

**STUDENT AWARDS
AGENCY FOR SCOTLAND**

S A A S

Annual Report and Accounts 2010-11

Student Awards Agency for Scotland

An agency of the Scottish Government

SAAS

Annual report and accounts 2010-11

Presented to the Scottish Parliament under Section 22(5) of the
Public Finance and Accountability (Scotland) Act 2000

Laid before the Scottish Parliament by Scottish Ministers
in October 2011

Contents

	<i>Page</i>
Chief Executive's report	1
Our management board	2
Part 1 Who we are and what we do	3
Part 2 Our aim and vision	4
Part 3 Service delivery	5
Part 4 Performance against our targets	11
Part 5 Environmental report 2010-11	12
Part 6 Annual accounts 2010-11	15
Part 7 Key performance targets	44
Part 8 Contact information	45
Part 9 Glossary	47

Chief Executive's report

This is my second report as SAAS Chief Executive. In my report last year, I recognised that SAAS would face a dual challenge from increasing demand for higher education student support, triggered by the effects of the global recession, and public sector financial pressures. During 2010-11, SAAS has risen to meet these challenges, using social media to improve our communication and relationships with students and acting to streamline our processes wherever possible to improve our service delivery.

I am hugely appreciative of the efforts made by SAAS senior managers and staff to make significant changes in our operation while managing another year of increasing application numbers. During 2010-11 we received almost 156,000 applications – giving us a cumulative growth of almost 11% over the last two years.

However, the introduction of the Guarantee Date, with students submitting a complete application by that date guaranteed that their application would be processed before their course started, allowed us to improve customer service despite the growth in applications. The “Guarantee” encouraged 90,000 students to submit their applications for student support by the 30 June 2010 – twice as many as in 2009-10 – and ensured that they got their support on time.

I must however recognise that SAAS could not have delivered this change alone – staff at universities and colleges across the country played a significant part in highlighting and reminding students of the Guarantee Date. Their efforts are very much appreciated and I am grateful for the closer relationship developing with the institutions. SAAS will continue to improve the working relationships with colleges and universities to ensure that we deliver the best possible service to students and institutions in what will continue to be a challenging environment.

Significant financial challenges face the whole public sector over the next few years and it is clear, from the Green Paper published in December 2010, that the Higher Education sector is not exempt from these pressures. Close working with policy colleagues in Scottish Government, focused on securing a sustainable funding solution for the sector, will be vital in smoothly implementing any changes to student support.

We must also remember that SAAS is a key conduit of information on student support to students, their families and advisers. Clarity on student support is an important factor in the decision-making process for those considering higher education; particularly for those whose families or schools have little experience of university or college study. We will therefore continue to develop and extend our work in support of widening participation programmes across Scotland and encourage schools to seek our involvement in parents nights and information sessions for S4, S5 and S6 pupils.

Finally, my thanks to all at SAAS who have worked exceptionally hard to improve customer service and to improve our flexibility going forward. Not least with the delivery of our new processing system which was implemented for the opening of the 2011-12 session in April.



Tracey Slaven
Chief Executive

Our management board

Tracey Slaven	Chief Executive
Graham Gunn	Head of Information Systems and Operational Policy
Audrey Heatlie	Customer Services Manager
Audrey Shimmons	Head of Finance
Bruce Nelson	Non Executive Board Member
Dugald Mackie	Non Executive Board Member
Allan Forsyth	Non Executive Board Member
Derek Smeall	Non Executive Board Member

Our current non-executive board members have a wide range of experience of university and financial administration. They are Bruce Nelson (Registrar, College of Science and Engineering, University of Edinburgh), Dugald Mackie (retired Vice Principal, University of Manchester), Allan Forsyth (former Assistant Principal, Cardonald College) and Derek Smeall (Assistant Principal), Cumbernauld College.

Part 1

Who we are and what we do

We are an Agency of the Scottish Government located in Edinburgh's South Gyle business park. We pay grants and bursaries to Scottish students in higher education and provide other forms of Government support for learners. We average around 170 staff and manage budgets in excess of £500 million.

Our core function is the assessment of all forms of student support provided by the Scottish Government for those entering and continuing in higher education.

For those wishing to access Higher Education, we:

- Provide information through the web and visits to schools, colleges and universities on how student support can assist individuals' access higher education.
- Assess financial support for tuition fees and living costs, including the special arrangements for nursing, taught postgraduate study and NHS bursaries.
- Pay tuition fees to institutions on behalf of the student and pay bursaries direct to the student.
- Provide resources and data to the Student Loans Company to allow payment of student loans.
- Assess student applications for additional assistance in the form of travel expenses, disability support and lone parent and dependant support.
- Provide funds to Scottish Universities and Colleges to further support students facing hardship or with childcare needs.

We also:

- Assess applications from individuals and pay fees to learning providers under ILA200, as part of a partnership with Skills Development Scotland.
- Maintain a register of charities that offer educational endowments.
- Collect the Graduate Endowment fee (abolished with effect from 1 April 2008).

We have included a glossary at the end of this document which explains terms we have used that you may not be familiar with.

Part 2

Our aim and vision

Our aim is to be an outstanding provider of learner funding for students.

Our vision is to excel at what we do. We aim to:

- Provide high-quality services to the Scottish public that are easy to use.
- Continuously improve the speed and efficiency of our work.
- Value the people who work here and the customers they deal with.

Our contribution to Scottish Government's National Outcomes

The Scottish Government's purpose is to focus Government and public services on creating a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth. The National Performance Framework has five strategic objectives for Scotland – Wealthier and Fairer; Smarter; Healthier; Safer and Stronger and Greener. SAAS contributes to the development of a smarter Scotland and to solidarity, participation and productivity by supporting individuals across Scotland to access Higher Education.

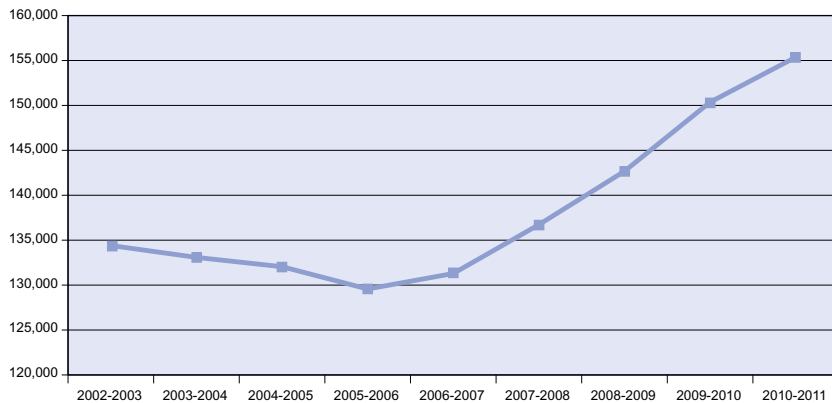
Part 3

Service delivery

Applications for support

We dealt with 155,364 applications in 2010-11; 142,324 from undergraduates, 3,079 from postgraduates and 9,961 from nursing and midwifery students. This is an increase of over 3% on session 2009-10, which was in turn over 7% up on the previous year. In recent years, the pattern of applications received during the session has changed as our application process moved online, with the peak moving from the beginning of session (May) to September, coinciding with course commencement. In order to reverse this trend in session 2010-11 and make it easier to manage volumes, we gave a commitment to have funding in place for the start of the new term to all students applying in full by 30 June. Almost 90,000 students took advantage of that guarantee and its success means that we will continue to promote this in future sessions.

