

**THE SCOTTISH ACCOUNTANCY TRUST FOR EDUCATION AND RESEARCH**

**Registered Scottish Charity: SC034836**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**OF THE TRUSTEES**

**FOR THE YEAR ENDED 31 DECEMBER 2008**

# THE SCOTTISH ACCOUNTANCY TRUST FOR EDUCATION AND RESEARCH

## ANNUAL REPORT OF THE TRUSTEES

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2008

#### Objectives

Established by Trust Deed on 5 September 2003, the principal objectives of the Trust are to promote research into, and education of accountancy, finance and management together with all subjects in any way related.

#### Status

The Trust was recognised by the Inland Revenue and the Office of the Scottish Charity Regulator (OSCR) as a charity with effect from 5 September 2003 under Scottish Charity Number SC 034836.

#### Connected Bodies

The Institute of Chartered Accountants of Scotland ("ICAS" or "The Institute") is regarded as a connected body by virtue of it being the main donor to the Trust and providing payroll administration, general administration and secretarial services to the Trust. The Trustees act independently of ICAS, as required by the Trust Deed, although they maintain constructive relationships with ICAS on all matters of joint interest. Trust funds are kept separately from those of ICAS.

The Trustees appreciate the support of The Institute for making available the services of the Secretary, and the provision of the support services to the Information Service up to 30 June 2008. The Trustees have a formal Memorandum of Understanding with The Institute as regards the funding of research (and the funding of the Information Service for the first half of 2008). That Memorandum of Understanding explicitly acknowledges the charitable purposes and public interest objectives of the Trust.

The Scottish Chartered Accountant's Trust for Education (SCATE) is also regarded as a connected body by virtue of its common charitable purposes and common secretarial administration.

#### Appointment of Trustees

The Trustees are appointed for a term of up to three years and are eligible for re-appointment thereafter for a maximum of three consecutive terms save in exceptional circumstances where a fourth term is permitted. The minimum number of Trustees is five, maximum eleven.

New Trustees are appointed by the existing Trustees. A minimum of two Trustees at any time shall have been appointed from a list of nominations from The Institute. A minimum of one Trustee at any time should not be a member of The Institute.

The induction process for any newly-appointed trustee comprises of the issuance of an Induction pack, followed by an initial meeting with the Secretary and the Chairman to cover the grant making process, investments and powers and responsibilities of the Trustees, and any other pertinent matters. The Induction pack includes a brief history of the Trust, copy board minutes, latest risk matrix, Memorandum of Understanding between ICAS & SATER, a copy of the last year's annual report and accounts, a copy of the governing trust deed and a copy of the OSCR Guidance for Trustees. Although there is no formal ongoing training, the Trustees have circulated to them copies of "Governance", a magazine for charity Trustees and they attend relevant courses on an ad-hoc basis. Trustees are also sent, prior to the Trustees' meetings, agenda papers detailing relevant matters arising.

#### Trustees

The following Trustees served during 2008:

David C Bentley CA  
Nigel Macdonald CA (Chairman)  
Alison McGilvray (Lay Trustee)  
Professor Ian Marrian CA  
David L Spence CA  
Ian Stubbs CA  
Sir David Tweedie CA (to 4 April 2008)  
Pauline Weetman CA  
Neil Menzies (Lay Trustee) (from 13 March 2008)  
Professor John Baillie CA (from 8 September 2008)

# THE SCOTTISH ACCOUNTANCY TRUST FOR EDUCATION AND RESEARCH

## ANNUAL REPORT OF THE TRUSTEES

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2008 (continued)

#### Officers

The Officers of the Trust during the year were:

Secretary:	David A Wood
Auditor:	Scott-Moncrieff 17 Melville Street Edinburgh EH3 7PH
Solicitors:	Maclay Murray & Spens 151 St Vincent Street Glasgow G2 5NJ
Bankers:	HBOS 38 St Andrew Square Edinburgh EH2 2YR

The offices of the Trust are at CA House, 21 Haymarket Yards, Edinburgh, EH12 5BH.

