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- PRINT ON ONE SIDE ONLY

FORM AR21

Trade Union and Labour Relations (Consolidation) Act 1992

ANNUAL RETURN FOR A TRADE UNION

Name of Trade Union:

Year ended:

List no:

Head or Main Office:

Website address (if available)

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

Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
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 (Click the appropriate box)

General Secretary:

Telephone Number:

Contact name for queries regarding

Telephone Number:

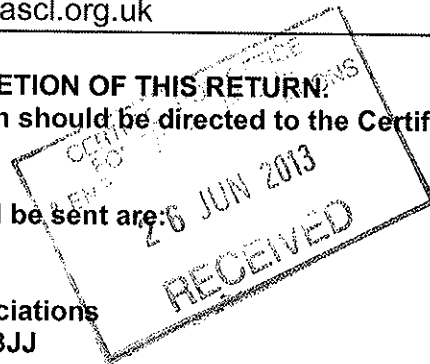
E-mail:

PLEASE FOLLOW THE GUIDANCE NOTES IN THE COMPLETION OF THIS RETURN.
Any difficulties or problems in the completion of this return should be directed to the Certification Officer as below or by telephone to: 020 7210 3734

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

For Unions based in England and Wales:
Certification Office for Trade Unions and Employers' Associations
22nd Floor, Euston Tower, 286 Euston Road, London NW1 3JJ

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



RETURN OF MEMBERS

(see notes 10 and 11)

	NUMBER OF MEMBERS AT THE END OF THE YEAR				
	Great Britain	Northern Ireland	Irish Republic	Elsewhere Abroad (including Channel Islands)	TOTALS
MALE	9028	107	2	47	8184
FEMALE	7876	89		25	7990
TOTAL	16904	196	2	72	A 17174

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

Number of members at end of year contributing to the General Fund	0
	17174

OFFICERS IN POST

(see note 12)

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

RETURN OF CHANGE OF OFFICERS

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

Title of Office	Name of Officer ceasing to hold office	Name of Officer Appointed	Date
President	Joan McVittie	Mike Griffiths	1/09/2012
Vice President	Mike Griffiths	Ian Bauckham	1/09/2012
Immediate Past President	John Fairhurst	Joan McVittie	1/09/2012
Hon Treasurer	Peter Kent	Stephen Brierley	1/09/2012

State whether the union is:

a. A branch of another trade union?

Yes

No

If yes, state the name of that other union:

b. A federation of trade unions?

Yes

No

If yes, state the number of affiliated unions:

and names:

GENERAL FUND

(see notes 13 to 18)

	£	£
INCOME		
From Members: Contributions and Subscriptions		4,059,827
From Members: Other income from members (specify)		
Total other income from members		
Total of all income from members		4,059,827
Investment income (as at page 12)		65,508
Other Income		
Income from Federations and other bodies (as at page 4)		
Income from any other sources (as at page 4)	1,345,553	
Total of other income (as at page 4)		1,345,553
		TOTAL INCOME
		5,470,888
EXPENDITURE		
Benefits to members (as at page 5)		2,025,534
Administrative expenses (as at page 10)		3,086,558
Federation and other bodies (specify)		
Total expenditure Federation and other bodies		
Taxation		
	TOTAL EXPENDITURE	5,112,092
Surplus (deficit) for year (plus £165,005 investment gains)		523,801
Amount of general fund at beginning of year		3,018,231
Amount of general fund at end of year		3,542,032

ANALYSIS OF INCOME FROM FEDERATION AND OTHER BODIES AND OTHER INCOME

(see notes 19 and 20)

DESCRIPTION	£	£
Federation and other bodies		
TOTAL FEDERATION AND OTHER BODIES		
Other income		
Conferencing and Commission	344,722	
Communications	130,560	
Annual Conference	402,289	
Rent	16,806	
Fees and hire of equipment	250,141	
ASCL SFM software tool	1,800	
Management recharge	199,235	
TOTAL OTHER INCOME		1,345,553
TOTAL OF ALL OTHER INCOME		1,345,553

ANALYSIS OF BENEFIT EXPENDITURE SHOWN AT GENERAL FUND

(see notes 21 to 23)

	£		£
Representation – Employment Related Issues		brought forward	255,688
		Education and Training services	
		Conferences and seminars	138,276
Representation – Non Employment Related Issues		Negotiated Discount Services	
Communications			
Publications and postage	92,173		
Leader	116,306		
Mailings to members	47,209	Salary Costs	
Advisory Services		Member support salaries	1,322,153
		Member support travel & expenses	98,346
Dispute Benefits		Other Benefits and Grants (specify)	
		Branch secretary training / support	8,185
		Branch expenses	18,971
Other Cash Payments		Legal support for members	183,915
carried forward	255,688	Total (should agree with figure in General Fund)	2,025,534