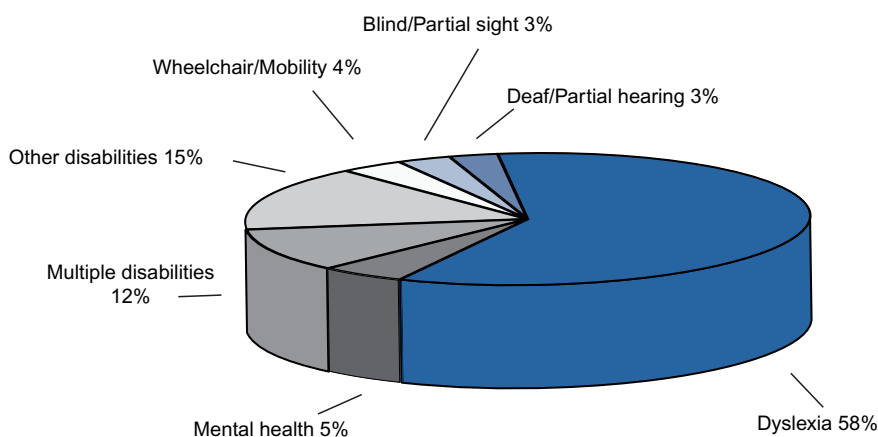
Applications received



Disabled Student Allowances (DSA)

DSA applications also increased during 2010-11 from 4,397 to 4,779 (8.7%). Students with Dyslexia remain the largest group (58%) claiming DSA and the number of students with multiple disabilities rose again from 472 to 567 (up 20%). The following chart provides a breakdown of claims by type of disability.

Students receiving DSA by disability type, 2010-11



Replying to queries

There are only partial call statistics available for the reporting period, as this function could no longer be technically supported and a new system was sourced for April 2011. However, those figures show that calls to the Customer Services Unit in the first three quarters of the year rose again to reflect the overall increase in applications and the shift in their receipt engineered by the introduction of the 'guarantee' date. Incoming call volumes were up on the previous year in each of these quarters by 54%, 49% and 4% respectively.

Incoming calls	April to June	July to September	October to December	January to March	Total for year (April to March)
2009-10	65,549	135,235	90,402	78,306	369,492
2010-11	100,628	201,322	94,192	-	-
% increase	54%	49%	4%	-	-

Internet services

Our website received over 6.8 million hits in 2010-11 and 100% of students applied for their financial support online.

Endowments

We searched the Register of Educational Endowments on behalf of 535 students during the year.

NHS Bursary Scheme

During 2010-11 we processed 746 applications from students eligible for support under the NHS Bursary Scheme.

Individual Learning Accounts Scotland

2010-11 again saw an increase in ILA200 applications, with the number of learners using their accounts (i.e. making at least one booking) up from 47% to 71%. We processed 88,967 applications and 31,052 income reassessments. We opened 82,399 accounts and 58,406 applicants made at least one booking.

ILA200	Applications processed	% Change	Income reassessments	% Change	Accounts opened	% Change	Applicants making at least one booking	% Change
2005-2006	26,449	-	1,834	-	25,557	-	13,168	-
2006-2007	31,819	120%	7,060	1285%	30,751	120%	20,760	158%
2007-2008	41,649	131%	10,984	156%	40,826	133%	25,438	123%
2008-2009	46,755	112%	16,896	154%	36,070	112%	34,437	135%
2009-2010	78,364	168%	22,505	133%	66,674	185%	31,168	110%
2010-2011	88,967	113.5%	31,052	140%	82,399	124%	58,406	187%

ILA500 was introduced on 1 July 2008 and generated 8,475 applications between 1 April 2010 and 31 March 2011. From April 2011, this grant will be known as the Part-time Fee Grant and applications will be made direct to SAAS.

ILA500	Applications received	% Change	Total calculated	% Change	Withdrawn	% Change	Non-Attendance	% Change
2008-2009	3,399		2,210		86		65	
2009-2010	6,710	↑97%	4,892	↑121%	184	↑114%	288	↑343%
2010-2011	8,475	↑26%	7,244	↑48%	91	↓51%	341	↑18%

Graduate Endowment

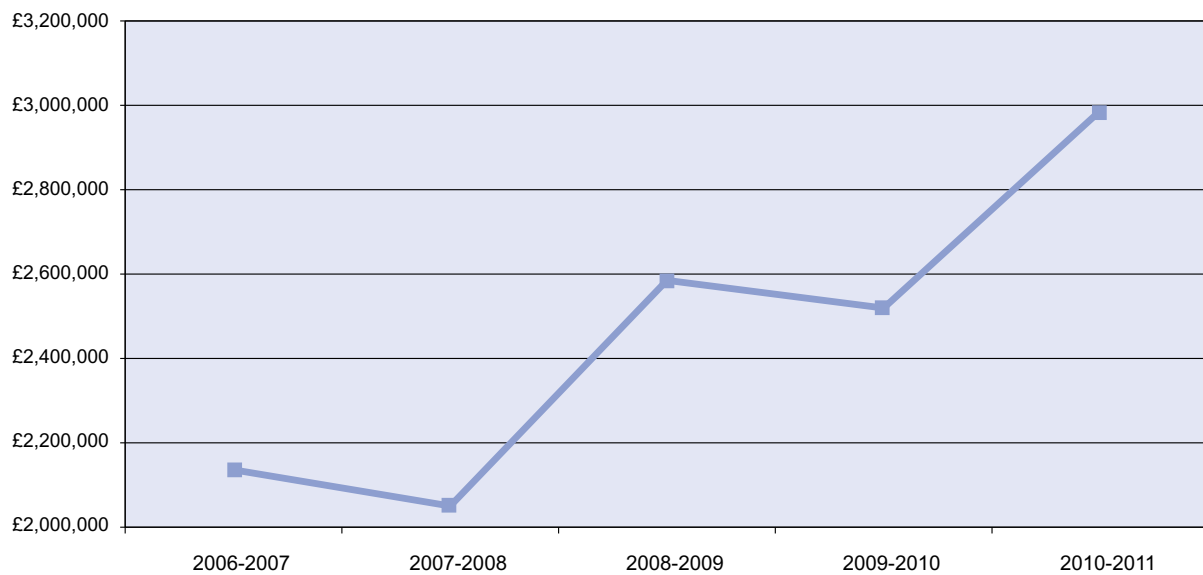
As at 31 March 2011, 135 students remained liable to pay the Graduate Endowment fee. Of these students, 95 have now completed their studies and the remaining 40 continue to have their payments deferred because they are still in full-time study.

Debt recovery

The table and chart below shows the amount of debt we have recovered from 2006-07 to 2010-11.

Year	April to June	July to September	October to December	January to March	Total
2006-07	£502,915	£579,204	£443,213	£610,675	£2,136,007
2007-08	£560,928	£450,983	£536,677	£501,663	£2,050,251
2008-09	£709,635	£546,878	£580,058	£748,550	£2,585,121
2009-10	£658,155	£507,347	£635,245	£718,711	£2,519,458
2010-11	£719,084	£629,096	£737,679	£901,498	£2,987,357

Cash recovered



At the end of March 2011, outstanding debt totalled £12,815,741. Of that total, £3,239,023 (25.3%) is attributable to student nurses and midwives whose bursaries we administer on behalf of the Scottish Government's Health Department.

Information and advice

In 2010 we focused on getting students to 'apply early' for their funding. We introduced a guarantee deadline of 30 June for all students, guaranteeing that their award would be in place at the start of their course if they submitted a complete application by this date. Posters, postcards and booklets were produced to advertise the deadline. In addition, we targeted continuing students through emails and new students through our website, guidance booklets and attendance at events across the country. This resulted in over 90,000 applications being submitted by 30 June in comparison to 25,000 in the previous year.

