank funds and its readily liquid assets.

THE HEADMASTERS' AND HEADMISTRESSES' CONFERENCE
(A Company limited by Guarantee)
REPORT OF THE COMMITTEE
FOR THE YEAR ENDED 31 MARCH 2020

6. STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law and have had regard to the substance of the reported transactions and arrangements within the Revenue account and the Balance Sheet in accordance with these applicable laws and regulations.

Under company law the directors 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

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

Provision of information to the auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as that each director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- each director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

Auditors

A resolution proposing the re-appointment of Crowe U.K. LLP as auditors to the company will be put into the annual general meeting in accordance with Section 485 of the Companies Act 2006.

The Report of the Council has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with FRS102 1A.

BY ORDER OF THE BOARD



Fiona Boulton
Chair

Date: 24th June 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HEADMASTERS' AND HEADMISTRESSES' CONFERENCE

Opinion

We have audited the financial statements of Headmasters' and Headmistresses' Conference for the year ended 31 March 2020 which comprise the Revenue Account, Balance Sheet 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 company's affairs as at 31 March 2020 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Trade Union and Labour Relations Act 1992.

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 company 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' 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:

- adequate accounting records have not been kept by the company, 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
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors 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 directors 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 directors are responsible for assessing the 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Tina Allison
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

Date: 16 July 2020

THE HEADMASTERS' AND HEADMISTRESSES' CONFERENCE
(A Company limited by Guarantee)
REVENUE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2020

	Notes	31 March 2020 Actual £	Budget £	31 March 2019 Actual £
TURNOVER				
Annual subscriptions		1,109,318	1,116,952	1,107,642
-Independent School Council subscriptions		505,204	505,204	505,250
Courses (HMCPD)		599,181	629,100	664,940
Annual conference (including fees)		648,996	694,000	494,616
Other income (including membership inspection)		14,258	26,500	33,538
Rental Income		6,593	7,000	7,242
		2,883,550	2,978,756	2,813,228
EXPENDITURE				
Administration (salaries)	3	975,617	931,379	685,845
Independent Schools Council subscription		505,204	505,204	505,250
Subscriptions and staff development		7,200	8,300	6,102
Annual conference (hotel and speakers)		706,360	679,500	483,232
Spring Conference		22,649	27,000	-
Courses (HMCPD)		435,804	503,697	680,363
HMCPD Innovation Fund (heads mentoring and R&D)		-	18,510	-
Committee and other meetings		43,780	50,000	72,739
Membership inspection expenses		10,266	8,750	21,388
Officers' expenses		51,571	45,000	50,235
Honoraria, gifts and donations		30,530	30,600	510
Hospitality		53	750	44
Running costs- HQ		86,279	52,500	60,164
Office fixture and fittings (inc ICT)		9,750	12,000	10,828
Postage and telephone		11,535	11,000	13,425
Printing, stationery and publications		15,509	11,000	12,323
Digital Comms & Marketing		85,464	70,000	99,782
Research and development		21,594	17,500	26,286
Contingencies		-	1,000	-
Auditors' remuneration	5	24,936	15,800	15,960
Professional fees and other charges		62,189	35,000	61,391
Insight magazine		29,948	38,400	39,081
Sundries		289	0	103
		3,136,527	3,072,890	2,845,051
Deficit before (debiting)/crediting the following items		(252,977)	(94,134)	(31,823)
Dividends and interest receivable		122,104	105,000	114,511
ISEB		-	38,629	-
Depreciation and amortisation	7	(18,300)	(22,431)	(24,010)
Net gains/(losses) on investments	8	(309,549)	-	169,277
Surplus/(Deficit) before taxation		(458,722)	27,064	242,808
Tax refund/(charge)	6	66,000	-	(31,800)
(DEFICIT)/SURPLUS AFTER TAX		(392,722)	27,064	211,008
Accumulated Fund brought forward		5,056,261		4,845,254
Accumulated Fund carried forward		4,663,539		5,056,262

The accompanying notes are an integral part of this income and expenditure account

**THE HEADMASTERS' AND HEADMISTERSSES' CONFERENCE
BALANCE SHEET
YEAR ENDED 31 MARCH 2020**

	Notes	31 March 2020		31 March 2019	
		£	£	£	£
FIXED ASSETS					
Tangible Fixed Assets		7	424,083		441,185
Investments		8	<u>3,745,201</u>		<u>3,812,142</u>
			4,169,284		4,253,327
 CURRENT ASSETS					
Debtors and prepayments	9		191,332	81,759	
Cash at bank and in hand			<u>692,686</u>	<u>1,529,117</u>	
			884,018	1,610,876	
 CREDITORS- due within one year	10		(317,763)	(669,941)	
 NET CURRENT ASSETS			566,255	940,935	
 PROVISIONS					
Deferred tax liability	11		(72,000)	(138,000)	
 TOTAL NET ASSETS			<u><u>4,663,539</u></u>	<u><u>5,056,262</u></u>	
 Representing ACCUMULATED FUND			<u><u>4,663,539</u></u>	<u><u>5,056,262</u></u>	

These financial statements have been prepared in accordance with the special provisions relating to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with FRS102 1A.