#### Review of the Year

The Trustees met on two occasions during the year. SATER continues to provide funding for high quality academic research which is timely, relevant, and useful to the accountancy profession and in the public interest. Key public interest research documents that were published in 2008 were:

Research Category	Publication
Improving Regulation	The Implementation of IFRS in the UK, Italy and Ireland
Risk and Control	Reporting on Internal Control in the UK and the US
Development of the Profession	An analysis of the Role of the Textbook in the Construction of Accounting Knowledge
Ethics	What do you do now? Ethical Issues encountered by Chartered Accountants
Improving Regulation	The Boys in the Bubble: Searching for Intangible Value in Internet Stocks
Improving Regulation	Corporate Governance in Alternative Investment Market (AIM) Companies
Development of the Profession	Their own Accounts: Views of Prominent 20 <sup>th</sup> Century Accountants
Improving Regulation	Regulating Accounting in Foreign Invested Firms in China: From Mao to Deng

Until June 2008, SATER operated the Information Service, providing support to many users, including The Institute and some members of the public. The Trustees charged The Institute for services provided by the information service to its staff and members where those services were not available to the general public. In late 2007, the Trustees received a request to transfer the Information Service to The Institute, so that it could be better integrated with the existing information provision for its staff, Office Bearers and members, and so that aspects of these services could then be developed and offered more effectively through electronic means. Many of the licensing agreements held by SATER did not allow access outwith staff and members of ICAS and so restricted the ability to promote services to the public. In the light of these and other factors, the Trustees agreed to this request and the Information Service was transferred on 30 June 2008. SATER received a consideration of £53,530 from The Institute, representing an independent valuation of the SATER book and journal stock and the unexpired portion of its electronic database licences. The SATER website continues to promote the availability of research grants, as well as providing information about SATER's funding and research publications.

Because of the Trust's focus on public interest and public accountability to further the objective of disseminating the research work funded by it, Research reports are available now for free downloading from the website, and the website was changed during the year to provide this facility.

Voluntary income comes from ICAS, the main donor. Further income of £35,998 (2007 - £24,802) was received from The Institute recovering the cost to the Trust of services which were not available to the general public and from the recharge to ICAS of the employment costs for one of the two Information Service employees retained in SATER on a temporary basis.

During the latter part of 2008, the Trustees were consulted during the development of The Institute's research themes for 2009 to 2011, and were also consulted in the review of its Research Committee's strategy and academic project acceptance criteria. The aim of such consultation was to ensure that any academic research projects which The Institute supports and which the Trust funds, are in accordance with the charitable objectives of the Trust. The result of the

## THE SCOTTISH ACCOUNTANCY TRUST FOR EDUCATION AND RESEARCH

### ANNUAL REPORT OF THE TRUSTEES

#### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2008 (continued)

consultation is that the ICAS Research Strategy, which was published in early 2009, reflects themes which meet these requirements and that there is greater clarity as to the potential for funding from the Trust for work in specific areas.

The current ICAS Research Strategy brochure has generated a number of quality applications for project funding. The Trustees also encourage applications for funding to be made directly to SATER, from a broad range of applicants, outwith the constraints of the ICAS Research Strategy. During the year the Trust awarded grants of £55,104, as set out in Note 6 to the Financial Statements.

In October 2005 an Appeal Fund was launched in memory of Helen Jones, an ICAS member, originally from Lockerbie, who was killed in the London bombings in July 2005. An Annual Scholarship funded by the Appeal fund is provided by SATER to a school pupil from Dumfries and Galloway to study Accountancy, Finance or Management (or any related combination of subjects) at university. The 2008 Scholarship was awarded to Jennifer Taylor who is studying for a B.Acc. in Finance with Accountancy at Glasgow University.

SATER is pleased to support the ICAS Annual Aileen Beattie Memorial Lecture in memory of Aileen Beattie, who was Secretary of SART (SATER's predecessor) from November 2000 until December 2004, and Executive Director, Technical Policy at ICAS, and who died in October 2005. The Annual Lecture is intended to highlight her contribution to The Institute's thought leadership during her twenty years of service and also provides an opportunity for SATER sponsorship to raise its profile as a provider of funds to support thought leadership projects in accountancy, finance and management having a wide public interest. The 2008 Lecture "Towards an even Better Profession" was given by John Griffith-Jones, Co-Chairman of KPMG Europe LLP.

#### **Risk Management**

The Trustees have considered on a regular basis the major business and operational risks which the Trust faces, and have monitored the measures which have been implemented to mitigate those risks through established reporting systems.

#### **Investment Policy**

The cash resources of the Trust are held on interest bearing deposit account, in accordance with the Trustees' powers. This investment policy which is reviewed by the Trustees from time to time is aimed at providing a reasonable level of income, whilst retaining the availability of funds from which to make grants and awards and maintain the operation of the Information Service. The deposit account earns interest at 0.75% below base rate (2007 – 0.5% below base rate).