After a number of successful years with the move to 100% online, no paper copies of our application forms and guidance were issued to institutions. We attended 266 events at institutions, schools and career conventions. This involved speaking to future students and their families, giving them information about student support and how we can help them. We produced a student support guide for these events which has been well received. Feedback confirmed that it is easy to understand and covers all the information required for students and parents.

Complaints and appeals

We publish our complaints and appeals procedure on our website (www.saas.gov.uk) and provide guidance and training to staff dealing with complaints. The Chief Executive's office monitors complaints and produces a report every three months for the management board. These reports provide details of all complaints received and actions taken to address them. Board members look at whether there are any patterns or trends in complaints that might require a change to our working practices. During 2010-11 we received 107 complaints and 230 appeals, 93% of which we answered within 14 working days.

Freedom of information

Our publication scheme is available to the public on our website as required under the Freedom of Information Scotland Act 2000. During 2010-11, we received 19 requests for information under the Act.

Customer surveys

We carry out regular customer surveys and analyse the results to identify where we can improve our services. Thank you to everyone who took the time to complete our 2010 customer survey form. This year we issued e-mails with links to the survey form to all students and the survey form was also made available on our website. We received 12,329 completed returns. The feedback we received helped the agency plan for the next session and make improvements to our services.

In 2010-11, we completed our fourth Disabled Students' Allowance (DSA) customer survey. We sent forms to a random sample of 500 students who were receiving DSA to ask them for comments on the services we provide as well as the overall DSA policies in place. A summary of the main findings is as follows:

- **Needs Assessment** – Most students were satisfied with the needs assessment process and the staff at institutions and Access Centres who provide this service. Some students felt that the process was too long with equipment not being received until well after the course start date. There is a scheme in operation to establish an agreed quality assurance framework under which assessments can be carried out. We now have over 30 colleges and universities who are validated to carry out assessments. Steps are in place to bring more institutions on board, which should further improve the efficiency of the process.

- Application and Guidance – 63% of students agreed that the DSA Application Guidance Notes were easy to understand. Our DSA Guidance Notes have been substantially re-written in the last couple of years as a result of feedback from the survey. We now include a section that helps explain how to complete the DSA application. In addition, further information relating to DSA, including new sections and FAQs, has been added to our website.
- Payment Method – 79% of students were more than satisfied with the method of payment for DSA.

Human Resources

During the period 1 April 2010 to 31 March 2011 SAAS appointed ten Band A and two Band B staff as a result of two recruitment campaigns. The recruitment complied fully with the Civil Service Commissioners' Recruitment Code ensuring fair and open competition and appointment on merit. Of the twelve candidates appointed eight are female and four are male. None of the appointees declared a disability and four appointees were from an ethnic minority.

As at 31 March 2011, twenty-eight permanent employees were working part time, with varied working patterns of 2 to 5 days, covering a minimum of 15 hours to a maximum 36 hours per week. In addition, one member of staff works annualised hours and three work a full-time compressed week.

SAAS Headcount by grade, work pattern and gender as at 31 March 2011

Directorate	Grade	Female		Male		Grand Total
		FT	PT	FT	PT	
CHIEF EXECUTIVE OFFICE	SCS Deputy Director 1	1				1
	B2	2				2
	A3	1				1
CUSTOMER SERVICES UNIT	B3	1		1		2
	B2	2	1			3
	B1	4		2		6
	A4	6	6	4		16
	A3	35	11	33	1	80
FINANCE	C1		1			1
	B3			2		2
	B2		1			1
	B1			1		1
	A4	1				1
	A3	3	3	4		10
HUMAN RESOURCES & ACCOMMODATION	B3	1				1
	B1			1		1
	A4		1			1
INFORMATION SYSTEMS & POLICY	C2			1		1
	B3	1		3		4
	B2	3	2	3		8
	B1	4	1	8		13
	A4	4		4		8
	A3			2		2
Grand Total		69	27	69	1	166

Health and safety

Our health and safety policy recognises that the Agency, as an employer, has to ensure the health and safety of our staff but that they also have a duty of care for themselves. We have a Health and Safety Committee who meet quarterly to consider the results of health and safety inspections of Gyleview House. The Agency's Management Board receive minutes of these meetings which are also available on our website.

Part 4

Performance against our targets

Targets	Performance 2006-2007	Performance 2007-2008	Performance 2008-2009	Performance 2009-2010	Performance 2010-2011
Key Targets					
All applications received by 30 June to be processed in time for courses starting in the new academic session (earliest start date 01 August)	Not available	Not available	Not available	Not available	100%
All email or written enquiries to be resolved within 21 days	91%	88%	93%	98%	98%
All formal complaints and appeals to receive a response within 14 days	94%	95%	98%	96%	93%
Management Performance Targets					
Processing:					
To process*: • 75% of applications within 14 days of receipt, and • 90% within 21 days	52% within 14 days 82% within 21 days	74% within 14 days 83% within 21 days	83% within 14 days 95% within 21 days	65% within 14 days 75% within 21 days	50% within 14 days 56% within 21 days
Average unit cost of less than £40 to process an application based on relevant costs	£37.44	£37.58	£37.12	£36.13	£36.54
Complaints:					
Less than 1 in 1,000 applications to generate a formal complaint to SAAS	0.74 per 1,000 applications	0.94 per 1,000 applications	0.69 per 1,000 applications	0.76 per 1,000 applications	0.69 per 1,000 applications
Less than 10 formal complaints to be received/upheld by the Scottish Public Sector Ombudsman	Not available	Not available	Not available	3 received 0 upheld	2 received 0 upheld
100% of ministerial correspondence to be delivered within target: • ministerial replies (10 working days) • official replies (20 working days)	Not available	Not available	Not available	87% ministerial replies 100% official replies	98% ministerial replies 100% official replies
Financial Performance:					
100% of invoices to be paid within 10 days (30 days prior to December 2008)	99.5%	95.6%	98.0%	99.8%	96.9%
30% of opening debt to be recovered during the year	34%	29%	31%	25%	30%

*The introduction of the Guarantee dramatically changed the profile of application submission with 90,000 submitted by 30 June 2010 (up from 45,000 in 2009-10). The Guarantee was met but the processing time for applicants after 30 June was significantly extended with support and approval of the Management Board.

Part 5

Environmental Report 2010-11

This report details SAAS performance measured against our environmental policy targets up until 31 March 2011.

SAAS environmental policy

SAAS's environmental policy is to ensure that we reduce the impact of our operations on the environment. Our policy is consistent with the Scottish Government's strategic objective to create a Greener Scotland. The actions we take to implement our policy will help achieve National Outcome 14 to "reduce the local and global impact of our consumption and production". We measure, monitor and report on the achievement of our objectives and targets annually. Our policy is made available to staff on our intranet and the general public via the SAAS website.

Targets

Our targets are:

- To reduce the amount of waste produced and sent to landfill
- To reduce the amount of energy used per member of staff each year
- To reduce water usage per member of staff each year

The agency continues to comply with legislation and best practice to meet ISO 14001 standards and our environmental targets. We also monitor and report on energy and water usage and waste recycling.

