



**SCOTTISH COUNCIL OF INDEPENDENT SCHOOLS
(A COMPANY LIMITED BY GUARANTEE)**

REPORT OF THE GOVERNING BOARD

AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

Registered company number: SC125368
Registered charity number: SC018033

SCOTTISH COUNCIL OF INDEPENDENT SCHOOLS

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SCOTTISH COUNCIL OF INDEPENDENT SCHOOLS

SCIS GOVERNING BOARD 2019 (Chairman and members)

Chairman

Alan Hartley

Board Members

Jennifer Alexander	Bursar and Treasurer, George Heriot's School, Edinburgh. *
Pippa Axon	Bursar, Merchiston Castle School, Edinburgh. **
Matthew Bartlett	Head, St Aloysius College, Glasgow.
Laura Battles	Chief Executive, Donaldson's, Linlithgow.
Mark Becher	Headmaster, The Compass School, Haddington. **
Mike Carslaw	Headmaster, St Leonards School, St Andrews.
Guy Cartwright	Bursar, The Edinburgh Academy. **
Nathan Davies	Head of Junior School, Albyn School, Aberdeen. **
Paul Fairclough	Head of Senior School, George Heriot's School, Edinburgh. **
John Gilmour	Headmaster, Craigclowan Prep School, Perth.
Simon Johnson	Headmaster, Wellington School, Ayr.
Elaine Logan	Governor, Cargilfield Prep School, Edinburgh.
Jacqui McInnes	Accountant, The Glasgow Academy, Glasgow.
Jonathan Molloy	Bursar Erskine Stewart's Melville Schools, Edinburgh. *
Pamela Muir	Financial Director, Gordonstoun, Elgin. **
Laura Murphy	Headteacher then Governor, Fernhill School, Glasgow.
Simon Pengelley	Governor, High School Of Glasgow & Loretto, Musselburgh.
Melvyn Roffe	Principal, George Watson's College, Edinburgh. *
George Salmond	Head of Junior School, George Watson's College, Edinburgh. **
Melvyn Shanks	Principal, Belmont House School, Glasgow.
Richard Toley	Head, Lathallan School, Angus. *
Anna Tomlinson	Head, St Margaret's School for Girls, Aberdeen. **
Justin Wilkes	Bursar, Dollar Academy, Clackmannanshire. *

* Until April 2019

** From April 2019

Honorary Treasurer

Jeremy Harper
Financial Controller, The Edinburgh Academy; then
Bursar, St George's School for Girls, Edinburgh

SCIS Staff

Key management personnel:

Director	John Edward
Deputy Director, Education & Professional Learning	Margaret Lannon
Deputy Director, External Relations	Alison Herbert
Assistant Director, Finance & Research	Alison Newlands
Administrator (part-time)	Claire Burnett
Administrator (part-time)	Kirsten Hamilton

SCOTTISH COUNCIL OF INDEPENDENT SCHOOLS

PROFESSIONAL AND LEGAL ADVISORS

Auditors	Scott-Moncrieff Audit Services, Exchange Place 3, Semple Street, Edinburgh EH3 8BL
Bankers	Bank of Scotland, 38 St Andrew Square, Edinburgh EH2 2YR
Investment Managers	Brewin Dolphin, 144 Morrison Street, Edinburgh, EH3 8BR
Insurances	Marsh Limited, 48 St Vincent Street, Glasgow G2 5TR
Solicitors	Clyde & Co, Albany House, 58 Albany St, Edinburgh, EH1 3QR Shepherd and Wedderburn LLP, 1 Exchange Crescent, Conference Square, Edinburgh EH3 8UL
Employment Law	Navigator Employment Law Limited, 27 Stafford Street, Edinburgh, EH3 7BJ Brodies LLP, 15 Atholl Crescent, Edinburgh EH3 8HA

The Scottish Council of Independent Schools is a company limited by guarantee registered in Scotland No SC125368 and registered as a Scottish Charity, No SC018033, at 61 Dublin Street, Edinburgh EH3 6NL. www.scis.org.uk.

SCOTTISH COUNCIL OF INDEPENDENT SCHOOLS

REPORT OF THE GOVERNING BOARD

for the Year Ended 31 December 2019

Members of the SCIS Governing Board (directors for the purpose of company law) who are also charity trustees for the purposes of charity law, have pleasure in submitting their report, together with the audited financial statements, for the year to 31 December 2019.

PURPOSES AND POWERS

The main objectives of SCIS, in accordance with its Articles of Association, are:

- To promote, advance and support education in schools (“Independent Schools”) in Scotland at which full time education is provided not being schools maintained by a local education authority.
- To act as a means of communication between Independent Schools and any government department or any public or private authority or body connection with matters relating to the advancement of education, the development of curricula, the training of teachers and the development of teaching skills, methods and aids.
- To provide advice and assistance to schools on all aspects of educational policy and the advancement of education, the development of curricula, the training of teachers and the development of teaching skills, methods and aids.
- To provide facilities for the professional development of teachers and development of teaching skills, and to provide services to bursars, governors, support staff and other school staff.

In furtherance of the objects SCIS aims to exercise the following powers:

- To co-operate with and support any national or regional body having the same or similar objects.
- To provide a common centre for contact and co-operation between all Independent Schools.
- To act as a source of information and advice to the general public on the independent sector in Scotland.
- To collect, coordinate and disseminate knowledge, data, statistics, and information relating to independent education in Scotland or any other data, statistics or information.
- To print, publish and circulate brochures, pamphlets or other matter relating to education.
- To hold or support and attend conferences and public meetings to advance the sector.
- To maintain and provide an information service for parents, pupils and schools.
- To publish information regarding special facilities at or provided by independent schools.
- To provide representatives to sit on any public or private body or committee.

Objectives and services

The Governing Board has reaffirmed in the past that SCIS’s objectives are:

- to provide a professional and bespoke service to member schools that is supportive, relevant and of high value.
- to represent, protect and promote the interests and identity of the independent school sector – including those of special schools.
- to enable the sector to make a worthwhile and recognised contribution to the development of education in Scotland, the UK and beyond.

Within the context of the above strategy, and recognising that SCIS holds no regulatory role, SCIS’s continuing key aims are to deliver the following specific services through CPD, regulatory and legal guidance, and additional events and publications.

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Objectives and services (continued)

Service to Schools:

- to support member schools in delivering a high quality, values-based education for all pupils
- to provide up-to-date guidance and advice to schools on key political, educational, pastoral, special and additional support needs, legal and financial issues
- to make information accessible to parents and young people, the media, political and community figures and the general public
- to support Governors, Heads, Bursars, teaching and support staff through the SCIS CPD programme
- to provide research to help schools with their education choices, forward planning and marketing strategies.

Promoting the Sector:

- to represent the sector at national, regional and community events concerned with the education, well-being and care of children and young people in Scotland
- to promote the sector to members of the Scottish and UK Government, the Scottish and UK Parliament, the media, national educational and other bodies, in order to foster a better and more informed understanding of the sector
- to highlight and support the particular educational and pastoral responsibilities of special schools
- to promote the sector to parents, challenge misconceptions, to encourage participation and widen access to the sector
- to secure, market and enhance the global reputation of the independent sector – including the promotion of Scotland's boarding schools.

Service to Education:

- to contribute to the development of education in its widest sense for children and young people in Scotland
- to promote excellence in academic and all-round achievement
- to support highly-qualified and well-resourced teaching and support staff
- to defend the independence, autonomy and founding principles of individual institutions
- to engage constructively with employers, further and higher education to ensure the widest choice of positive learner destinations
- to demonstrate the sector's breadth and excellence in curricular and qualification development to support quality improvement with proportionate, informed and responsive inspections.

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ACHIEVEMENTS AND PERFORMANCE

SERVICES TO SCHOOLS

Governing Boards

SCIS staff took part in several regular or strategy meetings of individual school Governing Boards during 2019, and are always available to do so.

SCIS school statistics

SCIS provides analysis of pupil numbers, staffing levels, examination results, leaver destinations and the financial assistance provided by independent schools – as well as ad hoc research work requested by the Governing Board of SCIS and individual schools. All research findings are published on the SCIS website. The historical and comparative data which SCIS provides helps schools demonstrate their value for money and evaluate their position in a wider context. In 2019:

- SCIS member schools remains equivalent to the eighth largest local authority in pupil numbers.
- The independent school sector employs 3,759 in the teaching workforce in Scotland. There are approximately 3,415 part-time and full-time non-teaching staff including residential care, support and administrative staff.
- Approximately 88% of leavers entered further or higher education.