(See notes 24 and 25)

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

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

(See notes 24 and 25)

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

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

(See notes 24 and 25)

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

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

(see notes 26 to 31)

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

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

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

(see notes 32 and 33)

Administrative Expenses		£
Remuneration and expenses of staff		1,550,993
Salaries and Wages included in above	£1,409,183	
Auditors' fees		7,230
Legal and Professional fees		42,183
Occupancy costs		69,021
Stationery, printing, postage, telephone, etc.		134,927
Expenses of Executive Committee (Head Office)		
Expenses of conferences		
Other administrative expenses (specify)		
Various – see note 3 to the accounts (excluding “Support for members”) on pages 8 & 9		1,184,109
Other Outgoings		
Interest payable:		
Bank loans (including overdrafts)		
Mortgages		
Other loans		
Depreciation		52,443
Taxation		
Outgoings on land and buildings (specify)		
Maintenance		45,652
Other outgoings (specify)		
	Total	3,086,558
Charged to:	General Fund (Page 3)	3,086,558
	Fund (Account)	
	Fund (Account)	
	Fund (Account)	
	Fund (Account)	
	Total	3,086,558

ANALYSIS OF INVESTMENT INCOME

(see notes 45 and 46)

	Political Fund £	Other Fund(s) £
Rent from land and buildings		
Dividends (gross) from:		
Equities (e.g. shares)		55,076
Interest (gross) from:		
Government securities (Gilts)		
Mortgages		
Local Authority Bonds		
Bank and Building Societies		10,432
Other investment income (specify)		
Total investment income		65,508
Credited to:		
General Fund (Page 3)		65,508
Fund (Account)		
Fund (Account)		
Fund (Account)		
Fund (Account)		
Fund (Account)		
Political Fund		
Total Investment Income		65,508

BALANCE SHEET as at 31/12/12

(see notes 47 to 50)

Previous Year		£	£
866,640	Fixed Assets (at page 14)	892,856	
	Investments (as per analysis on page 15)		
2,051,949	Quoted (Market value £ 2,295,304)	2,295,304	
1,000	Unquoted	1,000	
2,052,949	Total Investments	2,296,304	3,189,160
	Other Assets		
	Loans to other trade unions		
492,174	Sundry debtors	402,638	
414,291	Cash at bank and in hand	926,111	
	Income tax to be recovered		
4,084	Stocks of goods		
	Others (specify)		
3,830,138	Total of other assets		1,328,749
	TOTAL ASSETS		4,517,909
3,018,231	Fund (Account)		3,542,032
	Fund (Account)		
	Fund (Account)		
	Superannuation Fund (Account)		
	Political Fund (Account)		
	Revaluation Reserve		
	LIABILITIES		
	Amount held on behalf of central trade union political fund		
	Loans: From other trade unions		
	Loans: Other		
	Bank overdraft		
130,787	Tax payable		125,591
18,783	Sundry creditors		
507,608	Accrued expenses		652,275
119,974	Provisions		151,675
34,755	Other liabilities		46,336
3,830,138	TOTAL LIABILITIES		4,517,909
3,018,231	TOTAL ASSETS		3,542,032

FIXED ASSETS ACCOUNT

(see notes 51 to 55)

	Land and Buildings		Furniture and Equipment £	Motor Vehicles £	Not used for union business £	Total £
	Freehold	Leasehold				
Cost or Valuation						
At start of year	1,071,985		578,090			1,650,075
Additions			78,659			78,659
Disposals						
Revaluation/Transfer s						
At end of year	1,071,985		656,749			1,728,734
Accumulated Depreciation						
At start of year	269,635		513,800			783,435
Charges for year	14,696		37,747			52,443
Disposals						
Revaluation/Transfer s						
At end of year	284,331		551,547			835,878
Net book value at end of year	787,654		105,202			892,856
Net book value at end of previous year	802,350		64,290			866,640

ANALYSIS OF INVESTMENTS

(see notes 56 and 57)

QUOTED	All Funds Except Political Funds £	Political Fund £
Equities (e.g. Shares)	2,124,839	
Government Securities (Gilts)		
Other quoted securities (to be specified)		
Cash held by investment manager	170,465	
TOTAL QUOTED (as Balance Sheet)	2,295,304	
Market Value of Quoted Investment	2,295,304	
UNQUOTED		
Equities		
Investment in subsidiary	1,000	
Government Securities (Gilts)		
Mortgages		
Bank and Building Societies		
Other unquoted investments (to be specified)		
TOTAL UNQUOTED (as Balance Sheet)	1,000	
Market Value of Unquoted Investments	1,000	