The financial statements were approved and authorised for issue by the Board on 24th June 2020 and were signed below on its behalf by:



Chair: Fiona Boulton

The notes on pages 10 to 14 form part of the financial statements

**THE HEADMASTERS' AND HEADMISTRESSES' CONFERENCE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2020**

1. INFORMATION

The Headmasters' and Headmistresses' Conference is incorporated under the Companies Act, it is a company limited by guarantee, registered in the UK under the number 00101760. The registered office address is 12 The Point Rockingham Road, Market Harborough, Leicestershire, LE16 7QU.

2. ACCOUNTING POLICIES

a) Basis of preparation

These financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 ('FRS 102') Section 1A Small Entities, and in accordance with the Companies Act 2006.

Going concern

Based on a review of cashflow forecasts through to July 2021 (including significant subscriptions income already received for the year), mitigating cost savings where activity is reduced, and the significant levels of liquidatable reserves, the Directors are satisfied that the financial statements have been prepared on a going concern basis.

b) Turnover

Subscriptions shown in the revenue account are the amounts received in respect of the year. The proportion of subscriptions relating to the following year are carried forward and shown in the balance sheet as subscriptions received in advance. All other income is accrued when the company becomes entitled to receive the income.

c) Expenditure

All expenditure is accounted for on an accruals basis and irrecoverable VAT is included within the expenditure category to which it relates.

d) Interest and dividends

Interest and dividends received represents amounts receivable in the year.

e) Tangible fixed assets and depreciation

Tangible assets are held under the cost model and depreciation is provided at rates calculated to write off the cost of the assets equally over their estimated economic lives, as follows:

Freehold building	2% per annum on cost
Furniture and fittings	25% per annum on cost
Office equipment	33.3% per annum on cost

Freehold land is not depreciated.

f) Taxation

Tax is charged at 19% on taxable profits.

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

g) Fixed Asset Investments

Listed investments are stated at market value and are quoted on a recognised UK Stock Exchange. Gains and losses on investments are calculated as the difference between market value at the start and end of the financial year and are recognised in the revenue account. Investments in associates are accounted for in accordance with the cost model.

h) Financial Instruments

HMC has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise trade and other debtors and cash and cash equivalents. Financial liabilities held at

**THE HEADMASTERS' AND HEADMISTERSSES' CONFERENCE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2020**

amortised cost comprise, trade and other creditors. Fixed asset investments are held at market value as detailed above.

3. WAGES AND SALARIES

	31 March 2020	31 March 2019
	£	£
Wages and Salaries	752,890	662,882
Social Security Costs	81,441	75,062
Other Pension costs	141,286	105,599
	975,617	843,543

The average number of employees during the year was 16 (2019: 14). No non-executive director received any remuneration in the year (2019: NIL). The Executive Director (appointed in 2018/19 and resigned at year end) and the Membership Secretary were paid a salary (including car allowance) respectively totalling £189,832 and £120,233 (2019: £75,213 and £141,156) and received no other benefits.

Due to a change in the allocation of salaries in 2019/20 total wages and salaries are now allocated to Administration (salaries) within the Revenue Account rather than split with Courses (HMCPD).

4. PENSION

The company participates in the Pension Trust's Growth Plan scheme, a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme. HMC would have a liability if it ceased to participate in the scheme and received advice in September 2018 that it would be £22,794. As there are no plans to leave the scheme, this potential liability has not been provided for in the accounts.

Deficit contributions are due from April 2016 to 31 March 2025, with the amount increasing in April each year by 3%. Deficit contribution paid for the year to March 2020 was £318 (2019 £253). HMC makes a significant contribution to the scheme at 14.1% of salary.