Pupil numbers

At the start of each new academic year SCIS conducts a census to gather data from member schools, which provides an overview of the sector. The analysis of this data is made available to member schools, the public and the press. Facts and statistics about pupil numbers and demographic projections can be downloaded from the SCIS website.

As at September 2019 there were 29,255, (2018: 29,495) pupils in SCIS schools. Of these, 1,474 (2018: 1,556) were children in nurseries, 9,961 (2018: 10,130) were in primary schools and 17,820 (2018: 17,809) were in secondary schools. Pupil numbers in the independent sector remained constant robust with a 0.8% fall since 2018, representing 4.1% of the Scottish school pupil population.

Financial assistance

All mainstream member schools offer financial assistance, most commonly in the form of means-tested awards, granted on the basis of financial need. The level of financial assistance can vary considerably from a free place (where 100% of the fees are met by the school) to awards worth around 20% of the fees. In 2018-19, approximately one-third of all pupils received some form of financial help with their fees, amounting to £51 million in overall financial assistance, of which over £30 million was fully means-tested.

Examination Results

Although most senior pupils in the independent sector sit Scottish Qualifications Authority (SQA) examinations, a significant number are presented for GCSE, A Levels and the International Baccalaureate. The full table of SQA post-marking review results by school is published by SCIS each year on the SCIS website.¹ A majority of schools chose to put forward one set of results, after the post-results service, rather than double-gathering results pre and post marking review. In addition, a substantial number of schools no longer contribute to an overall survey for the sector so SCIS no longer compiles or releases individual school data to the public.

¹ <http://www.scis.org.uk/facts-and-figures/exam-results/>

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ACHIEVEMENTS AND PERFORMANCE (continued)

The latest (prior to post marking review) examination results for independent schools are produced from the Scottish Qualifications Authority's, published in August 2019. The summary below provides a snapshot of the performance of candidates in independent schools compared with candidates in all schools in Scotland.

Comparable figures for Scotland in International Baccalaureate, A Level and GCSE results are not currently available although individual results for each participating school are available. Each year the Independent Schools Council (ISC) releases A Level and International Baccalaureate results and Scottish independent schools are included in the data produced.²

2019 Pre-Marking Review SQA Results – all SCIS schools (mainstream and special)

2019	SCIS entries as a % of all entries	Entries SCIS schools	Entries non-SCIS schools	A-C Pass Rate SCIS schools %	A-C Pass Rate non-SCIS schools %
National 4	0.7	727	104,866	90	88.5
National 5	6	17,304	288,552	95	78.2
Highers	7.5	13,945	185,914	93	74.8
Adv. Highers	16	3,746	23,460	92	79.4
Scottish Bacc.	2.5	4	157	100	69.4

Professional learning

The Professional Learning programme continues to be integral to the services provided by SCIS. During 2019 in excess of 65 courses and events were facilitated, catering for over 1,400 members of staff in a wide range of roles; from teachers to classroom assistants, administrative and marketing staff to senior managers and governors.

An emergent trend amongst Local Authorities and the Regional Improvement Collaboratives (RICs) has been the shift away from "one off" professional learning events to a more coherent provision that embraces the national model of professional learning. SCIS mirrors this through the suite of multi-day programmes, offering sustained professional learning. Coupled with this, SCIS is committed to providing "one-off" events i.e. on a needs and/or demand basis. However, professional learning within the sector is not confined to the professional learning programme and 2019 witnessed enhanced collaboration across a number of spheres. The Professional Learning Programme continued to evolve throughout the year. New providers, new content and new approaches to delivery, combined to ensure that the programme appealed to as wide a range of colleagues as possible.

² <http://www.isc.co.uk/research/exam-results/>

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ACHIEVEMENTS AND PERFORMANCE (continued)

Headlines from the 2019 Professional Learning Programme include:

- All multi-day programmes (Leadership/CBT/Coaching) full and waiting lists created.
- SCIS CBT Informed Mental Health Programme achieved national endorsement by Education Scotland in June 2019 and is now on the national register - a testament to the high quality learning provision.
- Augmentation of the SCIS suite of Leadership provision with a 2-day Leadership Retreat for strategic leaders in schools – led by Ewan Macintosh.
- Two dedicated days for Deputes led by leading academics from Scottish Universities.
- Refreshed one day immersion for school Governors.
- Well-received day for classroom assistants.
- Securing input from national and international figures, including a behaviour specialist and a global modern languages consultant.
- Focus on the wellbeing of practitioners, working in partnership with Claire Lavelle (input into probationers, classroom assistants, learning support and Junior School Heads).

Enhancing Professional Learning Activity, 2019 round-up:

An outcome of the sector-wide stakeholder survey undertaken by SCIS in 2019 was

“To facilitate opportunities designed to enhance participation, development and collaboration”

Within the professional learning domain, a number of initiatives have been facilitated to realise what is essentially an engagement strategy, including:

- Establishment of Communities of Practice (CoP): eLearning and Art and Design.
- National engagement event with Education Scotland’s Leadership and Professional Learning team (previously SCEL).
- Launch (in partnership with Navigator Law) of a HR Steering Group with an initial focus on Good Practice in Recruitment and Selection – on-going work.
- Development of a Pastoral Care Steering Group (with inaugural meeting having a 3-fold focus: Refreshing GIRFEC; Development of a Pastoral Care Professional Learning Pathway; and consideration of sector-informed protocols).
- In partnership with Young Carers Scotland, creation of an engagement forum.
- Launch of a Professional Review and Development (PRD) Pilot to enhance the PRD process by embedding a strengths-based coaching approach.

The 2019 stakeholder survey cited the professional learning provision as being a key benefit of SCIS membership. Such provision continues to be instrumental to the work of SCIS, it:

- Keeps the sector abreast and engaged in current national educational policy
- Provides access to a range of professionals, agencies and national bodies
- Delivers sector-informed professional learning that is consistently well-received
- Enhances collaboration and professional learning within and out-with the sector
- Makes a significant contribution to the overall budget

The professional learning programme can also be followed on Twitter at @SCIScpd.

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ACHIEVEMENTS AND PERFORMANCE (continued)

Non-Domestic Rates

The Scottish Government published on 22 February the findings of the Barclay Implementation Advisory Group and a summary of responses to its consultation on business rates reform. The Government declined the recommendation to remove charity relief for certain university properties and “ALEOs”, but maintained that mainstream independent schools will see their relief removed from April 2020, and that primary legislation would be placed before the Scottish Parliament by Easter 2019. The analysis of consultation responses showed that of those who responded on independent schools, the majority supported the current arrangement.

The Scottish Government placed the Non-Domestic Rates (Scotland) Bill before the Scottish Parliament on 26 March. The Bill sought to amend Section 4 of the Local Government (Financial Provisions etc.) (Scotland) Act 1962 by removing the ineligibility for the reduction and remission of rates payable by charitable and other organisations from “*lands and heritages which are wholly or mainly used for the purpose of carrying on an independent school*”. The Bill proposed maintaining the remission for any independent school where all the pupils are selected on the basis of musical ability or potential, and follow a curriculum which includes “*classes aimed at developing musical excellence*”; as well as any independent school which is a special school.

The lead Committee for the Bill was the Local Government and Communities Committee, which launched a Call for Written Evidence of views on the Bill, which was open until 30 May 2019. SCIS prepared a summary of non-domestic rates (NDR) issues to assist schools, staff and families should they wish to respond. Over 350 individual written responses were received and published. Respondents were asked to comment on some or all of the proposed measures in the Bill, including Section 10, which sought to remove eligibility to claim charitable relief from non-domestic rates from mainstream independent schools. The submissions included one from the Office of the Scottish Charity Regulator, the views of which were supported by the Charity Tax Group:

Our ultimate aim is to underpin public trust and confidence in charities. With this in mind, OSCR has a long held general concern that treating any group of charities in a differentiated way for tax or other purposes, as proposed by the Barclay Review and now the Bill, introduces the potential for confusion in the minds of the public as to what it means to be a charity. There is a long-standing public understanding that all charities will enjoy similar treatment in relation to taxation and in other respects, on the basis that they are all subject to the same statutory test of charitable status. Removal of charitable relief from non-domestic rates from the majority of independent schools has potential to undermine this understanding.

We have concerns about treating any group of charities in a differentiated way for tax or other purposes. Charity regulation in Scotland is comprehensive, all charities enjoy equal status under charity law, which does not place more or less value on different groups of charities. Where it appears that any government policy or new legislation has the potential to have a clear, adverse impact on charities, or a group of charities, and ultimately their beneficiaries we will highlight this. Removal of mandatory and discretionary charitable tax relief from any charity has the potential to impact on financial viability. These changes may have implications for the charities’ beneficiaries and their local communities.