ANALYSIS OF INVESTMENT INCOME (CONTROLLING INTERESTS)

(see notes 58 and 59)

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

SUMMARY SHEET

(see notes 60 to 71)

	All funds except Political Funds £	Political Funds £	Total Funds £
INCOME			
From Members	4,059,827		4,059,827
From Investments	65,508		65,508
Other Income (including increases by revaluation of assets)	1,510,558		1,510,558
Total Income	5,635,893		5,635,893
EXPENDITURE (including decreases by revaluation of			
Total Expenditure	5,112,092		5,112,092
Funds at beginning of year (including reserves)	3,018,231		3,018,231
Funds at end of year (including reserves)	3,542,032		3,542,032
ASSETS			
Fixed Assets			892,856
Investment Assets			2,296,304
Other Assets			1,328,749
		Total Assets	4,517,909
LIABILITIES			
		Total Liabilities	975,877
NET ASSETS (Total Assets less Total Liabilities)			3,542,032

NOTES TO THE ACCOUNTS

(see notes 72 and 73)

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

See attached accounts

ACCOUNTING POLICIES

(see notes 74 and 75)

See attached accounts

SIGNATURES TO THE ANNUAL RETURN

(see notes 76 and 77)

including the accounts and balance sheet contained in the return.

Secretary's Signature: <u>B.P. Lightman</u>	Chairman's Signature: <u>C. Baldam</u> <small>(or other official whose position should be stated)</small>
Name: <u>Brian Lightman</u>	Name: <u>Carole Baldam, Operations Director</u>
Date: <u>20</u> June 2013	Date: <u>20</u> June 2013

CHECK LIST

(see notes 78 to 80)

(please tick as appropriate)

IS THE RETURN OF OFFICERS ATTACHED? <small>(see Page 2 and Note 12)</small>	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE RETURN OF CHANGE OF OFFICERS BEEN COMPLETED? <small>(see Page 2 and Note 12)</small>	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE RETURN BEEN SIGNED? <small>(see Pages 19 and 21 and Notes 76 and 77)</small>	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE AUDITOR'S REPORT BEEN COMPLETED? <small>(see Pages 20 and 21 and Notes 2 and 77)</small>	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
IS A RULE BOOK ENCLOSED? <small>(see Notes 8 and 78)</small>	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
A MEMBER'S STATEMENT IS: <small>(see Note 80)</small>	ENCLOSED	<input checked="" type="checkbox"/>	TO FOLLOW	<input type="checkbox"/>
HAS THE SUMMARY SHEET BEEN COMPLETED <small>(see Page 17 and Notes 7 and 59)</small>	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>

AUDITOR'S REPORT

(see notes 81 to 86)

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

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

YES

If "No" please explain below.

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

YES

If "No" please explain below.

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

YES

If "No" please explain below.

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

ASSOCIATION OF SCHOOL AND COLLEGE LEADERS

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

We have audited the financial statements of the Association of School and College Leaders for the year ended 31 December 2012 which comprise the Income and Expenditure Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the members, as a body, in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992. Our audit work has been undertaken so that we might state to the Association's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the officers and auditors

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

Scope of audit of the financial statements

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

In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 December 2012 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Trade Union and Labour Relations (Consolidation) Act 1992.

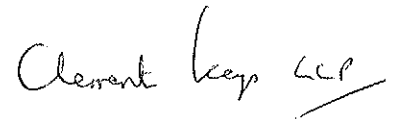
ASSOCIATION OF SCHOOL AND COLLEGE LEADERS

INDEPENDENT AUDITORS' REPORT - continued

Matters on which we are required to report by exception

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

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



No. 8 Caithorpe Road
Edgbaston
Birmingham
B15 1QT

CLEMENT KEYS LLP
Chartered Accountants
Statutory Auditors

Date: 25 April 2013

AUDITOR'S REPORT (continued)

See attached document

Signature(s) of auditor or auditors:

Clement Keys LLP

Name(s):

Mr Simon Atkins

Profession(s) or Calling(s):

FCA - ICAEW

Address(es):

No. 8 Calthorpe Road
Edgbaston
Birmingham
B15 1QT

Date:

25 April 2013

Contact name and telephone number:

Simon Atkins
0121 456 4456

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

ASSOCIATION OF SCHOOL AND COLLEGE LEADERS

FINANCIAL STATEMENTS

31 DECEMBER 2012



Clement Keys ^{LLP}

CHARTERED ACCOUNTANTS

ASSOCIATION OF SCHOOL AND COLLEGE LEADERS

Officers

Mike Griffiths, President
Joan McVittie, Immediate Past President
John Fairhurst, Immediate Past President (until 1 August 2012)
Stephen Brierley, Honorary Treasurer
Peter Kent, Immediate Past Honorary Treasurer (until 1 August 2012)
Sue Moore, Membership and Communications Officer
Allan Foulds, Honorary Secretary
Ian Bauckham, Vice President
Brian Lightman, General Secretary