Table 1 Building details

	Floor Area (m ²)	Additional Minor Occupiers	Total SAAS Staff as at 31 March 2011	Other Minor Occupiers	Total Occupying Staff
Gyleview House	4448.5	Cleaning Staff	166	3	169

Table 2 Utilities comparison 2006-2007 to 2010-2011

	2007-2008		2008-2009		2009-2010		2010-2011	
	(kWh)	Co ₂ (Tonnes)	(kWh)	Co ₂ (Tonnes)	(kWh)	Co ₂ (Tonnes)	(kWh)	Co ₂ (Tonnes)
Electricity	319,335	137.31	369,159	159.01	402,532	163.63	399,550	171.81
Gas	252,519	47.98	295,051	56.06	270,945	38.18	223,742	44.41
Total	571,854	185.29	664,851	215.07	665,377	201.81	604,955	216.22
Water (M ³)	2,189*		1,874*		818		851	

*Water usage figures based on estimates provided by Scottish Water. Figures since June 2008 are based on monthly meter readings.

Note: From August 2005, the figure used to calculate CO₂ emissions is kWh multiplied by 0.43 for electricity and since November 2010 gas is multiplied by .206 then divided by 1000 to give results in tonnes. This is the figure used by DEFRA and Carbon Trust.

Gas usage

During the severe winter weather conditions the gas boilers were on for 24 hours a day 7 days a week. However, outside the severe winter the use of the boilers has been reduced and this has resulted in lower gas consumption than last year.

Electricity usage

Through SG procurement, we purchase 100% of the electricity required to run our building from “green” sources. Electricity consumption has decreased this year due to a slight reduction in staff numbers requiring IT equipment and staff working less overtime throughout the session. We have energy efficient lighting and movement sensors to switch off lights in areas not being used. We continue to maintain office windows each year to reduce heat loss.

Without risk to our IT equipment, we have been able to increase the minimum temperature in server rooms by 3°C so as to reduce power consumption by air conditioning units. From 2008 all the Agency’s PCs have been automatically switched off at 7pm each night.

Water usage

Following the installation of water-saving devices in June 2008 the water usage is reasonably static and further savings will be difficult to achieve.

Paper usage

The Agency’s use of paper has decreased dramatically over the last few years due to a number of major systems changes we have made, including taking applications over the Internet. In 2010-11 the Agency did not issue paper application forms and guidance documents to encourage students to use our website and applying online for funding. Over 99% of applications were made online last session.

All the paper we purchase is made from 100% recycled materials and printers are set to print double sided automatically. We centralised paper and stationery ordering in 2006 to minimise the number of deliveries made to Gyleview House and to ensure that we buy environmentally-friendly products wherever possible.

Waste Management

Table 3 Waste comparison 2007-2008 to 2010-2011

Year	2007-2008	2008-2009	2009-2010	2010-2011
Total waste recorded	58.300	42.780	53.165	55.095
Recycled	52.471 (90.00%)	37.746 (88.23%)	49.997 (94.04%)	41.029** (74.20%)
Landfill	5.829 (10%)	5.034 (11.77%)	3.168 (5.96%)	14.065** (25.80%)
Total waste per member of staff	0.389	0.285	0.3107	0.326 **

** We entered into a new collaborative partnership contract for waste collection in 2010-11.

The new contractors do not measure SAAS recycled waste separately but instead, aggregate with other customer uplifts and report aggregated figures back to us. As a result, the figures for 2010-11 are not a true reflection of SAAS recycled waste. We continue to discuss this issue with the contractor.

Biodiversity

The Agency's landscape contractor uses native plants produced in Scotland and recycles 90-100% of green waste - nothing goes to landfill. Biodegradable systemic herbicides are used rather than pesticides.

Travel

In 2010-11 the Agency issued 291 train tickets and 273 bus tickets to staff attending meetings or training events out with the office and travelling by public transport. Telephone and video-conference facilities were used throughout the year to reduce travel.

The Agency has racks for 12 bicycles which are used regularly by staff. We also promote the Cycle2work scheme which has been improved to provide tax savings for staff buying bicycles.

Our staff intranet provides information on travel issues and notice boards give details about local bus and train services etc. We also show real time tracker timetables on our foyer TV screens. We include relevant travel information in our induction pack for new starts.

Communication

The Environmental Team provide updates on progress against our environmental targets for staff and our environmental policy is part of induction training for all new staff. The environmental notice board is kept up to date with notices and leaflets that are relevant to any ongoing initiatives.

Part 6

Annual accounts 2010-11

Management Board Report 2010-11

Accounts direction

The accounts have been prepared in accordance with a direction given by the Scottish Ministers in accordance with Article 19(4) of the Public Finance and Accountability (Scotland) Act 2000.

History and statutory background

We were established as an Executive Agency on 5 April 1994. Our operating framework, including financial delegations, is established in the Agency's Framework Document. As Chief Executive I am the Agency's Accountable Officer, responsible to the Government's Principal Accountable Officer and Scottish Ministers.

Principal activities

We provide financial support to full-time students in higher education by administering the Students' Allowances Scheme; the Postgraduate Students' Allowances Scheme; the Nursing and Midwifery Student Bursaries Scheme; and the NHS Dental Bursary scheme. We distribute Discretionary and Childcare Funds to Scottish further and higher education institutions and provide resources to the Student Loans Company Limited for both loan funding and administration costs. We also administer the Individual Learning Accounts Scotland Scheme, in partnership with Skills Development Scotland.

Principal risks and uncertainties

The principal risk and uncertainty is that there will be exceptional pressures on public sector finance. SAAS student support expenditure is demand-led and out with organisational control.

Management Board 2010-11

Tracey Slaven	- Chief Executive
Graham Gunn	- Head of Information Systems and Operational Policy
Audrey Heatlie	- Customer Services Manager
Audrey Shimmons	- Head of Finance
Bruce Nelson	- Non Executive Board Member
Dugald Mackie	- Non Executive Board Member
Allan Forsyth	- Non Executive Board Member
Derek Smeall	- Non Executive Board Member

Information on salary and pension entitlement can be found in the Remuneration Report and Note 2 in the Notes to the Accounts.

The Accountable Officer authorised these financial statements for issue on 5 July 2011.

Equal opportunity

We are an agency of the Scottish Government. We can recruit staff up to salary Band C in line with Scottish Government equal opportunity policy and the Civil Service Recruitment Code. We do not regard sex, marital status, age, race, ethnic origin, sexual orientation, disability, religion or belief, working patterns, employment status, gender identity (transgender), caring responsibility or trade union membership as a bar to employment, training or advancement. We recruit staff solely on their ability to do the job.

Consulting with employees

We recognise the importance of good industrial relations and consulting fully with staff. The Management Team holds both formal and informal meetings, and regularly communicates with all staff and their representatives.

Paying invoices

We are committed to paying invoices promptly for the supply of goods and services, and we aim to meet the Confederation of British Industry's prompt payment code at all times. We process invoices on the Scottish Executive's Accounting System (SEAS) and pay them within 10 days of receipt of the invoice or delivery of the goods or services, whichever is later. In the year, we paid 96.9% (99.8% in 2009-10) of invoices on time.

Charitable donations

We made no charitable donations in 2010-11. However, under the Healthy Working Lives scheme, we did pay £53 for a demonstration of a Zumba dance class, to encourage staff to participate in future classes at their own expense.

Auditors

Our accounts are audited by auditors appointed by the Auditor General for Scotland. Further details on audit remuneration can be found in Note 3 to the Accounts.

Disclosure of relevant audit information

As Accountable officer, I am not aware of any relevant audit information of which our auditors are unaware. I have taken all necessary steps to ensure that I myself am aware of any relevant audit information and to establish that the auditors are also aware of this information.