During our comprehensive review of all the fee-charging schools on the register we identified 10 charities that failed the charity test. OSCR took action to enforce compliance with the requirements of charity law, using our powers to give directions to the charities.

The actions the charities took included increases in the support they provided for those unable to pay the fees and increasing the amount of educational benefit provided without charge. As part of the provision of public benefit the charities also provide activities that benefit their local communities, for example:

- *Provision of facilities, such as classrooms, sports facilities, halls and theatres, to a number of external users on a regular and scheduled basis. Users include state schools, sports clubs and community groups*
- *The provision of secondary education to state school pupils where the subject was not offered by their own school*
- *Lectures, seminars and other events open to pupils from other schools*

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ACHIEVEMENTS AND PERFORMANCE (continued)

- *The use of halls or sports facilities by community bodies or local sports clubs.*

There is a clear risk that should the charities decide to de-register these benefits to the wider community will not continue.

The Finance and Constitution Committee undertook a Call for Written Evidence on the estimated financial implications of the Bill as set out in its accompanying Financial Memorandum, which closed on 7 June. The Memorandum set out the estimated costs of introducing the legislation and the additional receipts that were expected to be generated as a result of the changes proposed.

The estimated costs for independent schools are illustrated in Table 1:

Table 1: Direct cost to ratepayers (impact on non-domestic rates liabilities) of the Bill provisions, cash terms, £ million²⁰

	2020-21	2021-22	2022-23	2023-24	2024-25	Total
Removing charity relief from mainstream independent schools	7.0	7.2	7.4	7.5	7.7	36.9

The Memorandum recognised that removing charity relief for mainstream independent schools would have a direct impact on affected ratepayers' rates liabilities, and thus on total non-domestic rates income: However, it stated that in relation to independent schools, these are held by private individuals or corporations, therefore "there is no direct impact of this change on the Scottish Administration or local authorities as ratepayers".

The Scottish Parliament Local Government and Communities Committee met on 12 June at George Watson's College with representatives from a range of schools and the following Committee members:

- James Dornan MSP Convener (SNP) Glasgow Cathcart
- Alex Rowley MSP Deputy Convener (Labour) Mid-Scotland and Fife
- Kenneth Gibson MSP (SNP) Cunninghame North
- Graham Simpson MSP (Conservative) Central Scotland
- Alexander Stewart MSP (Conservative) Mid-Scotland and Fife
- Andy Wightman MSP (Green) Lothians.

In addition, the SCIS Director gave oral evidence to the Committee at the Scottish Parliament on 19 June, along with the Rector of Hutchesons' Grammar School and the Headmaster of St Mary's School, Melrose.

Kate Forbes MSP, the lead Minister on the NDR Bill, responded to the evidence received by the Local Government and Communities Committee, in oral evidence on 11 September. The Minister was clear that the Government has no intention to withdraw the independent schools measure. The Minister did stress the "the important role that independent schools play in our education system" and repeat the Government's view that charitable status was not in question – "Independent schools will retain their charitable status".

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ACHIEVEMENTS AND PERFORMANCE (continued)

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ACHIEVEMENTS AND PERFORMANCE (continued)

However, the Minister added: "... independent schools deal with a host of additional costs. One example of those costs is the UK Government changes to pensions. I recognise that independent schools are having to deal with the cumulative effect of those additional costs and that it is a challenging time for them. Therefore, although we are not prepared to ditch the proposal, I am very willing to listen to suggestions or ideas about how we can support the sector through this time of change."

While not conceding on the principle of the proposal, SCIS continued to explore and promote the possibility of mitigation and/or delay. The Non-Domestic Rates (Scotland) Bill was debated on 10 October in the Scottish Parliament, at the end of the Stage 1 legislative process.³ The motion - that the Parliament agree to the general principles of the Bill - passed by 97 votes to 0 with 6 abstentions (by the Scottish Green Party).

In the course of the debate, in answer to questions about the financial impact of Bill on independent school, the Minister (Kate Forbes MSP) stated:

"It is fair to say that not all the provisions in the bill have been universally welcomed; I refer specifically to the removal of charitable rate relief from mainstream independent schools. I recognise that the independent school sector is a well-established part of the Scottish education system that promotes choice for parents. However, we agree with the Barclay review that the current difference in rates treatment between independent and local authority schools is unfair and must end. I stress unequivocally that that is a change to rating and not to charity law."

Winding up the debate, the Minister added:

"I find it difficult to accept that the magnitude of change that has been identified would be sufficient to lead to a mass exodus of pupils. The impact of our proposals is equivalent to a 1.3 per cent increase in current average fees. That is a small increase compared to the average yearly fee increase of 4 per cent. That is why the financial memorandum is as it is—we do not believe that the policy change will result in a mass exodus of pupils to the public sector."

The view of the Convenor of the Local Government and Communities Committee (James Dornan MSP) was:

"The most contentious proposal is in section 12, which removes from most independent schools the right to claim mandatory charitable relief...The majority of responses to our call for evidence were about section 12; generally, they were from parents, teachers and, occasionally, young people with a direct connection to an independent school. They expressed their views with sincerity and strength of feeling, and set out their concerns about what they felt the change could mean for their school."

I want to mention the visit by committee members to George Watson's college in June. I thank the college for hosting a discussion with representatives of the independent sector. As members will imagine, they put their views across to us forcefully, clearly and courteously; by the end of the meeting, the committee knew well where the independent sector stands on the issue."

...The independent sector has been around for a long time and has always shown an ability to adapt to change. It did so last decade when the Scottish Parliament agreed reforms to charity law. Most of us believe that this is another change that the sector will adapt to."

³ <http://www.parliament.scot/parliamentarybusiness/report.aspx?r=12312&i=111307#ScotParlOR>

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ACHIEVEMENTS AND PERFORMANCE (continued)

Amendments – some with the advice and support of SCIS – were lodged for consideration of the Bill at Stage 2 on 27 November and 4 December. The amendments covered:

- draft valuation notices
- preventing rates differential to those in England and Wales for certain businesses
- the extension of relief to public schools which select pupils on the basis of musical ability or potential, or follow a curriculum which includes classes aimed at developing musical excellence
- independent schools (see appendix).

The Bill passed Stage 2 in the Scottish Parliament and, at the end of 2019, awaited progress to Stage 3.

In a Westminster parliamentary question in February 2019, Sir Vince Cable MP asked the Secretary of State for Housing, Communities and Local Government, whether his Department had plans to review the status of independent schools and/or free schools eligible for business rate relief. Responding for the Government, Rishi Sunak, the then Parliamentary Under-Secretary (Housing, Communities and Local Government) said: *“Schools may benefit from charitable rate relief from business rates if the billing authority considers that they satisfy the requirements and are used wholly or mainly for charitable purposes. The Government has no plans to review eligibility”.*

In Welsh Assembly Questions in February 2019, asked about the “tax advantages of charitable status for private schools”, Rebecca Evans AM, Minister for Finance and Trefnydd responded: *“I can confirm that I do intend to consult over the next 12 months on proposals to place independent schools and private hospitals on an equal footing with their public sector counterparts in respect of the payment of non-domestic rates. The consultation will consider removing charitable rate relief from private schools and private hospitals where they’re registered as charities.”*

UK General Election and UK campaigning

Prior to the UK General Election on 12 December the UK Labour Party manifesto, published on 21 November stated:

“We will close the tax loopholes enjoyed by elite private schools and use that money to improve the lives of all children, and we will ask the Social Justice Commission to advise on integrating private schools and creating a comprehensive education system.”

SCIS was part of an ISC-convened strategy group that studied political and legal threats to the sector.

Scottish Historical Child Abuse Inquiry

SCIS has retained a legal advisor for assistance in the preparation for hearings too the Inquiry. SCIS remained in regular contact with the Boarding Schools Association (BSA), for experience from the Independent Inquiry into Child Sexual Abuse in England, which has taken evidence from individual residential schools, key regulators and inspectors, and the BSA itself.

SCIS met with nominated schools and legal advisors on 7 October for an update on the progress, procedure and expectations of the Inquiry to date. Schools were also briefed on advice from the Inquiry as to how best to prepare for Phase 6 hearings in the summer of 2020. A substantial amount of additional data had been requested of schools.

The Scottish Government published a consultation on a statutory scheme for financial redress, to run alongside the Inquiry, which closed on 25 November. This followed an initial redress scheme which did not extend to pupils at independent boarding schools.