Bankers

HSBC
2-6 Gallowtree Gate
Leicester
Leicestershire
LE1 1DA

National Westminster Bank PLC
135 Bishopsgate
London
EC2M 3UR

Investment Manager

Veritas Asset Management (UK) Ltd
Elizabeth House
39 York Road
London
SE1 7NQ

Auditors

Clement Keys LLP
Chartered Accountants and Statutory Auditors
No. 8 Calthorpe Road
Edgbaston
Birmingham B15 1QT

ASSOCIATION OF SCHOOL AND COLLEGE LEADERS

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ASSOCIATION OF SCHOOL AND COLLEGE LEADERS

REPORT OF THE OFFICERS

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

Statement of Officers' Responsibilities

The constitution requires the officers to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Association of School and College Leaders and of the income and expenditure of the Association for that period. In preparing those financial statements, the officers are required to:

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

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

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

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

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

Honorary Treasurer's Report

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

The accountants and auditors were able to report no concerns and gave a clean audit report. The spend on direct support for members (legal fees, solicitors, regional and field officers, hotline) amounted to £2,025,534 which is 40% of the total expenditure without taking into account the work of the General Secretary and his team in representing the membership at government level or the guidance and publications issued free of charge to members.

The audited accounts for 2012 came in with a surplus of £358,796. Realised and unrealised gains on the investment portfolio of £165,005 took the total net movement on funds to a surplus of £523,801 for the year. The Association was able to invest a further £115,000 in the legal defence fund which stood at £2,295,304 on the 31 December 2012. The total assets carried forward amounted to £3,542,032.

The surplus was mainly due to an increase in membership and the successful outcome of the trading in ASCL Professional Development Limited which had a particularly good year. As well as contributing financially to the Association, ASCL PD continued to support members with excellent and relevant CPD and consultancies. A new and successful initiative for 2012 was the release of a set of inspection DVDs.

ASSOCIATION OF SCHOOL AND COLLEGE LEADERS

REPORT OF THE OFFICERS - continued

Honorary Treasurer's Report (continued)

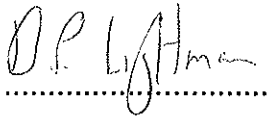
The Association continues to strive to give a first class service to its members and keep up to date with technology. You will note from the Balance Sheet that the fund for a new database planned for 2013/14 now stands at £202,000 and other money has been set aside to update the IT and continue with the refurbishment of the headquarters building. Plans are well ahead for the commissioning of a new website in 2013. The training and updating for all staff remains a priority and during 2012 there was a comprehensive programme of training and CPD.

In conclusion the Association is in a very healthy financial state, more than able to continue to give its members a very high level of service whilst freezing subscriptions for 2013.

Auditors

Clement Keys LLP have indicated their willingness to continue in office.

This report was approved by the Council on 25 April 2013 and signed on its behalf by:



.....

B Lightman – General Secretary

ASSOCIATION OF SCHOOL AND COLLEGE LEADERS

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

We have audited the financial statements of the Association of School and College Leaders for the year ended 31 December 2012 which comprise the Income and Expenditure Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the members, as a body, in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992. Our audit work has been undertaken so that we might state to the Association's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the officers and auditors

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

Scope of audit of the financial statements

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

In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 December 2012 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Trade Union and Labour Relations (Consolidation) Act 1992.