Management Commentary

Review of the business

We received almost 156,000 applications this session and dealt with 56% of them in 21 days or less. We introduced a “guarantee” date for applications to be received and processed. All of these applications were processed in time for students commencing their studies. Almost all students who made an application to us applied using our on-line services and our website received 6.8m hits. In 2007, the Agency started work to redesign and implement a new student award processing system (StEPS) and this project went live for application session 2011-12. Full details of our business activities during 2010-11 can be found in our annual report.

Financial review

Our budget is approved by the Scottish Parliament. The Agency net running costs budget including depreciation and amortisation was £7.710m (£8.046m in 2009-10). This does not include provision for Central Scottish Government charges where actual expenditure amounted to £0.317m.

Comparison of our budget to actual outturn, excluding notional charges, shows a net under spend of £0.717m. This saving is due to amortisation charges not being incurred as a result of the delay in implementing the awards processing system, along with savings on solicitor expenses resulting from improved processes and recharging the Scottish Government Health and Social Care Portfolio the full costs of their legal charges for the recovery of debt from nursing students. These savings were offset by costs for voluntary severance and early retirement. Our capital costs were just within budget of £0.720m.

Total operating costs in the financial year were £7.333m (£7.799m in 2009-10 restated). This represents a decrease of 6% compared to expenditure in the previous year. This decrease is mainly due to lower depreciation and amortisation charges and savings on our solicitor expenses as detailed above.

The purpose of these accounts is to show how we use our administration budget. However, we also administer income and expenditure for student support and account for this within the Scottish Government Education and Lifelong Learning Directorate budget for 2010-11 as follows:

	Operating Budget	Capital Budget
	£m	£m
Fees, Grants and Bursaries	344.5	
Individual Learning Accounts	9.8	
Repayment of Awards	(2.0)	
Widening Access Funds	18.8	
Student Loans Company Administration	5.2	
Student Loans Net New Lending	-	123.0
Student Loan Interest Subsidy to Banks	4.5	

In addition, we have an operating budget of £83.6m to cover accounting charges such as interest and charges to other provisions relating to student loans.

Future business developments

Our new student awards processing system was introduced in April 2011. Our original aim was to have the system operational for the 2008-09 processing session but risks identified in volume testing delayed implementation. The system provides new functionality and more management information than its predecessor in addition to its basic purpose of processing applications for student support.

Research and development

Given the level of resource required to design and implement the new student awards processing system, little other research and development work was undertaken in 2010-11.

Risk and control

Management and the control of risk is a key task for SAAS. We maintain a risk register which identifies all internal and external risks to the organisation and the actions required to reduce the likelihood of these risks occurring and measures to investigate their effects should they do so. The register is linked to our business continuity plan. Both the risk register and the business continuity plan are reviewed and updated by the Management Board. We also keep our IT and procedural systems of control under continuous review and amend and improve when necessary.

Personal data-related incidents

There was one minor data loss issue affecting six students. Mitigation and remedial action has been implemented to avoid recurrence.

Key performance indicators

Full details of SAAS targets and performance can be found in Part 4 of the Annual Report.

Environmental matters and social and community issues

The Agency has an environmental management system to ensure that we continuously seek to reduce the impact of our operations on the environment. We review our Environmental Policy annually and set targets which are published in our Corporate Plan.

We continue to promote physical activity, healthy eating and arrange free of charge twice yearly health checks for staff. We encourage staff, at their own time and expense, to participate in activities such as golf outings, walking, jogging and Zumba classes. We also regularly arrange for a podiatrist and a masseuse to visit the agency to allow staff to book sessions, again at their own time and expense.

Average days sickness absence

The average working days (full-time equivalent) lost due to sickness absence for 2010-11 is 13.38 days (13.29 days 2009-10).

Disabled employees

There are eight members of SAAS staff (eight staff in 2009-10) recorded as disabled on the Scottish Government electronic HR system for 2010-11.

Company directorships and other significant interests

Allan Forsyth, one of our non-executive Management Board members, has declared an interest as he has an IT Consultancy business which contracts with Institutions within the Higher Education sector. He does not undertake contract work for SAAS.

Audit Committee

SAAS has an audit committee which supports me as Accountable Officer in monitoring and reviewing corporate governance, risk and control systems within the Agency. The committee meets four times a year in accordance with best practice guidance from the Scottish Government. Its membership comprises our non-executive board members and it is chaired by Dugald Mackie. SAAS senior managers and representatives of Audit Scotland and Scottish Government Internal Audit normally attend committee meetings although the committee has the right to meet in camera should it so wish.

Significant changes in assets

We have summarised the changes in assets in the notes to the financial statements. The intangible asset under construction is the ongoing development to design and build a new awards processing system. The system became operational in April 2011.



Tracey Slaven
Chief Executive
5 July 2011

Student Awards Agency for Scotland Remuneration Report

Service contracts

Civil service appointments are made in accordance with the Civil Service Commissioners' Recruitment Code. The Code requires appointments to be on merit, on the basis of fair and open competition but also includes the circumstances when appointments may otherwise be made.

The Chief Executive is appointed as a Senior Civil Service Post at Deputy Director Level and is subject to the same performance arrangements as the rest of the Senior Civil Service. All other permanent appointments within SAAS are on Scottish Government main terms and conditions.

Unless otherwise stated below, the officials covered by this report hold appointments which are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

Further information about the work of the Civil Service Commissioners can be found at www.civilservicecommissioners.gov.uk.

Remuneration (including salary) and pension entitlements

Senior management salaries

The salary, pension entitlements and benefits in kind of the SAAS Management Board were as follows:

Senior management	2010-11			2009-10		
	Salary £000	Bonus payments £000	Benefits in kind (to nearest £100)	Salary £000	Bonus payments £000	Benefits in kind (to nearest £100)
Tracey Slaven <i>Chief Executive</i>	80-85	0-5	-	40-45 (part year)	-	-
Graham Gunn <i>Head of Information Systems and Operational Policy</i>	60-65	-	-	55-60	0-5	-
Audrey Heatlie <i>Customer Services Manager</i>	35-40	-	-	35-40	0-5	-
Audrey Shimmons (part-time) <i>Head of Finance</i>	35-40	-	-	30-35	-	-

The performance bonus paid to Tracey Slaven, Chief Executive, in 2010-11 includes recognition for performance in a previous role within the Scottish Government as Deputy Director, Third Sector Policy.

Following best practice and advice from the Scottish Government, and in order to attract a wide range of candidates for future appointments, the Minister agreed in October 2008 that we should remunerate our non-executive Board members by paying a daily attendance fee.

Our non executive directors received the following attendance fee payments during financial year 2010-11. No other fees were paid to non executive directors in the year.

Non-executive director	Amount to nearest £
Bruce Nelson	600
Dugald Mackie	800
Allan Forsyth	800
Derek Smeall	1,400

Salary

'Salary' includes gross salary; any performance pay or bonuses; overtime; reserved rights to London weighting, recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation.

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by the HM Revenue & Customs as a taxable emolument. None of our senior managers received any such benefit during the 2010-11 financial year.

Bonuses

Bonuses are paid on performance levels attained and are made as part of the appraisal process. Bonuses relate to the performance in the year prior to which the payment is made. The bonuses reported in 2010-11 relate to performance in 2009-10 and the comparative bonuses reported for 2009-10 relate to performance in 2008-09.

Compensation on loss of office

None of our Non Executive Board Members received any compensation payments for loss of office during the year.