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ACHIEVEMENTS AND PERFORMANCE (continued)

Teacher pay

In April 2019 the Scottish Negotiating Committee for Teachers agreed the pay award for teachers and associated professionals arising from the Teachers' Side claim. The agreement covers a period of three years up to 31 March 2021 and includes Scottish Government policy intervention to revalue the salary scales for all SNCT grades. SCIS maintains close contact with the Scottish Government over the implications for pay settlements for the independent sector.

Scottish Teachers' Pension Scheme

SCIS sits of the Advisory Board of the STPS on behalf of the independent sector's scheme members. The scheme is an unfunded one, with no fund of assets, so current pension payments are made from current contributions from employers and employees.

On 20 March, the Education and Skills Committee of the Scottish Parliament agreed The Teachers' Superannuation And Pension Scheme (Scotland) Amendment Regulations 2019 (SSI 2019/48), a "negative instrument" implementing the increase in the employer contribution rate. The Teachers' Pension Scheme circular 2019/01 of 6 February confirmed that, following the scheme valuation, the revised employer contribution rate for the period 1 April 2019 to 31 March 2023 would be 22.4%.

Although HM Treasury were aware that the Scottish Government planned to introduce the increase in employer contributions from 1 April 2019, the Teachers' scheme in England and Wales is deferring the increase of employers contributions until 1 September, with the rate adjusted to account for the later implementation date. Scottish Ministers decided that the employer contribution increase for the Scottish scheme should be similarly deferred to 1 September 2019. Deferring the increase added an additional 0.6% to the employer rate, taking the revised rate to 23% from 1 September 2019.

On 9 September, the Department for Education in England launched a consultation concerning proposals to change the England and Wales Teachers' Pension Scheme rules to allow independent schools opting out of the scheme to do so more flexibly. Under current scheme rules, an independent school electing to opt-out of the scheme results in all members becoming deferred. The proposal could allow independent schools, electing to opt-out of TPS participation for future teaching staff, to allow existing staff to remain as active members. SCIS engaged with Scottish authorities to ask what consideration had been given to an equivalent move in Scotland, and to request such consideration if none is underway.

SCIS is aware that schools may be considering options for the future given recent increases to employer contributions. A valuation of employee contributions is anticipated in the first half of 2020.

General Teaching Council for Scotland

During 2019, there was a change in personnel at the GTCS with a new Director of Education, Registration and Professional Learning taking up post in October 2019. This followed a significant period of absence of the previous incumbent. In October 2019, SCIS proactively contacted the new Director to discuss a myriad of issues which were still outstanding, these remain unresolved and are:

- Senior School specialists with a dedicated Junior School remit e.g. expressive art specialists, music specialists and teachers of modern foreign languages. There is still no provision to enable such colleagues to gain Full Registration.
- A number of schools employ teachers to deliver "subjects" that are currently not recognised by the GTCS, these would include History of Art, some Modern Foreign Languages and Photography - the latter being an SQA examinable course. There is currently no mechanism for these colleagues to gain Full Registration.
- Teachers in Preparatory Schools who deliver a discrete subject within the curriculum are unable to gain Full Registration as they do not qualify for Primary or Secondary Registration. The GTCS had mooted the concept of a Broad General Education (BGE) category which would have facilitated the registration

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ACHIEVEMENTS AND PERFORMANCE (continued)

of teachers from P1-S3. It had been advocated that this could be a potential route for colleagues; with the GTCS writing to colleagues to confirm that they would be eligible for this category of registration. However, by the close of 2019, the GTCS Council had not approved this category of registration and it appeared increasingly unlikely that such a category would come to fruition.

- The role of the Named School Only category had been cited as a means to address a number of the above issues, with the previous Director stating that this could operate in the future as a “facilitation category”. However, the current Director has stated that this category is now closed. It remains unclear what the repercussions are for colleagues who currently hold this category of registration.
- SCIS have worked closely with teachers in Edinburgh Steiner to support colleagues as they work towards registration. The advice from the GTCS in this context has been “challenging”.

The deadline for Registration remains 1 October 2020.

School nursery partnerships

SCIS and individual schools continue to work with the Scottish Government, MSPs and local authorities on the proposed move to 1140 hours of early years care, and the implications for – and restrictions on - school nursery partnerships. SCIS convened a meeting between the Scottish Government and school nursery providers on 8 February, hosted by The Edinburgh Academy. Funding Follows the Child and the National Standard for Early Years were outlined by the Government, and schools raised a range of concerns over the future of partnership funding – including the 1140 hours target, prohibition of top-up fees, wrap-around hours and capital spending on facilities. SCIS met with Scottish Government officials on 31 July and discussions continue with relevant MSPs. Correspondence between SCIS and the Government’s Early Learning and Childcare team reiterated:

- It remains the case that some schools will choose to withdraw from funded provider status, although several local authorities have yet to announce their sustainable rate
- ‘Funding Follows the Child’, which will be introduced from August 2020, is intended to be a ‘provider neutral’ approach. Children should be able to access their increased entitlement at any setting that meets the new National Standard, provided that setting is willing to enter into a contract with its local authority and has a place available.
- There is no requirement that settings offering the funded entitlement have to be able to offer the full 1,140 hours (something that has been contradicted in messages to specific schools by some local authorities)
- The National Standard, which will also be introduced from August 2020, sets 10 criteria that must be met by all providers offering funded hours. Parents must not be asked to make any upfront payment, or any other payment (such as a requirement to purchase additional hours or a top-up fee), in respect of the statutory hours.
- Operating Guidance explains that additional charges to parents and carers relating to funded hours should be optional, and limited to, for example, snacks and costs of outings or extracurricular activities such as music classes; and where parents choose to purchase further hours in addition to the funded hours, the associated fees and hours must be transparent and clearly set out in any parental communications and invoices. Again, messages from local authorities continue to vary on the details of this.
- The multi-year revenue and capital funding package covers all aspects of the expansion and includes funding to local authorities to support the payment of sustainable rates to all providers delivering the funded entitlement. Authorities are responsible for setting a sustainable rate that reflects “local circumstances”.

SCOTTISH COUNCIL OF INDEPENDENT SCHOOLS

REPORT OF THE GOVERNING BOARD

for the Year Ended 31 December 2019

ACHIEVEMENTS AND PERFORMANCE (continued)

Additional support for learning review

A review of the implementation of additional support for learning (ASL) in schools was announced in January 2019. The review is led by Angela Morgan and is considering:

- how ASL works in practice
- where children and young people learn within the balance of the provision set out above
- the quality of learning and support, including achievement and positive destinations
- the different approaches to planning and assessment
- the roles and responsibilities of staff, leadership, education authorities and national agencies
- the areas of practice which could be further enhanced

The Reviewer is gathering views and experiences from October to December 2019. It is anticipated that a report with recommendations for next steps will be available in spring 2020.

Transport (Scotland) Act

This Government Bill was introduced on 8 June 2018, passed Stage 3 on 10 October 2019 and received Royal Assent on 15 November 2019. The Bill makes provision, among other areas:

- for low emission zones;
- for powers of local transport authorities in connection with the operation of local bus services;
- about arrangements about entitlement to travel on local bus and other services;
- to prohibit the parking of vehicles on pavements and double parking;

The Act includes provisions for the establishment of a workplace parking levy (WPL). The WPL is a levy on premises, not individuals or specific professions. It will be for occupiers to consider whether and how they recover the levy from individual workers.

To date, Glasgow City and City of Edinburgh councils have already expressed the intention to consult on such a scheme. A scheme may cover a “worker, agent, supplier, business customer or business visitor”; and a person attending a course of education or training. SCIS will continue to follow the implementation process and its potential implications for the sector.

Senior phase

On 16 September, the Deputy First Minister announced an independent review to consider senior phase in schools and implementation of Curriculum for Excellence between S4 and S6. The move follows the Education and Skills Committee publishing a report on subject choice which recommended a review of the senior phase. SCIS will contribute to the review through its membership of the Curriculum and Assessment Board.

Named Person

On 19 September, the Deputy First Minister announced that he had accepted an independent recommendation that the personal information aspects of Named Person cannot be enforced as planned. As a result, a statutory code of conduct on information sharing will not be forthcoming, relying instead on existing data protection practice. The law on information sharing will not now change as part of the Named Person proposals. The Children and Young People (Information Sharing) (Scotland) Bill will not now be taken through the Scottish Parliament. Parts 4 & 5, on Named Persons and the Child’s Plan, of the Children and Young People Act 2014 will now be repealed.

The Deputy First Minister “reflected on progress” made by Community Planning Partnerships to introduce elements of a named person service and child’s plan through existing statutory functions and considers that further legislation to underpin delivery of these functions is no longer needed. SCIS will look at how that progress is reflected in the independent sector.