ASSOCIATION OF SCHOOL AND COLLEGE LEADERS

INDEPENDENT AUDITORS' REPORT - continued

Matters on which we are required to report by exception

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

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



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

**CLEMENT KEYS LLP
Chartered Accountants
Statutory Auditors**

Date: 25 April 2013

ASSOCIATION OF SCHOOL AND COLLEGE LEADERS

**INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2012**

	Note	2012 £	2011 £
Income			
Subscriptions		4,059,827	3,792,830
Conferencing and commission	2	344,722	350,069
Communications	2	130,560	105,054
Annual Conference		402,289	368,694
Investment income		65,508	44,563
Rent		16,806	16,158
Fees and hire of equipment		250,141	203,504
ASCL SFM software tool		1,800	54,810
Management recharge		199,235	120,964
		<hr/>	<hr/>
Total incoming resources		5,470,888	5,056,646
		<hr/>	<hr/>
Expenditure			
Headquarters and central services premises	3	153,447	131,177
Headquarters staffing	3	1,550,993	1,454,973
Equipment and materials	3	264,690	254,735
Other central expenses	3	311,396	332,601
Support for members	3	2,025,534	1,943,333
National meetings and working groups	3	357,670	333,841
Annual conference		448,362	366,981
		<hr/>	<hr/>
Total resources expended		5,112,092	4,817,641
		<hr/>	<hr/>
Net incoming resources before other recognised gains and losses		358,796	239,005
Other recognised gains			
Realised and unrealised gains/(losses) on investments	5	165,005	(60,840)
		<hr/>	<hr/>
Net movement on funds		523,801	178,165
Reconciliation of funds			
Funds brought forward at 1 January 2012		3,018,231	2,840,066
		<hr/>	<hr/>
Funds carried forward at 31 December 2012		3,542,032	3,018,231
		<hr/> <hr/>	<hr/> <hr/>

Incoming resources and resources expended relate to continuing operations.

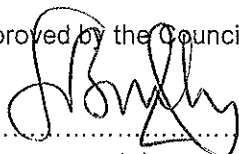
There were no other gains and losses for the year other than those recognised above.

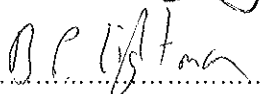
ASSOCIATION OF SCHOOL AND COLLEGE LEADERS

BALANCE SHEET AS AT 31 DECEMBER 2012

	Note	2012 £	2012 £	2011 £	2011 £
Fixed assets					
Tangible assets	4		892,856		866,640
Investments at market value	5		2,295,304		2,051,949
Investment in subsidiary	6		1,000		1,000
			<hr/>		<hr/>
			3,189,160		2,919,589
Current assets					
Cash at bank and in hand		926,111		414,291	
Debtors	7	402,638		492,174	
Stock		-		4,084	
		<hr/>		<hr/>	
		1,328,749		910,549	
		<hr/>		<hr/>	
Creditors: amounts falling due within one year					
Creditors	8	(975,877)		(811,907)	
		<hr/>		<hr/>	
Net current assets			352,872		98,642
			<hr/>		<hr/>
Total assets less current liabilities			3,542,032		3,018,231
			<hr/> <hr/>		<hr/> <hr/>
Funds employed					
Fixed Asset Fund			892,856		-
Building Maintenance Fund			40,000		40,000
Database Upgrade Fund			202,000		220,000
Legal Fee Fund			-		35,000
Member Support Staff Development and Training Fund			2,597		39,000
IT Development Fund			35,000		35,000
Projects Consultancies Fund			-		15,000
General Fund			74,275		582,282
Legal Defence Fund			2,295,304		2,051,949
			<hr/>		<hr/>
Total Funds	9		3,542,032		3,018,231
			<hr/> <hr/>		<hr/> <hr/>

Approved by the Council on 25 April 2013 and signed on their behalf by:

..... **TREASURER**

..... **GENERAL SECRETARY**

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

ASSOCIATION OF SCHOOL AND COLLEGE LEADERS

NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2012

1 Accounting policies

The principal accounting policies of the Association are set out below:

a) Accounting convention

The financial statements are prepared under the historical cost convention as modified to include the revaluation of quoted investments to market price. The financial statements are prepared in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable accounting standards.

b) Fixed assets

Depreciation is charged on the freehold buildings in order to write off their cost over their expected useful lives. The rate used is 25% on cost. No depreciation is provided on land.

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

Office furniture and equipment	- 25% of net book value per annum
Computer equipment	- 33 1/3% of cost per annum
Motor vehicles	- 33 1/3% of cost per annum

c) Investments

Investments are valued at mid-market price at the balance sheet date.

d) Stock

Stock of publications and goods is valued at the lower of cost and net realisable value.

e) Operating leases

Rentals charged on operating leases are written off to the Income and Expenditure Account over the period of the lease.

f) Pension costs and liabilities

The amount charged to the Income and Expenditure Account as part of staff costs in respect the Association's pensions arrangements represents the employer's contributions due for the year. Please see note 15 for details of The Pensions Trust's Growth Plan.

