

QUALITY SCOTLAND FOUNDATION EDUCATIONAL TRUST LIMITED

(Registered Number 139244)

DIRECTORS' REPORT AND ACCOUNTS

30 SEPTEMBER 1995



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REPORT OF THE DIRECTORS
30 SEPTEMBER 1995

The directors have pleasure in submitting their report and accounts for the year ended 30 September 1995.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The company was incorporated on 9 July 1992 and this is its third annual report and accounts.

The principal activity of the company is to advance education and create a better educated public in Scotland. The company does so by disseminating the relevant information to the public by training programmes and other educational processes and by procuring the practical interest and involvement of organisations and individuals in such matters.

The company is a registered Charity.

Since the company was incorporated substantial progress has been made in achieving its objectives and its founder members include many leading organisations in Scotland. The current members of the Quality Scotland Foundation Educational Trust are as follows:

Alloa Pubs & Restaurants Ltd
Aviall Caledonian Engine Services
Bank of Scotland
Baxters of Speyside Ltd
British Gas plc (Scotland)
British Telecom
Clydesdale Bank plc
Dawson International plc
GEC Scotland Ltd
Highlands & Islands Enterprise

IBM UK Ltd
Royal Bank of Scotland plc
Royal Mail
Scottish Power plc
Scottish Prison Service
Strathclyde Regional Council
The Gleneagles Hotel
United Distillers
Vesuvius

FUTURE DEVELOPMENTS

The company anticipates the continued successful development of its activities.

DIVIDENDS AND TRANSFERS TO RESERVES

The company is limited by guarantee and is not therefore permitted to pay a dividend. In accordance with the Memorandum of Association the loss on ordinary activities after taxation of £9,799 (1994 - loss £4,220) has been transferred from reserves.

FIXED ASSETS

The company's fixed assets comprise computer equipment.

REPORT OF THE DIRECTORS (continued)
30 SEPTEMBER 1995

DIRECTORS AND THEIR INTERESTS

The directors during the year ended 30 September 1995 were as follows:-

	Date of Appointment	Date of Resignation
Professor John Ward (Chairman)	-	-
Ms Audrey C Baxter	-	-
Mr Bob Beaty	15 March 1995	-
Mr Douglas Bennett	-	-
Mr Roger Brook	-	-
Mr Kenneth Campbell	-	12 May 1995
Mr Douglas Corner	-	2 May 1995
Mr Alan Devereux CBE DL	-	-
Mr Edward B Frizzell	-	-
Mr Bill Furness	18 August 1995	-
Mr Jeremy Greville Williams	20 September 1995	-
Mr David Halliday	-	-
Mr Stephen Henderson	-	-
Mr David B Justice	-	-
Mr Mike Kitchen	-	-
Mr Colin Liddell	-	-
Mr John Mackay	-	-
Mr John McClelland	-	18 January 1995
Mr Neil McIntosh CBE	-	-
Sir Ronald AB Miller CBE	-	31 May 1995
Mr Fraser Morrison CBE	-	-
Dr Mike Mosson	3 July 1995	-
Mr Jack Queen	23 May 1995	-
Mr Lloyd Toles	3 July 1995	-
Rt. Hon. Lord Younger of Prestwick TD DL	-	19 July 1995

All of the directors are members of the company.

The President, who is not a director, is Lord MacFarlane of Bearsden.

AUDITORS

Price Waterhouse have indicated their willingness to continue in office and a resolution regarding their re-appointment will be proposed at the Annual General Meeting.

By order of the Board



T Lennie Herd
Secretary

Registered Office:
12 Hope Street
EDINBURGH
EH2 4DD

STATEMENT OF DIRECTORS' RESPONSIBILITIES
30 SEPTEMBER 1995

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable 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 company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**AUDITORS' REPORT TO THE MEMBERS OF
QUALITY SCOTLAND FOUNDATION EDUCATIONAL TRUST LIMITED****30 SEPTEMBER 1995**

We have audited the financial statements on pages 5 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 3 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards 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 judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company'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 of the state of the company's affairs as at 30 September 1995 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Price Waterhouse

PRICE WATERHOUSE
Chartered Accountants
and Registered Auditors

17 January 1996

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 1995**

	Notes	1995 £	1994 £
TURNOVER		-	-
Operating charges:			
Staff costs	2	(8,265)	-
Depreciation		(673)	(727)
Other external charges		(2,575)	(4,647)
OPERATING LOSS		(11,513)	(5,374)
Interest receivable		<u>1,714</u>	<u>1,154</u>
LOSS ON ORDINARY ACTIVITIES		(9,799)	(4,220)
RETAINED PROFIT BROUGHT FORWARD		<u>33,800</u>	<u>38,020</u>
RETAINED PROFIT CARRIED FORWARD		<u>24,001</u>	<u>33,800</u>

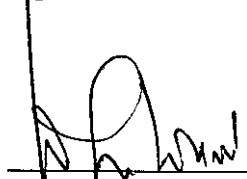
There were no recognised gains and losses for 1995 and 1994 other than those included in the profit and loss account.

The notes on pages 7 to 9 form part of these accounts.

BALANCE SHEET
AS AT 30 SEPTEMBER 1995

	Notes	1995 £	1994 £
FIXED ASSETS			
Tangible assets	3	<u>55</u>	<u>728</u>
CURRENT ASSETS			
Debtors	4	1,800	1,650
Cash at bank and in hand		<u>24,168</u>	<u>31,422</u>
		25,968	33,072
CREDITORS - Amounts falling due within one year	5	<u>(2,022)</u>	<u>-</u>
NET CURRENT ASSETS		<u>23,946</u>	<u>33,072</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>24,001</u>	<u>33,800</u>
CAPITAL AND RESERVES			
Profit and Loss Account		<u>24,001</u>	<u>33,800</u>
TOTAL CAPITAL AND RESERVES		<u>24,001</u>	<u>33,800</u>

Signed on behalf of the Board of Directors



Professor John Ward
DIRECTOR

Approved by the Board on 17 January 1996.

The notes on pages 7 to 9 form part of these accounts.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 1995**

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards and they include the results of the company's operations which are described in the Directors' Report and all of which are continuing.

The company has taken advantage of the exemption in Financial Reporting Standard no. 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.2 TURNOVER

Turnover represents the invoiced value of founders' and membership subscriptions, net of Value Added Tax.

1.3 SUBSCRIPTIONS

Subscriptions are accounted for on an accruals basis. The subscription year runs from 1 October to 30 September.

1.4 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Computer equipment	33⅓% Straight Line
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 1995

2. STAFF COSTS

	1995 £	1994 £
Wages and salaries	7,500	-
Social security costs	<u>765</u>	<u>-</u>
	<u>8,265</u>	<u>-</u>
	No.	No.
Average number of employees	<u>1</u>	<u>-</u>

No directors recorded any emoluments in respect of services to the company.

3. TANGIBLE ASSETS

	Computer Equipment £
COST	
At 1 October 1994	2,182
Additions	<u>-</u>
At 30 September 1995	<u>2,182</u>
DEPRECIATION	
At 1 October 1994	1,454
Charge for year	<u>673</u>
At 30 September 1995	<u>2,127</u>
NET BOOK VALUE	
At 30 September 1995	<u>55</u>
At 30 September 1994	<u>728</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 1995

4. DEBTORS

	1995 £	1994 £
Sundry debtors	<u>1,800</u>	<u>1,650</u>

5. CREDITORS - Amounts falling due
within one year

	1995 £	1994 £
Sundry creditors	<u>2,022</u>	<u>-</u>

6. COMPANY STATUS

The company is limited by guarantee of its members and accordingly has no share capital.