SCOTTISH COUNCIL OF INDEPENDENT SCHOOLS

REPORT OF THE GOVERNING BOARD

for the Year Ended 31 December 2019

ACHIEVEMENTS AND PERFORMANCE (continued)

Immigration

SCIS has responded to consultations undertaken by the Scottish Council for Development and Industry (SCDI) and the Migration Advisory Committee (MAC) on the possible introduction to a Points-Based System for migration, potential salary level requirements, and possible changes to Tier 4 visas and relation of the leave to work requirements following Tier 4 Study visas, following EU withdrawal. In addition, SCIS has engaged with the Scottish Government over its own proposals for a Scottish visa regime.

HPV vaccine

SCIS worked with NHS services over the announced introduction of a single or double dose vaccination of boys against the Human Papilloma Virus, due to be introduced in 2019-20.

NHS Data Sharing

SCIS took part in discussion with Greater Glasgow and Clyde NHS Board concerning a possible data sharing agreement with independent schools in the area. A similar arrangement currently exists for schools in the NHS Lothian area, covering vaccinations, immunisations and other key medical programmes.

Charity Law

SCIS drafted and circulated a response to the Scottish Government's consultation on Charity Law. Along with proposals on charity trustees, the key proposals of interest concerned the use of assets for public benefit after a charity has ceased to be registered as such, and the possible provision to OSCR of the powers to amend charity constitutions and statutes, with the requirement for formal legislation or statutory instrument. The consultation closed on 1 April 2019.

SCOTTISH COUNCIL OF INDEPENDENT SCHOOLS

REPORT OF THE GOVERNING BOARD

for the Year Ended 31 December 2019

ACHIEVEMENTS AND PERFORMANCE (continued)

PROMOTING THE SECTOR:

COMMUNICATION:

Marketing Vision: ‘To promote choice, diversity and excellence in independent education.’

Over the last year SCIS continued to work in collaboration with a PR and Digital agency to support member schools marketing strategies and to provide a professional service to all member schools.

The objectives for the 2019 marketing plan were to:

- To change perceptions of independent education amongst the wider public
- To raise awareness of the benefits of an independent education
- To bring new parents (and staff) into independent education in Scotland
- To strengthen the SCIS brand and profile.

The strategy included:

- PR to drive awareness of the benefits of an independent education in Scotland
- Content marketing to drive traffic to the SCIS website
- Social media marketing to raise awareness of the benefits of independent education in Scotland and drive traffic to the SCIS website.

In 2019 SCIS produced regular blogs to promote the sector to families, education professionals and influencers. The blog topics have ranged from “Health and Wellbeing: the value of Co-curricular Activities” to “My Role in an Independent School: Design Technology Teacher”.

Website and Social Highlights

Manage social media channels with a focus on Facebook, Twitter and LinkedIn. There were over 102,000 visitors to the SCIS website in 2019. Top performing pages were:

- Vacancies
- Find a School
- Facts & Figures

Twitter

SCIS has 4086 followers over 3 Twitter accounts, this is a 15% increase on the 2018 figure.

@SCISschools @SCIScpd @ScotBoardSchool

Facebook

The number of followers on our Facebook page (www.facebook.com/SCISschools/) has increased by 30% in 2019

SCOTTISH COUNCIL OF INDEPENDENT SCHOOLS

REPORT OF THE GOVERNING BOARD

for the Year Ended 31 December 2019

ACHIEVEMENTS AND PERFORMANCE (continued)

LinkedIn

The SCIS LinkedIn page was launched in 2018 and saw a 35% increase in followers in 2019.

<https://www.linkedin.com/company/scottish-council-of-independent-schools/>

E-bulletin

The SCIS e-bulletin is emailed monthly and available to all school staff and governors. The total number of subscribers has increased by 10% to 1100. Schools are encouraged to share the bulletin with all members of staff. Individuals may subscribe at <http://www.scis.org.uk/about-scis/>

Building Partnerships

SCIS continues to work in partnership with a number of organisations including the Boarding School Association (BSA), The Institute of Development Professionals in Education (IDPE) and Admissions, Marketing and Admissions in Independent Schools (AMCIS) to promote the sector in Scotland and maximising the potential for knowledge transfer.

Enquiries

The team at SCIS are always available to offer support and professional advice to SCIS member schools and in 2019 took a significant number of enquiries from schools seeking advice and guidance on a range of topics. Prospective and current parents also made contact looking for information and support on a number of issues.

Edinburgh independent schools

Ten Edinburgh schools commissioned an economic contribution report from BiGGAR Economics which was published in January 2019. SCIS is assisting the schools with the development of a specific Edinburgh independent schools portal, similar to that developed for Scotland's Boarding Schools.

SCOTTISH COUNCIL OF INDEPENDENT SCHOOLS

REPORT OF THE GOVERNING BOARD

for the Year Ended 31 December 2019

ACHIEVEMENTS AND PERFORMANCE (continued)

SERVICE TO EDUCATION:

COLLABORATION WITH KEY BODIES

Throughout 2019, SCIS has represented the views and concerns of the independent sector on a wide range of bodies, through consultations and at events organised by national bodies for schools, education authorities, care agencies and others:

City of Edinburgh Council Child Protection Committee

Scottish Government:

- Education Leaders Forum
- Curriculum and Assessment Board
- Strategic Board for Teacher Education
- PREVENT Duty sub-group
- Short-term Working Group Recording and Monitoring of Bullying (RAMBIS)
- Doran - National Commissioning Group and Project Board
- Third and Independent sector GIRFEC stakeholder group

General Teaching Council Scotland:

- Council
- Education Committee

Education Scotland:

- Knowledge Into Action Strategic Stakeholder Group
- Stakeholder network

Independent Schools Council (ISC):

- Executives' Group
- ISC Communications Working Group Meeting
- Strategy Group

NHS:

- LICOG Schools subgroup for Scottish Immunisation Programme in Lothian
- Greater Glasgow & Clyde data sharing working group
- Lothian independent school nurses network group

Scottish Teachers' Pension Scheme:

- Scheme Advisory Board
- Technical Working Group

Scottish Parliament:

- Cross Party Group on Children & Young People
- Cross Party Group on Sport
- Cross Party Group on Learning Disability

Scottish Qualifications Authority:

- Advisory Council
- SQA/SCIS/SLS joint forum

SCOTTISH COUNCIL OF INDEPENDENT SCHOOLS

REPORT OF THE GOVERNING BOARD

for the Year Ended 31 December 2019

ACHIEVEMENTS AND PERFORMANCE (continued)

SCIS operations, staff and school membership

The Governing Board records its appreciation and thanks for the work undertaken by all the staff of SCIS throughout 2019.

The Annual General Meeting, in April 2019, included a speech from Professor Mona Siddiqui, University of Edinburgh, on "From School to University: Resilience, happiness and the pursuit of excellence". This was followed by a presentation from David Hourston, Brewin Dolphin on "The investment world: What's not to worry about?" The Annual Dinner was addressed by John Loughton, CEO, Dare2Lead, on "An Entire Village to Raise Every Child. Where Are You?"

On 20 May the renamed Moore House Academy, Butterstone opened to pupils with special needs. Specialist education and care provider Moore House is operating the school and initially will take on 12 day students over coming weeks, with plans to create day and residential places for up to 30 pupils. On 8 November, the Scottish Government announced an Independent Review commissioned by Ministers into the previous closure of the New School Butterstone. The school closed in November 2018, and the Independent Review will consider the procedures followed by the school's Board and a range of public bodies in advance of the decision to close. Deputy First Minister John Swinney has appointed James Martin CBE to carry out the Independent Review.

Newlands Junior College ceased to provide full time education for students from 29 April 2019. The last day for 25 students was Friday 26 April and members of staff finished work on 3 May.

Craigholme School and Kelvinside Academy announced that from August 2019, the majority of Craigholme Primary 7 and all Senior School teaching would be based at Kelvinside's West End Campus. The Craigholme Nursery and Junior School moved into the Senior School buildings.

Fairview International, which educates 3,000 IB students from 55 countries on 5 campuses in Malaysia, purchased Beaconsfield School in Bridge of Allan.

SCIS membership remains open to independent schools registered with the Scottish Government which have had satisfactory inspection reports from Education Scotland and the Care Inspectorate.

SCIS met with a member of the Board of Scottish Mediation concerning the promotion of meditation across society. A Year Of Mediation is planned for 2020 and signatories to a Charter will give an indication to stakeholders that the organisation is one that seeks and encourages dialogue as a core part of the way it conducts itself and fulfil a willingness to use mediation to resolve issues and equip the people with mediation skills. SCIS will consider signing the proposed Charter and look at ways to promote mediation as a means to resolve disputes rather than by formal grievance procedures, where appropriate.