Pension entitlements

	Accrued pension (and lump sum) at age 60 as at 31-03-11	Real increase in pension (and lump sum) at age 60	CETV at 31-03-11	CETV at 31-03-10	Real increase in CETV	Employer contribution to partnership pension account
	£'000	£'000	£'000	£'000	£'000	Nearest £100
Tracey Slaven <i>Chief Executive</i>	10-15 (-)	0-2.5 (-)	111	92	8	-
Graham Gunn <i>Head of Information Systems and Operational Policy</i>	30-35 (90-95)	0-2.5 (5-7.5)	723	633	39	-
Audrey Heatlie <i>Customer Services Manager</i>	15-20 (45-50)	0-2.5 (0-2.5)	263	239	3	-
Audrey Shimmons (part-time) <i>Head of Finance</i>	5-10 (-)	0-2.5 (-)	113	97	7	-

The actuarial factors used to calculate CETVs were changed in 2010-11. The CETVs at 31-03-10 and 31-03-11 have both been calculated using the new factors, for consistency. The CETV at 31-03-10 therefore differs from the corresponding figure in last year's report which was calculated using the previous factors. Taking account of inflation, the CETV funded by the employers has decreased in real terms.

Details of pensions and Cash Equivalent Transfer Values are disclosed based on information supplied by the Department for Work and Pensions.

All information disclosed in the tables above has been audited by Audit Scotland. The other sections of the Remuneration Report were reviewed by Audit Scotland to ensure that they were consistent with the financial statements.

Civil Service pension

Pension benefits are provided through the Civil Service pension arrangements. From 30 July 2007, civil servants may be in one of four defined benefit schemes; either a 'final salary' scheme (classic, premium and classic plus) or a 'whole career' scheme (nuvos). These statutory schemes are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus and nuvos are increased annually in line with Pensions Increase legislation. Members who joined from October 2002 could opt for either the appropriate defined benefit arrangement or a good quality 'money purchase' stakeholder arrangement with a significant employer contribution (partnership pension account).

Employee contributions are set at the rate of 1.5% of pensionable earnings for classic and 3.5% for premium, classic plus and nuvos. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years' pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum. Classic plus is essentially a hybrid with benefits in respect of service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 worked out as in premium. In nuvos a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is

credited with 2.3% of their pensionable earnings in that scheme year and immediately after the scheme year end the accrued pension is updated in line with Pensions Increase legislation. In all cases members may opt to give up (commute) pension for lump sum up to the limits set up by the Finance Act 2004.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of three providers. The employee does not have to contribute but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.8% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill-health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic plus and 65 for members of nuvos.

Further details about the Civil Service pension arrangements can be found at the website www.civilservice-pensions.gov.uk.

Cash Equivalent Transfer Values

A cash equivalent transfer value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in CETV

This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Compensation for loss of office

Seven members of staff left under non-compulsory exit schemes at a total cost of £173,888. Details are provided in note 19 to the accounts.



Tracey Slaven
Chief Executive
5 July 2011

STATEMENT OF AGENCY'S AND CHIEF EXECUTIVE/ ACCOUNTABLE OFFICER RESPONSIBILITIES

In accordance with section 19(4) of the Public Finance and Accountability (Scotland) Act 2000, the Scottish Ministers have directed the Student Awards Agency for Scotland to prepare a statement of accounts for each financial year in the form and on the basis set out in the accounts direction.

The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of SAAS at the year end and of its operating costs, total recognised gains and losses and cash flows for the financial year.

In preparing the accounts the Agency is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- observe the accounts direction issued by the Scottish Ministers, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements;
- prepare the financial statements on the going concern basis.

The Principal Accountable Officer of the Scottish Government has appointed the Chief Executive of the Student Awards Agency for Scotland as the Accountable Officer for the Agency. The responsibilities of an Accountable Officer, including responsibility for the propriety and regularity of the public finances for which the Accountable Officer is answerable, for keeping of proper records, and for safeguarding the Student Awards Agency for Scotland's assets, are set out in the Accountable Officer's Memorandum issued by the Scottish Ministers.



Tracey Slaven
Chief Executive
5 July 2011

STATEMENT ON INTERNAL CONTROL

Scope of Responsibility

As Accountable Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of my organisation's aims and objectives as agreed by Scottish Ministers, whilst safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me.

I am accountable for the proper, efficient use of resources provided to my Agency and for the provision of administration and debt recovery services for nursing and midwifery students and those receiving health bursaries. I am also responsible for ensuring that the relevant guidance and requirements of advice issued by Scottish Government Finance directorate are met and for putting into effect any recommendations accepted by Ministers or the Scottish Parliament. The Chief Executive's accountability is subject to the respective overall responsibilities of the Permanent Secretary of the Scottish Government as the Principal Accountable Officer, the Director-General Education and the Chief Executive of the National Health Service in Scotland as Accountable Officers.

Purpose of the System of Internal Control

The system of internal control is designed to manage rather than eliminate the risks of failure to achieve my organisation's policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process designed to identify the principal risks to the achievement of my organisation's policies, aims and objectives; to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically.

The Scottish Public Finance Manual (SPFM) is issued by the Scottish Ministers to provide guidance to the Scottish Government and other relevant bodies on the proper handling of public funds. It is mainly designed to ensure compliance with statutory and parliamentary requirements, promote value for money and high standards of propriety, and secure effective accountability and good systems of internal control. The processes within my organisation accord with the SPFM and have been in place for the year ended 31 March 2011 and up to the date of approval of the annual report and accounts and accord with guidance from the Scottish Ministers.

Risk and Control Framework

All bodies subject to the requirements of the SPFM must operate a risk management strategy in accordance with relevant guidance issued by the Scottish Ministers. The general principles for a successful risk management strategy are set out in the SPFM.

The management of risk is a key task within SAAS. My Agency maintains a risk register which records internal and external risks we are exposed to and identifies the mitigating actions required to reduce the threat of these risks occurring and their impact. The risk register is regularly updated and reviewed by our Management Board. Each risk is allocated an owner, category, type and description along with an assessment of the likelihood of its happening and its impact on our operations. Mitigating actions to minimise risks are recorded as action points along with details of who will carry them out and when. Each risk is allocated a status and a date for review. Staff dealing with risk are well versed and experienced in all aspects of risk management.

As well as the main risk register, individual risk registers are used for specific projects as a management control tool to ensure successful outcomes. These provide a mechanism to report risks to the project management board for assessment and to escalate high-level/high-impact risks to project sponsors or senior Agency management to take preventative action.

In line with Scottish Government guidance on managing risk to information, I have appointed a Senior Information Risk Owner (SIRO) along with Information Asset Owners (IAOs) and have an Information Security Policy in place. There was one minor data loss issue affecting six students. Mitigation and remedial action has been implemented to avoid recurrence.

Following discovery of an organised fraud ring in 2008-09, where individuals used false identities to claim student support and increasing targeting of the public sector via phishing attacks, we continue to develop and implement measures to strengthen our internal controls.

More generally, my organisation is committed to a process of continuous development and improvement: developing systems in response to any relevant reviews and developments in best practice in this area. In particular, in the period covering the year to 31 March 2011 and up to the signing of the accounts my organisation has achieved the following:

- sustained an ongoing major in-house project to re-write our main IT processing system. The system went live on 6 April 2011;
- strengthened internal controls to counter fraud, including the acquisition of new anti-fraud software and the accreditation of staff to interview under caution; and
- implemented a manual attendance conformation project, improving the efficiency of tuition fee payments process.