#### **Reserves Policy**

In order to allow longer term stability for the funding of academic research projects, the Trustees will seek donations from The Institute and other parties so as to maintain the Trust's charitable operations and minimum level of Reserves of around £100,000. In the light of the transfer of the Information Service to ICAS at 30 June 2008, the minimum level of reserves is currently under review. The level of free reserves as at December 2008 was £124,632 (2007 £139,683).

#### **Grant Making Policy**

The Trust awards research grants to projects complying with the Trust's objectives, as stated above. Efforts are made to ensure that the availability of funds from the Trust for education and for research in accountancy and related matters falling within the objects of the Trust are communicated to all relevant audiences with particular regard to serving the public interest. A list of the projects receiving support appears in Note 6 to the Financial Statements. Applications are considered by reference to the objectives of the Trust, and to the level of funds available. Within these objectives, the Trustees receive advice on the quality of academic research projects on the basis of acceptance criteria approved by the Trustees, (most recently in late 2008) and implemented in cooperation with the ICAS Research Strategy using administrative support for which no charge is made to SATER by The Institute. The ICAS Research Strategy is published and circulated throughout the academic community and, once determined, is not normally changed until a revision takes place every third year, as further explained below.

#### **Statement of Trustee's responsibilities**

The law applicable to charities in Scotland requires the Trustees to prepare Financial Statements for each financial year which give a true and fair view of the Trust's financial activities during the year and of its financial position at the end of the year, and which have been properly prepared from and are in agreement with the accounting records of the Trust and comply with relevant disclosure regulations.

# **THE SCOTTISH ACCOUNTANCY TRUST FOR EDUCATION AND RESEARCH**

## **ANNUAL REPORT OF THE TRUSTEES**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2008 (continued)**

In preparing those Financial Statements, the Trustees are required to:

- select suitable Accounting Policies and apply these consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable Accounting Standards, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Trust will continue its activities.

The Trustees are required to act in accordance with the Trust Deed of the charity, within the framework of Trust law. They are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the Financial Statements comply with the requirements of

The Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

Approved by the Trustees and signed on their behalf by:

**Nigel Macdonald**  
**Chairman of the Trustees**  
**27<sup>th</sup> March 2009**

**THE SCOTTISH ACCOUNTANCY TRUST FOR EDUCATION AND RESEARCH  
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2008**

This report is issued in respect of an audit carried out under section 44 (1) (c) of the Charities and Trustee Investment (Scotland) Act 2005.

We have audited the financial statements of The Scottish Accountancy Trust for Education and Research for the year ended 31 December 2007 as set out on pages 6 to 14. These financial statements have been prepared in accordance with the accounting policies set out.

This report is made solely to the charity's Trustees, as a body, in accordance with section 44 (1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's Trustees 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 charity and its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of Trustees and auditors**

The responsibilities of the Trustees for preparing the Annual Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (United Kingdom and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006. We also report to you if, in our opinion, the information given in the Annual Report of the Trustees is consistent with the financial statements, if the charity has not kept proper accounting records, or if we have not received all the information and explanations we require for our audit.

We read the Annual Report of the Trustees and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (United Kingdom and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion the financial statements:

- give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the charity's affairs as at 31 December 2008 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006; and
- the information given in the Annual Report of the Trustees is consistent with the financial statements.

**Scott-Moncrieff  
Registered Auditor  
Chartered Accountants  
17 Melville Street  
Edinburgh  
EH3 7PH  
27<sup>th</sup> March 2009**