SCOTTISH COUNCIL OF INDEPENDENT SCHOOLS

REPORT OF THE GOVERNING BOARD

for the Year Ended 31 December 2019

FINANCIAL RESULTS FOR THE YEAR

The Audited Accounts for the year ended 31 December 2019 show net income of £5,044 which compares with a deficit of £59,500 in 2018. This balance was planned as part of the reserves policy (listed below) and achieved on target.

2020 subscription rate

At its meeting in November 2019, the Governing Board considered the proposals of the Finance and General Purposes Committee met on the SCIS budget and proposals for the school subscription rate for the calendar year 2020.

The Committee's recommendation, approved by the Board, was that the 2020 subscription level be increased by 5%, the first such rise since 2011. A 5% increase will result in a deficit position before gains and exceptional expenditure. SCIS has sufficient reserves to absorb a further deficit however should plan to return to a position of annual surpluses.

Subscription rates had not been increased since 2011 and since that time have been reduced by a total of 21% taking them to 2007 levels. Reserves are now at the level of 31 December 2012.

These figures are:

School age pupil rate:	£11.27	(2015 figure - £11.93)
Nursery pupil rate:	£5.30	(2015 figure - £5.61)

A cap on subscriptions exists for schools, equivalent to 30 times the minimum level established for ASN schools and those with a very small school roll.

In 2019, at the request of member schools, SCIS re-tendered the existing SCIS Personal Accident Insurance Scheme (PAIS). The group scheme had, for many years, been administered by Marsh with a Commission due to SCIS. Bruce Stevenson won the tender, but several schools chose not to participate in the scheme or to accept alternative offers, while others reduced the extent of their cover. Future SCIS budgets will be required to mitigate for the loss of income resulting.

SCIS is prohibited by its Memorandum of Association from paying a dividend.

RISK, RESERVES AND KEY MANAGEMENT

Reserves policy

It is the policy of SCIS to maintain a reserve fund to cover contingencies, unexpected expenditure, development and projects. At 31 December 2019 reserves amounted to £414,132 compared with £409,088 in 2018. This is the approximate equivalent of eight months' operational expenditure.

The Governing Board considers that reserves are required at this level to enable it to manage its ongoing risks in relation to income and expenditure and development plans. The working reserve is held under the direct control of the organisation in an interest bearing account.

Investment policy and objectives

£300k is invested with Brewin Dolphin investment managers on an income generation basis. The ethical investment guidance for the investments requires that "The Charity's assets should be invested in line with its aims and objectives." SCIS holds a further £40k in an interest bearing account to which SCIS has immediate access.

SCOTTISH COUNCIL OF INDEPENDENT SCHOOLS

REPORT OF THE GOVERNING BOARD

for the Year Ended 31 December 2019

RISK, RESERVES AND KEY MANAGEMENT (continued)

Risk management

SCIS maintains a Risk Register which looks at threats to the organisation under four main headings – Governance, Financial, Assets, and Personnel. The Register is updated regularly by the Director and is a standing item for consideration by the Governing Board and each meeting.

PLANS FOR FUTURE PERIODS

There are key educational and political issues requiring continued focus in 2019. SCIS will continue to work with schools and the GTCS on the completion of the full registration of teachers and heads by October 2020. SCIS will follow the review of the Disclosure scheme, the proposed review of the Curriculum for Excellence, and the review of Additional Support Needs. The likely passage of the Non-Domestic Rates (Scotland) Bill will be a key ongoing concern. Where necessary, SCIS will work closely with schools as the Scottish Child Abuse Inquiry continues through 2020 and hearing begin for boarding schools as part of Phase 6.

Pressure on school finances may continue with a revaluation due of Teacher Pension Scheme employee contributions.

The wider context of Scottish and UK politics following the anticipated withdrawal of the UK from the EU and the end of the transition period at the end of December 2020 remains uncertain and may yet have a substantial impact on the operating climate for schools.

In 2019 SCIS renewed its lease on 4th floor, 61 Dublin Street.

SCOTTISH COUNCIL OF INDEPENDENT SCHOOLS

REPORT OF THE GOVERNING BOARD

for the Year Ended 31 December 2019

STRUCTURE, GOVERNANCE AND MANAGEMENT

Reference and Administration Information

The Scottish Council of Independent Schools (SCIS) was established as a company limited by guarantee and is governed by the provisions of its Memorandum and Articles of Association of 1990, as amended in March 1991, March 2005 and April 2008. SCIS was granted charitable status in 1990 and was entered on the Scottish Charity Register in 2006.

The registered address of the charity, the present members of the SCIS Governing Board, the SCIS staff and key professional advisors are shown on pages 1 and 2.

Governing Board

In accordance with the Articles and Association, members of the Governing Board are elected by the member schools at the SCIS Annual General Meeting, normally held in March or April. A maximum of 15 elected members constitutes the Governing Board, the Chair of which can be either a member of the Board or a person appointed by the Board, additional to its members. The Board has the power to appoint up to 3 co-opted members, creating a maximum Board of 18 members plus a Chair.

Nominees for election to the Board have to be Governors, Heads/Chief Executives or Bursars (or the equivalent) of member schools. Given the diversity of the SCIS membership and the Board's wish to be as representative as possible, schools are asked to bear in mind the geographical spread of schools, the different types of school and the experience and skills of Board members, when submitting nominations for election. If there are more nominations than places, a ballot is held at the Annual General Meeting under the supervision of SCIS's legal advisors.

Key Management

The Governing Board consider that they, together with the Director, John Edward assisted by 2 Deputy Directors – Alison Herbert and Margaret Lannon comprise the key management personnel, along with Alison Newlands, Finance & Research Manager.

The Governors give their time freely. The pay and remuneration of the senior staff is set following annual staff reviews conducted by the Director, in line with a series of parameters and as part of a salary scale established by the Finance and General Purposes Committee.

Organisation Structure

The SCIS Governing Board meets at least four times a year. Board meetings focus on the main educational, regulatory, political and legal developments in the independent sector as well as key issues for SCIS itself. The Director and Governing Board are responsible for the decision making process at SCIS.

The delegated Finance and General Purposes Sub-Committee consists of members appointed from and by the Board. It meets on a regular basis during the academic year, handles SCIS staff matters, makes recommendations to the Board, supports and advises the Director, monitors SCIS finances and generates new initiatives for consideration by the Board. The Director and the staff at SCIS are responsible for implementing decisions and for the day-to-day operation of SCIS.

The Director is able to consult the Chairman of the Governing Board, the Chairman of the Finance and General Purposes Committee and the Hon Treasurer at any time; and the Director and staff receive considerable support throughout the year from members of the Board and the Finance and General Purposes Committee and from the Heads and Bursars of member schools.

SCOTTISH COUNCIL OF INDEPENDENT SCHOOLS

REPORT OF THE GOVERNING BOARD

for the Year Ended 31 December 2019

Governing Board Members' Responsibilities Statement

The Governing Board, who are directors for the purpose of company law and trustees for the purpose of charity law, is responsible for preparing the Report of Governing Board and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governing Board to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the members of the Governing Board are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The members of the Board of Governors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

In so far as the members of Governing Board are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The members of the Governing Board have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Small company exemptions

This report has been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Approved by the Governing Board on 24 March 2020 and signed on their behalf by:

Alan Hartley
Chairman of Governing Board

SCOTTISH COUNCIL OF INDEPENDENT SCHOOLS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND GOVERNING BOARD OF THE SCOTTISH COUNCIL OF INDEPENDENT SCHOOLS

For the year ended 31 December 2019

Opinion

We have audited the financial statements of Scottish Council of Independent Schools for the year ended 31 December 2019 which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and the 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 charitable company's affairs as at 31 December 2019 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and the provisions applicable for small entities, in the circumstances set out in note 17 to the financial statements and we have fulfilled our 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 audit opinion.

Conclusions relating to going concern

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

- the members of the Governing Board's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the members of the Governing Board have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable 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 other information comprises the information included in the Report of the Governing Board, other than the financial statements and our auditor's report thereon. The members of the Governing Board are responsible for the other information. 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.

SCOTTISH COUNCIL OF INDEPENDENT SCHOOLS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND GOVERNING BOARD OF THE SCOTTISH COUNCIL OF INDEPENDENT SCHOOLS

For the year ended 31 December 2019

Other information (continued)

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Governing Board for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Governing Board 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Governing Board.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- adequate and 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
- certain disclosures of members of the Governing Board remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the members of the Governing Board 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 Report of the Governing Board and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.