ASSOCIATION OF SCHOOL AND COLLEGE LEADERS

**NOTES TO THE ACCOUNTS
YEAR ENDED 31 DECEMBER 2012**

	2012 £	2011 £
2	Income	
	<i>Conferencing and commission</i>	
	208,255	229,490
	134,067	119,579
	<u>2,400</u>	<u>1,000</u>
	344,722	350,069
	<u>=====</u>	<u>=====</u>
	<i>Communications</i>	
	54,004	58,928
	26,293	7,830
	<u>50,263</u>	<u>38,296</u>
	130,560	105,054
	<u>=====</u>	<u>=====</u>
3	Expenditure	
	<i>Headquarters and central services</i>	
	12,929	11,999
	69,021	65,159
	14,696	14,696
	45,652	32,011
	<u>11,149</u>	<u>7,312</u>
	153,447	131,177
	<u>=====</u>	<u>=====</u>
	<i>Headquarters staffing</i>	
	1,409,183	1,356,099
	70,620	57,390
	6,892	5,089
	<u>64,298</u>	<u>36,395</u>
	1,550,993	1,454,973
	<u>=====</u>	<u>=====</u>
	<i>Equipment and materials</i>	
	122,617	105,298
	92,313	77,050
	7,146	31,430
	<u>42,614</u>	<u>40,957</u>
	264,690	254,735
	<u>=====</u>	<u>=====</u>

ASSOCIATION OF SCHOOL AND COLLEGE LEADERS

**NOTES TO THE ACCOUNTS
YEAR ENDED 31 DECEMBER 2012**

	2012 £	2011 £
3 Expenditure: continued		
<i>Other central expenses</i>		
Audit, accounting and professional fees	49,413	63,289
Database support and training	38,592	30,671
Professional support computers	2,036	5,033
Affiliation fees and subscriptions	10,191	6,885
Media and communications	34,973	25,600
Sundry expenses	8,007	10,296
Insurance (members)	9,870	10,054
Research and development	13,979	5,300
Recruitment and advertising	76,847	58,574
Exhibition costs	26,714	41,089
Party political conferences	10,212	15,667
Hospitality and canteen	4,090	3,894
Bad debts written off	7,000	7,935
Loss/(profit) on disposal of fixed assets	-	2,598
Underpaid VAT	-	45,716
Irrecoverable VAT	19,472	-
	<hr/>	<hr/>
	311,396	332,601
	<hr/>	<hr/>
<i>Support for members</i>		
Conferences and seminars – direct costs	138,276	169,253
Legal support for members	183,915	144,337
Publications and postage	92,173	59,288
Leader	116,306	123,736
Mailings to members	47,209	69,046
Member support salaries	1,322,153	1,219,041
Member support travel and expenses	98,346	102,020
Branch secretary training and support	8,185	10,697
Software development	-	24,226
Branch expenses	<u>18,971</u>	<u>21,689</u>
	2,025,534	1,943,333
	<hr/>	<hr/>
<i>National meetings and working groups</i>		
Presidential support	85,000	93,638
Council meetings (accommodation and travel)	148,207	131,657
Annual conference exhibition costs	7,203	16,803
Panels and working groups	22,752	20,844
Subscriptions	14,469	14,742
Travel expenses	27,951	27,833
Specialists HQ travel expenses	31,409	28,324
National and district elections	<u>20,679</u>	<u>-</u>
	357,670	333,841
	<hr/>	<hr/>

ASSOCIATION OF SCHOOL AND COLLEGE LEADERS

**NOTES TO THE ACCOUNTS
YEAR ENDED 31 DECEMBER 2012**

4 Fixed Assets

	Freehold land & buildings £	Computer equipment £	Office furniture & equipment £	Total £
Cost				
At 1 January 2012	1,071,985	466,317	111,773	1,650,075
Additions	-	26,876	51,783	78,659
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2012	1,071,985	493,193	163,556	1,728,734
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 January 2012	269,635	420,187	93,613	783,435
Charge for the year	14,696	28,136	9,611	52,443
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2012	284,331	448,323	103,224	835,878
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31 December 2012	787,654	44,870	60,332	892,856
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2011	802,350	46,130	18,160	866,640
	<hr/>	<hr/>	<hr/>	<hr/>

5 Investments

	2012 £	2011 £
Market value at 1 January 2012	2,051,949	2,026,347
Additions	434,300	335,689
Disposal proceeds	(489,546)	(273,238)
Movement in cash	133,596	23,991
Net investment gain/(loss)	165,005	(60,840)
	<hr/>	<hr/>
Market value at 31 December 2012	2,295,304	2,051,949
	<hr/>	<hr/>

	Market Value		Cost	
	2012 £	2011 £	2012 £	2011 £
Other listed investments	2,124,839	2,015,079	1,675,398	1,738,688
Cash on deposit	170,465	36,870	170,465	36,870
	<hr/>	<hr/>	<hr/>	<hr/>
	2,295,304	2,051,949	1,845,863	1,775,558
	<hr/>	<hr/>	<hr/>	<hr/>

Investments are valued at mid-market value at the year end.