THE SCOTTISH ACCOUNTANCY TRUST FOR EDUCATION AND RESEARCH

COMBINED STATEMENT OF FINANCIAL ACTIVITY AND INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2008

	Notes	General Fund £	Helen Jones Appeal Fund £	Total 2008 £	Total 2007 £
<b>Incoming Resources</b>					
<b>Incoming resources from generated funds:</b>					
Voluntary Income	5	-	593	593	80,341
<i>Activities for generating funds:</i>					
Sale of Research Publications		4,595	-	4,595	4,212
Investment income		20,670	2,463	23,133	15,809
<i>Other incoming resources</i>					
ICAS Recharge	4	35,998	-	35,998	24,802
Transfer of Information Service to ICAS		53,530	-	53,530	-
<b>Total Incoming Resources</b>		<b>114,793</b>	<b>3,056</b>	<b>117,849</b>	<b>125,164</b>
<b>Resources Expended</b>					
<b>Charitable Activities</b>					
Research Grants Awarded	6	(55,104)	-	(55,104)	(102,634)
Research Grants no longer required	6	7,542	-	7,542	6,054
Information Service	7	(70,545)	-	(70,545)	(103,235)
ICAS Annual Aileen Beattie Memorial Lecture		(2,692)	-	(2,692)	1,290
Helen Jones Appeal Bursary		-	(2,325)	(2,325)	(1,000)
<b>Total Charitable Expenditure</b>		<b>(120,799)</b>	<b>(2,325)</b>	<b>(123,124)</b>	<b>(199,525)</b>
Governance costs	8	(9,045)	(29)	(9,074)	(4,836)
<b>Total Resources Expended</b>		<b>(129,844)</b>	<b>(2,354)</b>	<b>(132,198)</b>	<b>(204,361)</b>
<b>Net Movement in Funds for the Year</b>		<b>(15,051)</b>	<b>702</b>	<b>(14,349)</b>	<b>(79,197)</b>
Total Funds at 1 January	13	139,683	39,669	179,352	258,549
<b>Total Funds at 31 December</b>	13	<b>124,632</b>	<b>40,371</b>	<b>165,003</b>	<b>179,352</b>

The Trust has no recognised gains and losses other than those disclosed above.

The Income and Expenditure Account has been prepared on the basis that all operations are continuing operations.

The notes on page 8 to 14 form part of these financial statements.

THE SCOTTISH ACCOUNTANCY TRUST FOR EDUCATION AND RESEARCH

BALANCE SHEET

AS AT 31 DECEMBER 2008

	Notes	2008	2007
		£	£
<b>Current Assets</b>			
Debtors and Prepayments	9	4	-
Cash at bank and in hand		<b>330,020</b>	416,529
<b>Total Current assets</b>		<b>330,024</b>	416,529
<b>Liabilities:</b>			
Creditors: Amounts falling due within one year	11	<b>(109,426)</b>	(125,757)
<b>Net Current Assets</b>		<b>220,598</b>	290,772
<b>Total assets less current liabilities</b>			
Creditors: Amounts falling due after more than one year	11	<b>(55,595)</b>	(111,420)
<b>Net assets</b>	13	<b>165,003</b>	179,352
<b>The funds of the charity:</b>			
General Reserve - Unrestricted	13	<b>124,632</b>	139,683
Restricted Funds – Helen Jones Appeal Fund	13	<b>40,371</b>	39,669
<b>Total charity funds</b>		<b>165,003</b>	179,352

The notes on page 8 to 14 form part of these financial statements.

The financial statements have been prepared in accordance with the Financial Reporting Standards for Smaller Entities (effective January 2007)

Approved by the Trustees on 27<sup>th</sup> March 2009 and signed on their behalf by:

**Nigel Macdonald**                      **Chairman**

**Ian Marrian**                              **Trustee**

# THE SCOTTISH ACCOUNTANCY TRUST FOR EDUCATION AND RESEARCH

## NOTES TO FINANCIAL STATEMENTS

### 1. Accounting Policies

#### a) Basis of preparation

The Financial Statements are prepared under the historical cost convention. The Financial Statements are prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2005) issued in March 2005, the Financial Reporting Standards for Smaller Entities (effective January 2007), applicable UK Accounting Standards and the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

#### b) Statement of Financial Activities

Restricted funds are funds which are to be used in accordance with the specific restrictions imposed by the donor or trust deed. There is a single restricted fund, the Helen Jones Appeal Fund, restricted to providing financial assistance to pupils from the Dumfries and Galloway area seeking to study accountancy, finance or management or related subjects at University.

Unrestricted funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects. From time to time unrestricted funds may include designated funds where the Trustees, at their discretion, have created a fund for a specific purpose.

#### c) Incoming resources

All incoming resources are recognized once the charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

All donations are accounted for gross when receivable. Related Gift Aid receivable is accrued.

#### d) Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Grants awarded are payments made to third parties in the furtherance of the charitable objectives of the Trust. Single or multi-year grants are accounted for when the recipient has received notification that they will receive a grant and any condition attaching to the grant is outside the control of the Trust.

Grant Creditors are split between less than one year and greater than one year based on the earliest time that grants can be claimed.