Responsibilities of the members of the Governing Board

As explained more fully in the Governing Board members' responsibilities statement set out on page 23, the members of the Governing Board (who are the directors for the purposes of company law and trustees for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the members of the Governing Board 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 members of the Governing Board are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members of the Governing Board either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

SCOTTISH COUNCIL OF INDEPENDENT SCHOOLS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND GOVERNING BOARD OF THE SCOTTISH COUNCIL OF INDEPENDENT SCHOOLS

For the year ended 31 December 2019

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's members and members of the Governing Board, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Our audit work has been undertaken so that we might state to the charitable company's members and members of the Governing Board, as a body, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company's members and members of the Governing Board, as a body, for our audit work, for this report, or for the opinions we have formed.

Jennifer Alexander (Senior Statutory Auditor)

For and on behalf of

Scott Moncrieff Audit Services, Statutory Auditor

Eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Exchange Place 3

Semple Street

Edinburgh, EH3 8BL

Date: 24 March 2020

SCOTTISH COUNCIL OF INDEPENDENT SCHOOLS

STATEMENT OF FINANCIAL ACTIVITIES (incorporating the Income and Expenditure Account) for the Year Ended 31 December 2019

	Note	2019 £	2018 £
Income from:			
Charitable activities	3	513,415	491,564
Other trading activities	4	46,103	61,080
Investments		8,802	7,585
Total		<u>568,320</u>	<u>560,229</u>
Expenditure on:			
Raising funds		5,325	8,641
Charitable activities	5	597,240	587,716
Total		<u>602,565</u>	<u>596,357</u>
Net gains/(loss) on investments		<u>39,289</u>	<u>(23,372)</u>
Net income/(expenditure) and net movement in funds	8	5,044	(59,500)
Reconciliation of funds:			
Total funds brought forward		<u>409,088</u>	<u>468,588</u>
Total funds carried forward		<u>414,132</u>	<u>409,088</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure is unrestricted and derived from continuing operations.

The notes on pages 30 to 41 form part of these financial statements

SCOTTISH COUNCIL OF INDEPENDENT SCHOOLS

BALANCE SHEET as at 31 December 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	10	4,469	8,872
Investments	11	300,004	262,874
		<u>304,473</u>	<u>271,746</u>
Current assets			
Debtors	12	60,067	65,490
Bank and cash		72,320	95,873
		<u>132,387</u>	<u>161,363</u>
Liabilities			
Creditors: Amounts falling due within one year	13	(22,728)	(24,021)
		<u>109,659</u>	<u>137,342</u>
Net current assets			
		<u>414,132</u>	<u>409,088</u>
Net assets			
		<u>414,132</u>	<u>409,088</u>
The funds of the charity			
Unrestricted funds		<u>414,132</u>	<u>409,088</u>

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

These accounts were approved and authorised for issue by the Governing Board on 24 March 2020 and signed on their behalf by:

Alan Hartley
Chairman of the Governing Board

Jeremy Harper
Treasurer

Company Registration No SC125368

The notes on pages 30 to 41 form part of these financial statements

SCOTTISH COUNCIL OF INDEPENDENT SCHOOLS

STATEMENT OF CASH FLOWS
for the Year Ended 31 December 2019

	Note	2019 £	2018 £
Cash outflows from operating activities:			
Net cash used in operating activities	14	(32,773)	(30,931)
Cash flows from investing activities:			
Dividends and interest from investments		8,802	7,585
Purchase of equipment		(1,741)	(3,438)
Purchase of investments		(16,793)	(12,450)
Proceeds from sale of investments		20,081	12,889
Net cash flow provided by investing activities		10,349	4,586
Change in cash and cash equivalents in the reporting period		(22,424)	(26,345)
Cash and cash equivalents at the beginning of the reporting period		97,784	124,129
Cash and cash equivalents at the end of the reporting period		<u>75,360</u>	<u>97,784</u>
	At the start of the period £	Cashflows £	At the end of the period £
Cash held at bank	95,873	(23,553)	72,320
Cash held as part of investment portfolio (note 11)	1,911	1,129	3,040
Total	<u>97,784</u>	<u>(22,424)</u>	<u>75,360</u>

The notes on pages 30 to 41 form part of these financial statements

SCOTTISH COUNCIL OF INDEPENDENT SCHOOLS

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2019

1. Accounting policies

General information

These financial statements are presented in pounds sterling (GBP) as that is the currency in which the charitable company's transactions are denominated. They comprise the financial statements of the company drawn up for the year ended 31 December 2019.

The principal activity of Scottish Council of Independent Schools is to represent and promote the interests of independent schools across the country.

Scottish Council of Independent Schools is a charitable company limited by guarantee incorporated in the United Kingdom and registered in Scotland. It is recognised as a charity for tax purposes by HMRC and is registered with the Office of the Scottish Charity Regulator (OSCR) under charity number SC018033. In the event of the winding up of the charitable company a member is liable to contribute a sum not exceeding £1. Details of the registered office and company registration number can be found on page 2 of these financial statements.

Under the memorandum of association of the company, the liability of each member of the company (74 members in 2019; 74 members in 2018) is restricted to a maximum of £1.

Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard 102, as issued by the Financial Reporting Council, the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" and the Companies Act 2006 and with the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

Scottish Council of Independent Schools meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires the Governing Board to exercise their judgement in the process of applying the accounting policies. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates.

The areas including a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

The principal accounting policies adopted in the financial statements are set out below.

Recognition and allocation of income

Incoming resources are recognised when the charitable company has legal entitlement, there is sufficient certainty of receipt, so it is probable that income will be received, and the amount of the income receivable can be measured reliably. Where practicable, income is related to the operating activities of the charitable company.

Subscription income is recognised in the year to which the subscription relates to. In the event of subscriptions being received in advance these are deferred and released into the year in which they relate.

Course income is recognised in the year in which the event has taken place. In the event of income being received in advance this is deferred and released in the year in which the event takes place. Any income not received in the year in which an event takes place is accrued at the year end.

Interest on funds held on deposit is included upon notification of the interest paid or payable by the bank.

SCOTTISH COUNCIL OF INDEPENDENT SCHOOLS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the Year Ended 31 December 2019

1. Accounting policies (continued)

Recognition and allocation of expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charitable company to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the statement of financial activities. For more information on this allocation refer to allocation of support and governance costs below.

Allocation of support and governance costs

Support costs have been differentiated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charitable company and its compliance with regulation and good practice. These costs include costs related to the statutory audit together with an apportionment of staff costs relating to the governance of the charitable company.

Costs of raising funds

The costs of generating funds consist of investment management fees and advertising costs.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and any impairment. Only tangible fixed assets costing greater than £1,000 are capitalised.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of furniture and equipment evenly over its expected life of between 4 and 10 years.

Going concern

The Governing Board has reviewed the charitable company's forecasts and plans, taking into account the current level of cash, and is confident that the charitable company has sufficient resources to remain in operational existence for the foreseeable future and so have continued to prepare the accounts on the going concern basis. In the opinion of the Governing Board there are no significant uncertainties affecting the charitable company's ability to continue.

Debtors

Short term debtors are measured at the undiscounted amount of cash receivable, which is normally the invoiced amount, less any allowance for doubtful debts.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances with banks and investment managers with a short maturity of three months or less.

Creditors

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

SCOTTISH COUNCIL OF INDEPENDENT SCHOOLS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the Year Ended 31 December 2019

1. Accounting policies (continued)

Financial assets and financial liabilities

Financial instruments are recognised when the charitable company becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at transaction price. Subsequent to initial recognition, they are accounted for as set out below.

Financial instruments are all classified as 'basic' in accordance with Chapter 11 of FRS102.

At the end of each reporting period, they are measured at amortised cost using the effective interest rate method, other than investments which are recognised initially at cost and subsequently at fair value which is normally mid-market value. Gains and losses on disposal and revaluation of investments are charged or credited to the statement of financial activities in the period to which they relate.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire, or when the charitable company has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

Pension scheme contributions

The charitable company operates defined contribution pension schemes for its staff through both a Group Personal Pension Scheme and individual pension schemes, the assets of which are held separately from those of the charitable company in independently administered schemes. Pension costs charged in the financial statements represent the contributions payable by the charitable company in the year.

2. Critical accounting judgements and estimates

In the application of the charitable company's accounting policies, the Governing Board is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. As the estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant, actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities with the next financial year are depreciation of fixed assets.

The Governing Board is satisfied that the depreciation rates used are appropriate for each class of asset.