5. Auditors Remuneration

	31 March 2020	31 March 2019
	£	£
Auditors remuneration	10,800	3,100
Underprovision of prior year's fee	6,400	7,200
Tax advisory services	3,300	3,000
Irrecoverable VAT	3,898	2,660
Disbursements	538	-
	24,936	15,960

**THE HEADMASTERS' AND HEADMISTERSSES' CONFERENCE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2020**

6. TAXATION

	31 March 2020	31 March 2019
	£	£
The Taxation charge for the year represents:		
Corporation tax payable at 19% on taxable profit	-	-
Overprovision in prior year	-	-
Deferred tax charge for the year (Note 9)	(66,000)	31,800
	(66,000)	31,800
Total tax (refund)/charge for the year	(66,000)	31,800

7. TANGIBLE FIXED ASSETS

	Freehold land and buildings	Furniture, fittings and office equipment	Total
	£	£	£
Cost			
At 1 April 2019	531,041	154,087	685,128
Additions	-	1,198	1,198
	531,041	155,285	686,326
At 31 March 2020	531,041	155,285	686,326
Accumulated depreciation			
At 1 April 2019	103,961	139,982	243,943
Charge for year	8,221	10,079	18,300
	112,182	150,061	262,243
At 31 March 2020	112,182	150,061	262,243
Net Book Value			
At 31 March 2020	418,859	5,224	424,083
At 31 March 2019	427,080	14,105	441,185

**THE HEADMASTERS' AND HEADMISTERSSES' CONFERENCE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2020**

8. FIXED ASSET INVESTMENTS

	UK quoted investments	ISEB Ltd	31 March 2020	31 March 2019
	£	£	£	£
Opening Market Value	3,812,138	4	3,812,142	3,771,831
Disposal proceeds/distribution	(1,162,108))	-	(1,162,108)	(718,151)
Additions	1,244,434	-	1,244,434	589,185
Net gains/ (losses) on investments	(309,548)	-	(309,548)	169,277
Total market value	3,584,916	4	3,584,920	3,812,142
Brokers dealing account	160,281	-	160,281	275,453
Closing value	3,745,197	4	3,745,201	4,087,595
Cost of investments	3,364,055	4	3,364,055	3,360,415

	UK quoted investments	ISEB Ltd	31 March 2019	31 March 2018
	£	£	£	£
<i>Opening Market Value</i>	3,771,827	4	3,771,831	3,841,891
<i>Disposal proceeds/ distribution</i>	(718,151)	-	(718,151)	(1,084,782)
<i>Additions</i>	589,185	-	589,185	1,037,599
<i>Net gains/ (losses) on investments</i>	169,277	-	169,277	(22,877)
	3,812,138	4	3,812,142	3,771,831
<i>Brokers dealing account</i>	275,453	-	275,453	160,442
Closing Value	4,087,591	4	4,087,595	3,932,273

9. DEBTORS

	31 March 2020	31 March 2019
	£	£
Trade debtors	16,192	5,825
Due from ISEB Ltd (See note 13)	-	38,629
Prepayments and other debtors	175,140	37,305
	191,332	81,759

10. Creditors falling due within one year

	31 March 2020	31 March 2019
	£	£
Accruals	62,715	33,396
Deferred Income	68,558	596,685
Cancelled courses/events	52,753	-
Other creditors	133,737	39,860
	317,763	669,941

**THE HEADMASTERS' AND HEADMISTERESSES' CONFERENCE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2020**

11. DEFERRED TAXATION PROVISION

	31 March 2020	31 March 2019
	£	£
Balance as at 1 April	138,000	106,200
(Release)/Charge for the year	<u>(66,000)</u>	<u>31,800</u>
Balance as at 31 March	<u>72,000</u>	<u>138,000</u>

12. COMMITMENTS

The annual lease commitments are analysed in the year in which the lease expires:

	31 March 2020	31 March 2019
	£	£
Operating Lease Commitments		
Between one to two years	13,206	13,206
Between two and five years	<u>36,822</u>	<u>50,208</u>
	<u>50,028</u>	<u>63,414</u>

Lease payments during the year totalled £14,862 (2019 £14,284).

13. RELATED PARTY TRANSACTIONS

The Common Entrance examinations are managed through the Independent Schools Examination Board (ISEB), which until 31 August 2014 was a joint venture with the Headmasters' and Headmistresses' Conference (HMC), The Girls' Schools Association and IAPS.

The 2015 accounts of HMC include 37.5% of the surplus of the joint venture for the five month year to 31 August 2014. On 1 September 2014 the trade and assets of ISEB were hived up into ISEB Ltd, an incorporated company limited by shares. HMC is a shareholder owning 375 shares at a nominal of £0.01 of the total issued share capital of £10. The undistributed reserves of ISEB are now held by ISEB Ltd and HMC's 37.5% share of these (£333,375) were included as a debtor in HMC's accounts in 2015. At the 2020 year end, the balance of this debtor was £Nil (2019: £38,629).

During the year £13k was paid to Reigate Grammar School (2018/19 £17k) and £17k is due to Guildford High School at the year end for making available the services of the Chair and retiring Chair of HMC in connection with their roles and management of HMC. In 2018/19 £13k was paid to Leicester Grammar School.

12. STATUS

The company is limited by guarantee and has no share capital. The liability of members in the event of a winding up is limited to £10. The members of the company are the subscribers to the Memorandum and Articles of Association.