#### e) Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

#### f) Charitable activities

Costs of charitable activities include grants made and the directly attributable costs of operating the Information Service to 30 June 2008.

#### g) Governance costs

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with any apportionment of overhead and support costs. Governance costs are allocated to general fund unless directly related to the restricted fund.

#### h) Tangible fixed assets and depreciation

Books and periodicals are written off in the year of the purchase and consequently the books and journals of the Information Service were carried at nil book value. All the assets of the Information Service were transferred to ICAS on 30 June 2008. Consideration of £53,530 was based on an independent valuation of book and journal stock plus the value of unexpired electronic database licenses.

# THE SCOTTISH ACCOUNTANCY TRUST FOR EDUCATION AND RESEARCH

## NOTES TO FINANCIAL STATEMENTS

### 1. Accounting Policies (continued)

#### i) Pension Costs

The employees of the Trust were members of multi-employer pension schemes, a defined benefit scheme for one of its staff, and a multi-employer stakeholder scheme being a defined contribution scheme for the other member of staff.

For the defined contribution scheme, pension costs are charged to the Combined Statement of Financial Activity and Income and Expenditure Account in the period in which they arise.

For the defined benefit scheme the amount charged in the Combined Statement of Financial Activity and Income and Expenditure Account is the pension contribution paid on the basis of actuarial advice. Full details of the Retirement Benefit Obligations relating to the multi-employer defined benefit scheme and multi employer stakeholder scheme are available in the ICAS statutory accounts for the year ended December 2008.

On the transfer of the Information Service to ICAS on 30 June 2008, one employee transferred to ICAS in accordance with the Transfer of Undertakings (Protection of Employment) Regulations, whilst for technical reasons the other employee remained with SATER on a temporary basis. The retained employee, the member of the defined benefit scheme, will transfer to ICAS in early 2009.

### 2. Taxation

The Trust has charitable status and enjoys relief from taxation under Section 505 of the Income and Corporation Taxes Act 1988. Donations and legacies to the Trust may attract taxation relief for the donor. The Trust is not registered for Value Added Tax (VAT) and accordingly any such irrecoverable VAT is included in the expenditure concerned.

### 3. Trustees' Remuneration

No Trustees received any remuneration during the year (2007 - £Nil). The Trustees do not consider indemnity insurance to be part of Trustee remuneration. Expenses in the year totalled £1,543 (2007 - £644) with travel expenses reimbursed to three Trustees.

### 4. Transactions with Connected Bodies

The Institute is the main donor to SATER and provides without charge secretarial and administrative assistance to the Trustees for the approval and subsequent oversight of research grants and activities. The Institute also pays the salaries and related costs for the employees of the Information Service which, to the end of June 2008 were then recharged to SATER and are disclosed in note 7. SATER subsequently recharged The Institute for services provided by the Information Service to its staff & members which were not available to the general public. The recharge for the year was £35,998 (2007 - £24,802), which also includes the employment costs for one of the two Information Service employees retained in SATER on a temporary basis.

### 5. Voluntary Income

	2008	2007
	£	£
Donations from ICAS	-	80,000
Helen Jones Appeal	593	341
	<u>593</u>	<u>80,341</u>

### 6. Analysis of Research Grants

Research Grants	2008	2007
	£	£
New Grants awarded in year	55,104	102,634
Grants no longer required	(7,542)	(6,054)
	<u>47,562</u>	<u>96,580</u>