SCOTTISH COUNCIL OF INDEPENDENT SCHOOLS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the Year Ended 31 December 2019

3. Income from charitable activities

	2019	2018
	£	£
Subscriptions receivable	320,521	322,619
Course income	192,894	168,945
	<u>513,415</u>	<u>491,564</u>

4. Income earned from other trading activities

	2019	2018
	£	£
Commission	1,323	24,904
Advertising income	22,937	20,899
Exhibitors stand income	16,598	9,181
AGM dinner income	2,290	3,140
Website income	2,955	2,956
	<u>46,103</u>	<u>61,080</u>

SCOTTISH COUNCIL OF INDEPENDENT SCHOOLS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the Year Ended 31 December 2019

5. Analysis of expenditure on charitable activities

2019	Basis of allocation	Support guidance and advice £	Continuing professional development £	Information & public relations £	Total 2019 £
Staff costs	Staff time	175,608	87,804	87,804	351,216
Courses, materials and publications	Direct	4,942	125,041	8,759	138,742
Travelling, meetings and AGM	Direct	16,278	-	-	16,278
Depreciation	Staff time	3,072	1,536	1,536	6,144
Irrecoverable VAT	Staff time	9,446	4,723	4,723	18,892
Support costs	(see note 6)	25,176	12,588	12,588	50,352
Governance costs	(see note 7)	7,808	3,904	3,904	15,616
		<u>242,330</u>	<u>235,596</u>	<u>119,314</u>	<u>597,240</u>

2018	Basis of allocation	Support guidance and advice £	Continuing professional development £	Information & public relations £	Total 2018 £
Staff costs	Staff time	166,366	83,184	83,183	332,733
Courses, materials and publications	Direct	6,657	128,731	13,475	148,863
Travelling, meetings and AGM	Direct	15,786	-	-	15,786
Depreciation	Staff time	4,262	2,131	2,131	8,524
Irrecoverable VAT	Staff time	9,487	4,744	4,744	18,975
Support costs	(see note 6)	24,391	12,196	12,196	48,783
Governance costs	(see note 7)	7,026	3,513	3,513	14,052
		<u>233,975</u>	<u>234,499</u>	<u>119,242</u>	<u>587,716</u>

SCOTTISH COUNCIL OF INDEPENDENT SCHOOLS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the Year Ended 31 December 2019

6. Allocation of support costs

2019	Basis of allocation	Support guidance and advice £	Continuing professional development £	Information & public relations £	Total 2019 £
Premises	Staff time	16,188	8,094	8,094	32,376
Other	Staff time	8,988	4,494	4,494	17,976
		<u>25,176</u>	<u>12,588</u>	<u>12,588</u>	<u>50,352</u>
		<u><u>25,176</u></u>	<u><u>12,588</u></u>	<u><u>12,588</u></u>	<u><u>50,352</u></u>

2018	Basis of allocation	Support guidance and advice £	Continuing professional development £	Information & public relations £	Total 2018 £
Premises	Staff time	15,804	7,903	7,903	31,610
Other	Staff time	8,587	4,293	4,293	17,173
		<u>24,391</u>	<u>12,196</u>	<u>12,196</u>	<u>48,783</u>
		<u><u>24,391</u></u>	<u><u>12,196</u></u>	<u><u>12,196</u></u>	<u><u>48,783</u></u>

SCOTTISH COUNCIL OF INDEPENDENT SCHOOLS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the Year Ended 31 December 2019

7. Governance costs

2019	Basis of allocation	Support guidance and advice £	Continuing professional development £	Information & public relations £	Total 2019 £
Staff Costs	Staff time	5,508	2,754	2,754	11,016
Audit and accountancy	Direct	2,300	1,150	1,150	4,600
		<u>7,808</u>	<u>3,904</u>	<u>3,904</u>	<u>15,616</u>

2018	Basis of allocation	Support guidance and advice £	Continuing professional development £	Information & public relations £	Total 2018 £
Staff Costs	Staff time	5,146	2,573	2,573	10,292
Audit and accountancy	Direct	1,880	940	940	3,760
		<u>7,026</u>	<u>3,513</u>	<u>3,513</u>	<u>14,052</u>

8. Net income/(expenditure) for the year

	2019 £	2018 £
This is stated after charging:		
Operating lease rentals	32,376	29,752
Depreciation	6,144	8,524
Auditor's remuneration	3,800	3,760
	<u>32,376</u>	<u>29,752</u>

SCOTTISH COUNCIL OF INDEPENDENT SCHOOLS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the Year Ended 31 December 2019

9. Board and staff costs

	2019	2018
	£	£
Staff costs:		
Salaries	286,742	271,646
Social Security costs	32,084	29,932
Pension costs	43,408	41,447
	<u>362,234</u>	<u>343,025</u>

The pension cost charge represents contributions payable by the company to the employees' defined contribution schemes.

The average number of persons employed was 7 (2018: 7).

The number of higher paid employees fell within the following bands:

	2019	2018
£60,000 - £70,000	1	1
£90,000 - £100,000	1	1
	<u>1</u>	<u>1</u>

No member of the Governing Board received any remuneration nor reimbursement of expenses for their services in either the current or prior year. The total amount of employee benefits received by other key management personnel is £324,392 (2018: £309,748).

10. Tangible fixed assets

	Furniture & Equipment
	£
Cost	
At 1 January 2019	34,618
Additions	1,741
	<u>36,359</u>
At 31 December 2019	<u>36,359</u>
Depreciation	
At 1 January 2019	25,746
Charge for the year	6,144
	<u>31,890</u>
At 31 December 2019	<u>31,890</u>
Net book value	
31 December 2019	<u>4,469</u>
31 December 2018	<u>8,872</u>

SCOTTISH COUNCIL OF INDEPENDENT SCHOOLS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the Year Ended 31 December 2019

11. Fixed asset investments

	2019
	£
Listed investments:	
Opening fair value	260,963
Additions	16,793
Disposals	(20,081)
Net gain on revaluation	39,289
	<hr/>
Closing fair value	296,964
Cash balances	3,040
	<hr/>
Market value at 31 December 2019	<u>300,004</u>

12. Debtors

	2019	2018
	£	£
Prepayments	3,339	30,220
Other debtors	56,728	35,270
	<hr/>	<hr/>
	<u>60,067</u>	<u>65,490</u>

SCOTTISH COUNCIL OF INDEPENDENT SCHOOLS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the Year Ended 31 December 2019

13. Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	1,836	3,831
Accruals	3,800	3,700
Deferred income (see below)	3,489	3,428
Taxation and social security costs	13,603	13,062
	<u>22,728</u>	<u>24,021</u>

Deferred income	Balance at 1 Jan 19	Released in year	Deferred in year	Balance at 31 Dec 19
	£	£	£	£
AGM sponsorship	3,428	(3,428)	3,489	3,489
	<u>3,428</u>	<u>(3,428)</u>	<u>3,489</u>	<u>3,489</u>

Deferred income	Balance at 1 Jan 18	Released in year	Deferred in year	Balance at 31 Dec 18
	£	£	£	£
AGM sponsorship	3,360	(3,360)	3,428	3,428
	<u>3,360</u>	<u>(3,360)</u>	<u>3,428</u>	<u>3,428</u>

Included with taxation and social security costs above is £937 (2018; £2,546) in respect of pension payments outstanding.

SCOTTISH COUNCIL OF INDEPENDENT SCHOOLS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the Year Ended 31 December 2019

14. Reconciliation of net income to net cash outflows from operating activities

	2019	2018
	£	£
Net income/(expenditure) for the year	5,044	(59,500)
Adjustments for:		
Depreciation	6,144	8,524
(Gains)/losses on investments	(39,289)	23,372
Dividends and interest from investments	(8,802)	(7,585)
Decrease in debtors	5,423	2,294
(Decrease)/increase in creditors	(1,293)	1,964
	<hr/>	<hr/>
Net cash used in operating activities	(32,773)	(30,931)
	<hr/> <hr/>	<hr/> <hr/>

15. Financial commitments

The future minimum lease payments under non-cancellable operating leases are due as follows:

	2019		
	Buildings	Other	Total
	£	£	£
Not later than one year	14,923	-	14,923
	<hr/>	<hr/>	<hr/>
	14,923	-	14,923
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	2018		
	Buildings	Other	Total
	£	£	£
Not later than one year	7,185	4,279	11,464
	<hr/>	<hr/>	<hr/>
	7,185	4,279	11,464
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

SCOTTISH COUNCIL OF INDEPENDENT SCHOOLS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the Year Ended 31 December 2019

16. Related parties

There were no related party transactions during the year other than the employment benefits of key management personnel.

17. Non audit services

In common with many other organisations of its size and nature, the charitable company uses its auditor to assist with the preparation of its statutory financial information.

18. Contingent assets

The charitable company is due to receive insurance commission income relating to year ended 31 December 2019, however the amount is currently unknown.