ASSOCIATION OF SCHOOL AND COLLEGE LEADERS

**NOTES TO THE ACCOUNTS
YEAR ENDED 31 DECEMBER 2012**

6 Investment in subsidiary

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

Subsidiary Undertaking: ASCL Professional Development Limited
Nature of business: Provider of professional development for ASCL members and other members of school and college leadership teams

Class of shares held: 1,000 Ordinary shares
% held: 100%

Net assets as at 31 December 2012: £358,832 (2011: £70,564)

Profit after tax for the year ended 31 December 2012: £297,046 (2011: £41,744)

		2012	2011
		£	£
7 Debtors			
Sales ledger balances	159,179	227,844	
Other sundry debtors and prepayments	112,387	80,743	
Subscriptions in arrears	9,418	29,348	
Accrued income	5,736	9,400	
Amount due from subsidiary undertaking	87,396	133,953	
Amount due from Benevolent Fund	10,422	10,886	
Amount due from The ASCL Educational Development Trust	18,100	-	
	<hr/>	<hr/>	
	402,638	492,174	
	<hr/>	<hr/>	
8 Creditors			
PAYE and NIC	96,221	89,183	
SWPF and other pensions	46,336	34,755	
Other sundry creditors and accruals	652,275	507,608	
Amounts due to The ASCL Educational Development Trust	-	18,783	
Subscriptions in advance	45,267	42,859	
Subscriptions for lifetime members	52,615	51,615	
Commission in advance	53,793	25,500	
VAT	29,370	41,604	
	<hr/>	<hr/>	
	975,877	811,907	
	<hr/>	<hr/>	

ASSOCIATION OF SCHOOL AND COLLEGE LEADERS

NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2012

9 Analysis of funds

	At 1.1.2012	Income	Expenditure	Transfers	Investment gain	At 31.12.2012
	£	£	£	£	£	£
Fixed asset fund	-	-	-	892,856	-	892,856
Building Maintenance Fund	40,000	-	-	-	-	40,000
Database Upgrade Fund	220,000	-	(18,000)	-	-	202,000
Legal Fee Fund	35,000	-	(35,000)	-	-	-
Member Support Staff Development and Training Fund	39,000	-	(36,403)	-	-	2,597
IT Development Fund	35,000	-	-	-	-	35,000
Projects Consultancies Fund	15,000	-	(15,000)	-	-	-
General fund	582,282	5,470,888	(5,007,689)	(971,206)	-	74,275
Legal Defence Fund	2,051,949	-	-	78,350	165,005	2,295,304
	<u>3,018,231</u>	<u>5,470,888</u>	<u>(5,112,092)</u>	<u>-</u>	<u>165,005</u>	<u>3,542,032</u>

Fixed asset Fund

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

Building Maintenance Fund

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

Database Upgrade Fund

The purpose of this fund is to cover the costs of migration to a new membership database.

Legal Fee Fund

The purpose of this fund is for costs of exceptional legal cases with the GTC anticipated in 2012.

Member Support Staff Development and Training Fund

The purpose of this fund is for development and training within the Member Support department

IT Development Fund

The purpose of this fund is to cover the costs of future IT development.

Projects Consultancies Fund

The purpose of this fund is to cover the costs of further research into providing a service to members for suppliers providing services to schools (HR, legal etc.) with the increase in academisation together with undertaking a HR audit to ensure all of the association's procedures are up to date.

Legal Defence Fund

The purpose of this fund is to cover any extraordinary legal defence costs that may arise in future years. The Officers have established a policy whereby the Legal Defence Fund should be maintained within a range of £2,225,000 and £2,500,000 with any shortfall or excess being transferred from or to the General Fund.

10 Taxation

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

11 Contingent liabilities

At 31 December 2012 there were no contingent liabilities.

ASSOCIATION OF SCHOOL AND COLLEGE LEADERS

NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2012

12 Branch funds

These accounts exclude any funds relating to Branches of the Association. The funds of these branches at 31 December 2012 are £31,956 (2011: £33,692).

13 Subsidiary undertaking

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

14 Related party transactions

During the year, The Association paid for expenses on behalf of ASCL Professional Development Limited totalling £895,549 (2011: £615,858). The balance due to The Association from ASCL Professional Development Limited as at the year ended 31 December 2012 was:

Trade debtor	£87,396	(2011 - £100,597)
Loan	£nil	(2011 - £33,356)

A number of the Association's officers are also Trustees of The ASCL Educational Development Trust, from whom £18,100 (2011 - £18,783 liability) was due at the year end.