THE SCOTTISH ACCOUNTANCY TRUST EDUCATION AND RESEARCH

NOTES TO FINANCIAL STATEMENTS

6. Analysis of Research Grants (cont).

	Awarded during period	Total Grants Payable	Awarded during year	Total Grants Payable
	2008	2008	2007	2007
	£	£	£	£
<b>Institution Grants:</b>				
<b>Aberdeen University</b>				
Narratives, Analysis and Commentary on Ethical issues encountered by Chartered Accountants in Practice	-	-	-	(1,200)
<b>Birmingham University</b>				
Corporate Governance in AIM Companies	-	-	-	(6,388)
<b>Bournemouth University</b>				
Influence of the Business review on KPI Reporting in the UK Media Sector	(1,973)	(1,315)	-	-
<b>Bradford University</b>				
Intellectual Capital Disclosure Policy	-	(6,918)	(13,580)	(13,580)
<b>Cardiff University</b>				
The Impact of Political Ideology on Accounting Regulation in China	-	-	-	(95)
Corporate Share repurchase	-	(5,925)	(8,270)	(8,270)
<b>Dundee University</b>				
The Introduction of IFRS: An Analysis of their impact on the Usage & Content of Company Financial Statements	-	-	-	(5,668)
The Role of the Textbook and other teaching materials	-	-	-	(2,256)
An exploration of Scottish Charities' Governance and Accountability	-	(1,312)	-	(7,785)
The Implementation of IFRS in Italian SMEs	-	(1,900)	(1,900)	(1,900)
Engaging with key issues in the context of pressures to expand the scope and role of accounting	-	-	(1,594)	-
<b>Exeter University</b>				
Competition, Choice & Governance in the UK Audit Market	(1,877)	-	-	-
<b>Heriot Watt University</b>				
Workforce health as a Key Organisational Asset	-	(10,754)	-	(12,332)
<b>Leicester University</b>				
Internal control and financial auditing in an historic perspective: the case of building societies	(2,744)	(2,744)	-	-
<b>Liverpool University</b>				
The Impact of Adoption of IFRS on Executive Compensation Design	(1,500)	-	-	-
<b>Loughborough University</b>				
Intangible assets in valuation	-	-	-	(1,600)
<b>Manchester University</b>				
PFI / PPP Accounting and Accountability	-	-	-	(1,500)

Note 6 continued on page 11

## THE SCOTTISH ACCOUNTANCY TRUST EDUCATION AND RESEARCH

### NOTES TO FINANCIAL STATEMENTS

#### 6. Analysis of Research Grants (cont).

	Awarded during year	Total Grants Payable	Awarded during year	Total Grants Payable
	2008	2008	2007	2007
	£	£	£	£
<b>Institution Grants (cont)</b>				
<b>Newcastle University</b>				
An experimental investigation of the incentive properties underlying accounting information provision (2 projects)	-	-	-	(1,038)
<b>Oxford Brookes University</b>				
A comparative study of internal control reporting in the UK & US	-	-	-	(5,371)
<b>Open University</b>				
An exploratory study of R&D intensive firms under financialisation	(2,000)	(2,000)	-	-
<b>Portsmouth University</b>				
Corporate Governance & Corporate Performance	-	(1,200)	-	(1,200)
<b>Queens University, Belfast</b>				
PPP / PFI Financiers' Perceptions of Risk	-	(17,546)	(22,600)	(22,600)
<b>Robert Gordon University</b>				
The effects of gender and family structure on partnership prospects in Accountancy public practice.	(2,000)	(2,000)	-	-
<b>St Andrew's University</b>				
Credit Unions in Scotland and Northern Ireland	(15,150)	(15,150)	-	-
<b>Stirling University</b>				
The future of audit assurance: A focus on Management Commentary	-	(22,750)	(22,750)	(22,750)
Recognition versus disclosure: the case of employers' pension cost accounting	(1,960)	(1,960)	-	-
Intellectual Capital Disclosure Decisions by UK Companies	-	(7,502)	(11,562)	(11,562)
<b>Wollongong University</b>				
Intellectual Capital disclosure on websites	-	(762)	-	(7,812)
<b>Toronto University</b>				
Towards a culture audit: Tone at the top	-	(17,332)	-	(26,087)
<b>Westminster University</b>				
Implementing fair value accounting in the Agricultural Sector	-	(2,100)	-	(7,500)
<b>West of Scotland University</b>				
Understanding plagiarism in accounting education	-	-	(2,000)	(2,000)
The Teaching Research Nexus in Accounting	(21,400)	(21,400)	-	-
<b>York University</b>				
Accounting Based Risk Measurement	-	(7,062)	(15,378)	(15,378)
	<u>(50,604)</u>	<u>(149,632)</u>	<u>(99,634)</u>	<u>(185,872)</u>
<b>Individual Grants:</b>				
Seedcorn Funding	(4,500)	(3,000)	(3,000)	(2,250)
<b>Total Research Grants awarded</b>	<u>(55,104)</u>	<u>(152,632)</u>	<u>(102,634)</u>	<u>(188,122)</u>

The Institution Grants are paid to universities, which administer the grants, on submission of material and expenses as stated in the grant documentation and approved by the Trust. The administration of the grant submissions is dealt with by staff of The Institute of Chartered Accountants of Scotland with no recharge to the Trust.