Review of Effectiveness

As Accountable Officer, I have responsibility for reviewing the effectiveness of our system of internal control. My review is informed by:

- formal assurances from Agency managers who have responsibility for the development and maintenance of our internal control framework;
- the work of our internal auditors, who make regular reports to my organisation's Audit Committee which present the Head of Internal Audit's independent and objective opinion on the adequacy and effectiveness of my organisation's systems of internal control together with any recommendations for improvement;
- comments made by our external auditors in management letters and other reports;
- my Management Board which meets quarterly to consider the plans and strategic direction of my organisation. The board comprises the senior members of my organisation and four external independent non-executive members;
- quarterly meetings with our key liaison figure with the Scottish Government for which a report on all my organisation's activities and achievement of key targets is prepared;
- minutes of the meetings of my organisation's Audit, Information Systems, and Health and Safety committees which are tabled at Management Board meetings by their respective chair persons;
- regular reports on managing risks on key projects; and
- the risk register in place for all critical elements of our operations. This is reviewed by the management board at least twice a year.

Appropriate action is in place to address any weaknesses identified and to ensure the continuous improvement of the system.



Tracey Slaven
Chief Executive
5 July 2011

Independent Auditor's Report

Independent auditor's report to the Student Awards Agency for Scotland, the Auditor General for Scotland and the Scottish Parliament

I have audited the financial statements of Student Awards Agency for Scotland for the year ended 31 March 2011 under the Public Finance and Accountability (Scotland) Act 2000. The financial statements comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and as interpreted and adapted by the 2010-11 Government Financial Reporting Manual (the 2010-11 FReM).

This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and for no other purpose. In accordance with paragraph 123 of the Code of Audit Practice approved by the Auditor General for Scotland, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Respective responsibilities of Accountable Officer and auditor

As explained more fully in the Statement of Agency's and Chief Executive / Accountable Officer Responsibilities, the Accountable Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and is also responsible for ensuring the regularity of expenditure and receipts. My 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) as required by the Code of Audit Practice approved by the Auditor General for Scotland. Those standards require me to comply with the Auditing Practices Board's Ethical Standards for Auditors. I am also responsible for giving an opinion on the regularity of expenditure and receipts.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts, disclosures, and regularity of expenditure and receipts 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 body's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Accountable Officer; and the overall presentation of the financial statements. In addition, I read all the financial and non-financial information in the Annual Report and Accounts to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my report.

Opinion on financial statements

In my opinion the financial statements:

- give a true and fair view in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers of the state of the body's affairs as at 31 March 2011 and of its net operating cost for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the 2010-11 FReM; and
- have been prepared in accordance with the requirements of the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

Opinion on regularity

In my opinion in all material respects:

- the expenditure and receipts in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers, the Budget (Scotland) Act covering the financial year and sections 4 to 7 of the Public Finance and Accountability (Scotland) Act 2000; and
- the sums paid out of the Scottish Consolidated Fund for the purpose of meeting the expenditure shown in the financial statements were applied in accordance with section 65 of the Scotland Act 1998.

Opinion on other prescribed matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers; and
- the information given in the Chief Executive's report, Our management board, Who we are and what we do, Our aim and vision and contribution to Scottish Government National Outcomes, Service delivery, Our performance against our targets, Environmental report 2010-11, Management board report 2010-11, Management commentary, Key performance measures, Contact information, SAAS organisational chart and Glossary included in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I am required to report by exception

I am required to report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit; or
- the Statement on Internal Control does not comply with Scottish Government guidance.

I have nothing to report in respect of these matters.



Mark Taylor
Assistant Director

Audit Scotland
Osborne House
1/5 Osborne Terrace
Edinburgh
EH12 5HG

7 July 2011

Student Awards Agency for Scotland

Statement of comprehensive net expenditure for the year ended 31 March 2011

		2010-11	Restated 2009-10
	Note	£000	£000
Administrative costs			
Staff costs	2	4,360	4,040
Other administrative costs	3	2,424	2,828
Depreciation and amortisation	4,5	549	931
Net operating costs		7,333	7,799

Other comprehensive expenditure

		2010-11	Restated 2009-10
	Note	£000	£000
Net gain/(loss) on revaluation of property, plant and equipment		-	-
Net gain/(loss) on revaluation of intangibles		-	-
Net gain/(loss) on revaluation of available for sales financial assets		-	-
Total comprehensive expenditure for the year ended 31 March 2011		7,333	7,799

The above results relate to continuing activities.

The notes on pages 33 to 42 form part of these accounts.

Student Awards Agency for Scotland

Statement of financial position as at 31 March 2011

As at:		31 March 2011 £000	31 March 2010 £000
	Note		
Non-current assets			
Property, plant and equipment	4	518	572
Intangible assets	5	3,367	3,147
Total non-current assets		3,885	3,719
Current assets			
Trade and other receivables	6	126	138
Total current assets		126	138
Total assets		4,011	3,857
Current liabilities			
Trade and other payables	7	509	559
Provision for liabilities and charges	9	49	24
Total current liabilities		558	583
Total assets less current liabilities		3,453	3,274
Non-current liabilities			
Provisions for liabilities and charges	9	1,005	969
Total non-current liabilities		1,005	969
Assets less liabilities		<u>2,448</u>	<u>2,305</u>
Taxpayers equity			
General reserve	SOCTE	2,429	2,286
Revaluation reserve	SOCTE	19	19
Total taxpayers equity		<u>2,448</u>	<u>2,305</u>

The notes on pages 33 to 42 form part of these accounts



Tracey Slaven
Chief Executive
5 July 2011

Student Awards Agency for Scotland

Statement of cash flows for the year ended 31 March 2011

		2010-11	Restated 2009-10
	Notes	£000	£000
Net cash outflows from operating activities		(6,526)	(6,505)
Net cash outflows from investment activities		(610)	(1,062)
Cash flows from financing activities	17	<u>7,136</u>	<u>7,567</u>
Increase/(decrease) in cash in period		-	-
 (A) Reconciliation of operating costs to operating cash flows			
Net operating cost		(7,333)	(7,799)
Adjust for non-cash transactions		889	1,258
(Increase)/decrease in receivables and other current assets	6	12	(42)
Increase/(decrease) in trade and other payables	7	(155)	101
Increase/(decrease) in provisions	9	61	(23)
Net cash flows from operating activities		(6,526)	(6,505)
 (B) Analysis of cash flows from investment activities			
Purchase of property plant and equipment	4	(164)	(187)
Purchase of intangible assets	5	(446)	(875)
Net cash flows from investing activities		(610)	(1,062)
 (C) Analysis of cash flows from financing activities			
From Scottish Consolidated Fund	17	7,136	7,567
Cash flows from financing activities		<u>7,136</u>	<u>7,567</u>
Decrease/(increase) in cash and cash equivalents		-	-

Student Awards Agency for Scotland

Statement of changes in taxpayers' equity for the year ended 31 March 2011

	Note	General reserve £000	Revaluation reserve £000	Total £000
Balance at 31 March 2010		2,286	19	2,305
Changes in taxpayers' equity for 2010-11				
Non-cash charges – auditors remuneration	3	23	-	23
Non-cash charges – notional costs	3	317	-	317
Net operating cost for the year		(7,333)	-	(7,333)
Total recognised income and expenditure for 2010-11		(4,707)	19	(4,688)
Parliamentary funding	17	7,136	-	7,136
Net parliamentary funding drawn down		7,136	-	7,136
Balance at 31 March 2011		2,429	19	2,448

Statement of changes in taxpayers' equity for the year ended 31 March 2010

	Note	General reserve £000	Revaluation reserve £000	Restated Total £000
Balance at 1 April 2009		2,191	19	2,210
Changes in taxpayers' equity for 2009-10				
Non cash charges – auditors remuneration	3	24	-	24
Non cash charges – notional costs	3	303	-	303
Net operating cost for the year		(7,799)	-	(7,799)
Total recognised income and expenditure for 2009-10		(5,281)	19	(5,262)
Parliamentary funding	17	7,567	-	7,567
Net parliamentary funding drawn down		7,567	-	7,567
Balance at 31 March 2010		2,286	19	2,305