15 Pensions Trust Growth Plan

1. The Association of School and College Leaders participates in The Pensions Trust's Growth Plan (the Plan). The Plan is funded and is not contracted-out of the State scheme. The Plan is a multi-employer pension plan.
2. Contributions paid into the Plan up to and including September 2001 were converted to defined amounts of pension payable from Normal Retirement Date. From October 2001 contributions were invested in personal funds which have a capital guarantee and which are converted to pension on retirement, either within the Plan or by the purchase of an annuity.
3. The rules of the Plan allow for the declaration of bonuses and/or investment credits if this is within the financial capacity of the Plan assessed on a prudent basis. Bonuses/investment credits are not guaranteed and are declared at the discretion of the Plan's Trustee.
4. The Trustee commissions an actuarial valuation of the Plan every three years. The purpose of the actuarial valuation is to determine the funding position of the Plan by comparing the assets with the past service liabilities as at the valuation date. Asset values are calculated by reference to market levels. Accrued past service liabilities are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.
5. The rules of the Plan give the Trustee the power to require employers to pay additional contributions in order to ensure that the statutory funding objective under the Pensions Act 2004 is met. The statutory funding objective is that a pension scheme should have sufficient assets to meet its past service liabilities, known as Technical Provisions.
6. If the actuarial valuation reveals a deficit, the Trustee will agree a recovery plan to eliminate the deficit over a specified period of time either by way of additional contributions from employers, investment returns or a combination of these.
7. The rules of the Plan state that the proportion of obligatory contributions to be borne by the member and the member's employer shall be determined by agreement between them. Such agreement shall require the employer to pay part of such contributions and may provide that the employer shall pay the whole of them.
8. The Association of School and College Leaders paid contributions at the rate of 14.1% during the accounting period. Members paid contributions at the rate of 6.2% during the accounting period.

ASSOCIATION OF SCHOOL AND COLLEGE LEADERS

NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2012

9. As at the balance sheet date there were 29 active members of the Plan employed by The Association of School and College Leaders. The Association of School and College Leaders continues to offer membership of the Plan to its employees
10. It is not possible in the normal course of events to identify on a reasonable and consistent basis the share of underlying assets and liabilities belonging to individual participating employers. The Plan is a multi-employer scheme, where the assets are co-mingled for investment purposes, and benefits are paid out of the Plan's total assets. Accordingly, due to the nature of the Plan, the accounting charge for the period under FRS17 represents the employer contribution payable.
11. The valuation results at 30 September 2011 were completed in 2012 and have been formalised. The valuation of the Plan was performed by a professionally qualified Actuary using the Projected Unit Method. The market value of the Plan's assets at the valuation date was £780 million and the Plan's Technical Provisions (i.e. past service liabilities) were £928 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £148 million, equivalent to a funding level of 84%.
12. The financial assumptions underlying the valuation as at 30 September 2011 were as follows:

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

13. In determining the investment return assumptions the Trustee considered advice from the Scheme Actuary relating to the probability of achieving particular levels of investment return. The Trustee has incorporated an element of prudence into the pre and post retirement investment return assumptions; such that there is a 60% expectation that the return will be in excess of that assumed and a 40% chance that the return will be lower than that assumed over the next 10 years.
14. If an actuarial valuation reveals a shortfall of assets compared to liabilities, the Trustee must prepare a recovery plan setting out the steps to be taken to make up the shortfall.
15. The Pensions Regulator has the power under Part 3 of the Pensions Act 2004 to issue scheme funding directions where it believes that the actuarial valuation assumptions and/or recovery plan are inappropriate. For example, the Regulator could require that the Trustee strengthens the actuarial assumptions (which would increase the Plan liabilities and hence impact on the recovery plan) or impose a schedule of contributions on the Plan (which would effectively amend the terms of the recovery plan). A copy of the recovery plan in respect of the September 2011 valuation was forwarded to The Pensions Regulator on 2 October 2012, as is required by legislation.
16. Following a change in legislation in September 2005 there is a potential debt on the employer that could be levied by the Trustee of the Plan and The Pensions Act 2011 has more recently altered the definition of Series 3 of the Growth Plan so that a liability arises to employers from membership of any Series except Series 4. (Our recent correspondence to all employers refers.) The debt is due in the event of the employer ceasing to participate in the Plan or the Plan winding up.

ASSOCIATION OF SCHOOL AND COLLEGE LEADERS

NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2012

17. The debt for the Plan as a whole is calculated by comparing the liabilities for the Plan (calculated on a buy-out basis i.e. the cost of securing benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the Plan. If the liabilities exceed assets there is a buy-out debt.
18. The leaving employer's share of the buy-out debt is the proportion of the Plan's liability attributable to employment with the leaving employer compared to the total amount of the Plan's liabilities (relating to employment with all the currently participating employers). The leaving employer's debt therefore includes a share of any 'orphan' liabilities in respect of previously participating employers. The amount of the debt therefore depends on many factors including total Plan liabilities, Plan investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of debt can therefore be volatile over time.