# THE SCOTTISH ACCOUNTANCY TRUST EDUCATION AND RESEARCH

## NOTES TO THE FINANCIAL STATEMENTS

### 7. Analysis of Information Service Expenditure

	<b>2008</b>	2007
	£	£
Information service staff costs:		
Salaries	(34,849)	(48,095)
Social Security Costs	(2,856)	(4,038)
Pension Costs	(3,802)	(4,772)
Other staff costs	(823)	(286)
	<b>(42,330)</b>	<b>(57,191)</b>
Other Information service expenditure (e.g. books, periodicals, online services)	(28,215)	(46,044)
	<b>(70,545)</b>	<b>(103,235)</b>

The average number of employees during the year was 1.5 1.5

No employee received emoluments greater than £60K (2007 - Nil)

The employees of SART who were both transferred to the Trust on 30 June 2005 were members and continue to be members of the Pension Schemes of The Institute. On the transfer of the Information Service to ICAS on 30 June 2008, one employee, a member of the defined contribution scheme, transferred to ICAS whilst for technical reasons the other employee remained with SATER on a temporary basis. The retained employee, the member of the defined benefit scheme (which was closed to new members from 31 March 2003) will transfer to ICAS in early 2009. Under the defined benefit scheme, contributions were paid by the Trustees on the basis of Actuarial advice while under the defined contribution scheme; contributions were paid in accordance with the rules of the scheme. The Institute, as principal employer, discloses details of the Pension Schemes in its Financial Statements.

### 8. Governance Costs

	<b>2008</b>	2007
	£	£
Auditor's remuneration	(1,250)	(1,175)
Under Accrual of Auditors remuneration	(88)	(274)
Legal Costs	(3,028)	-
Trustees Indemnity Insurance	(1,575)	(1,785)
Trustees expenses – meeting attendance and other business	(1,543)	(644)
Staff & Office costs	(1,561)	(958)
	<b>(9,045)</b>	<b>(4,836)</b>

### 9. Debtors and Prepayments

	<b>2008</b>	2007
	£	£
Bank Refund due to Helen Jones Appeal	4	-
	<b>4</b>	<b>-</b>

THE SCOTTISH ACCOUNTANCY TRUST FOR EDUCATION AND RESEARCH

NOTES TO FINANCIAL STATEMENTS

10. Creditors and Accruals

	2008	2007
	£	£
<b>Creditors under 1 Year</b>		
Research Grants payable	(97,037)	(76,702)
Amounts due to The Institute of Chartered Accountants of Scotland	(3,562)	(36,996)
Accruals	(8,827)	(12,059)
	<u>(109,426)</u>	<u>(125,757)</u>

	2008	2007
	£	£
<b>Creditors over 1 year</b>		
Research Grants payable	<u>(55,595)</u>	<u>(111,420)</u>

11. Analysis of Grant Creditor

	2008	2007
	£	£
<b>Grants Payable</b>		
As at 1 January	(188,122)	(154,234)
Grants Awarded	(55,104)	(102,634)
Grants no longer required	7,542	6,054
Grants paid in year	83,052	62,692
<b>As at 31 December</b>	<u>(152,632)</u>	<u>(188,122)</u>

Total Grant liability as at 31 December is disclosed in note 11 as:

	2008	2006
	£	£
Creditors under 1 Year	(97,037)	(76,702)
Creditors over 1 year	(55,595)	(111,420)
<b>Total Research Grants payable (note 6)</b>	<u>(152,632)</u>	<u>(188,122)</u>

12. Analysis of Net Assets

	General Fund	Helen Jones Appeal Fund	2008 Total	2007 Total
	£	£	£	£
Fund Balances at 31 December are represented by:				
Current Assets	285,498	44,526	330,024	416,529
Current Liabilities	(105,271)	(4,155)	(109,426)	(125,757)
Long term liabilities	(55,595)	-	(55,595)	(111,420)
	<u>124,632</u>	<u>40,371</u>	<u>165,003</u>	<u>179,352</u>

THE SCOTTISH ACCOUNTANCY TRUST FOR EDUCATION AND RESEARCH

NOTES TO FINANCIAL STATEMENTS

13. Analysis of Charitable funds

	Balance at 1 Jan 2008	Incoming resources	Resources expended	Balance at 31 Dec 2008
	£	£	£	£
Unrestricted funds	139,683	114,793	(129,844)	124,632
Restricted funds	39,669	3,056	(2,354)	40,371
	<u>179,352</u>	<u>117,849</u>	<u>(132,198)</u>	<u>165,003</u>