NOTES TO THE ACCOUNTS

for the year ended 31 March 2011

1 Statement of accounting policies

In accordance with the accounts direction issued by Scottish Ministers under section 19(4) of the Public Finance and Accountability (Scotland) Act 2000 (reproduced at page 43) these accounts have been prepared in compliance with the principles and disclosure requirements of the Government Financial Reporting Manual (FRoM), which follows generally accepted accounting practice as defined in International Financial Reporting Standards (IFRS) as adopted by the European Union and the Companies Act 2006 to the extent that it is meaningful and appropriate in the public sector context. The particular accounting policies adopted by the Agency are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

The accounts are prepared using accounting policies and, where necessary, estimation techniques, which are selected as the most appropriate for the purpose of giving a true and fair view in accordance with the principles, set out in International Accounting Standard 8: Accounting Policies, Changes in Accounting Estimates and Errors. Changes in accounting policies which do not give rise to a prior year adjustment are reported in the relevant note.

1.1 Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, and, where material, current asset investments and inventories to fair value as determined by the relevant accounting standard.

1.2 Change of accounting policy – Capital charge

HM Treasury, under the Clear Line of Sight (Alignment Project) removed the cost of capital charge from budgets and accounts from 1 April 2010. The cost of capital charge is therefore no longer applicable. The removal of the cost of capital charge is a change in accounting policy under IAS 8. Applying paragraph 31 of IAS 1 and, noting that the removal of the cost of capital charge has no effect on the balance sheets, a specific disclosure is not required. The impact on prior year operating cost statement is to reduce other administration costs by £114,000 giving a revised net operating cost of £7,799,000.

1.3 Property, Plant and Equipment (PPE)

Recognition

All PPE assets will be accounted for as non-current assets unless they are deemed to be held-for-sale.

Capitalisation

PPE assets comprise computer equipment, hardware and plant and machinery. They are capitalised at their cost of acquisition and installation. Furniture and fittings purchased prior to financial year 2004-05 are also capitalised. However, following a decision by the Scottish Government, from financial year 2004-05 all purchases of furniture and fittings are treated as current expenditure and are no longer capitalised.

Depreciated historic cost has been used as a proxy for the current value of plant and machinery.

The lower threshold for capitalising PPE assets is £1,000. Computer equipment hardware includes individual assets whose costs fall below the threshold, but if they are of a similar nature they are grouped together and capitalised.

The Agency does not own any land or buildings. A charge for the rental of accommodation is included in the expenditure account.

Subsequent cost

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probably that future economic benefits associated with the item will flow to the Agency and the cost of the item can be measured reliably. The carrying amount of any replaced parts will be derecognised as an asset. All other repairs and maintenance are charged to the operating cost statement during the financial period in which they are incurred.

Depreciation

Depreciation is provided on all PPE assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life as follows:

Furniture and fittings	- 10 years
Information technology	- 5 years
Plant and machinery	- 5 years

From financial year 2004-05 all purchases of furniture and fittings are treated as current expenditure and are no longer capitalised. Therefore furniture and fittings depreciation relates only to historic purchases.

Componentisation

Where it is appropriate to do so, the agency will componentise its property plant and equipment assets and separately depreciate each item.

Impairment reviews

Impairment reviews are carried out each year. In 2010-11 no impairment of our PPE assets was required.

1.4 Intangible assets

Recognition

Future economic benefit has been used as the criteria in assessing whether an intangible asset meets the definition and recognition criteria of IAS 38 where assets do not generate income. IAS 38 defines future economic benefit as, "revenue from the sale of products or services, cost savings, or other benefits resulting from the use of the asset by the entity".

Non-income generating assets are carried at amortised replacement cost. These valuation methods are considered to be a proxy for fair value.

Expenditure on software development is capitalised if it meets the criteria specified in the FReM which are adapted from IAS 38 to take account of the not-for-profit context. Expenditure which does not meet the criteria for capitalisation is treated as an operating cost in the year in which it is incurred.

The asset under construction is the ongoing development costs of designing and building a new awards processing system. This includes capitalising the staff costs of those working directly on the project until the system goes live and does not extend to salaries for testing and piloting of the

system. Salaries for (band C) management will only be capitalised in exceptional circumstances if actively involved in the technical development of the system.

Amortisation

Intangible assets are amortised at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life as follows:

In-house developed software - 5 years

Purchased software licences - 3 years

Assets under construction are not amortised until completed for use.

Componentisation

Where it is appropriate to do so, the agency will componentise its intangible assets and separately depreciate each item.

Impairment reviews

Impairment reviews are carried out each year. In 2010-11 no impairment of our intangible assets was required.

1.5 Trade payables

Trade payables are recognised at fair value and are for goods or services received by the Agency. Until 30 November 2008 all outstanding invoices were paid within 30 days of receipt of the invoice or delivery of the goods or services, whichever was later. Following a change of policy by the Scottish Government, from 1 December 2008 all outstanding invoices were paid within 10 days of receipt of the invoice or delivery of the goods or services, whichever is later.

1.6 Leases

All leases are operating leases and the rentals are charged to the operating cost statement on a straight line basis over the term of the lease.

1.7 Pensions

Past and present employees are covered by the provisions of the Principal Civil Service Pension Schemes (PCSPS) which are described in Note 2. The defined benefit schemes are unfunded and are non-contributory except in respect of dependants' benefits. The Agency recognises the expected cost of these elements on a systematic and rational basis over the period during which it benefits from employees' services by payment to the PCSPS of amounts calculated on an accruing basis.

1.8 Short-term employee benefits

A liability and an expense is recognised for holiday days, holiday pay, bonuses and other short-term benefits when the employees render service that increases their entitlement to these benefits. As a result an accrual has been made for holidays and flexible working time credits earned but not taken.

2 Staff numbers and costs

The average number of full-time equivalent people employed during the year 2010-11 was as follows:

2010-11	
Senior management	4
Other permanent staff	149
Agency staff	5
Total	158

Our full-time equivalent people during 2010-11 were employed in the following areas of the organisation:

	Customer services	Finance	Information systems and Operational policy	Chief executive's office	HR and Central staff
Senior management	1	1	1	1	-
Other permanent staff	90	13	40	4	2
Agency staff	2	2	1	-	-
Total	93	16	42	5	2

The average number of full-time equivalent people employed during the year 2009-10 was as follows:

2009-10	
Senior management	4
Other permanent staff	151
Agency staff	13
Total	168

Our full-time equivalent people during 2009-10 were employed in the following areas of the organisation:

	Customer services	Finance	Information systems and Operational policy	Chief executive's office	HR and Central staff
Senior management	1	1	1	1	-
Other permanent staff	75	15	56	3	2
Agency staff	9	3	1	-	-
Total	85	19	58	4	2

The total payroll costs of these people were as follows:

	2010-11	2009-10
	£000	£000
Salaries and wages	3,743	3,379
Social Security costs	234	221
Other pension costs	604	569
Agency staff	95	243
Total	4,676	4,412
Less: capitalised within non-current assets	(316)	(372)
Charged to Operating costs statement	4,360	4,040

The PCSPS is an unfunded multi-employer defined benefit scheme. The Student Awards Agency for Scotland is unable to identify its share of the underlying assets and liabilities. A full actuarial valuation was carried out at 31 March 2007. Details can be found in the separate scheme statement for the PCSPS (Cabinet Office: Civil Superannuation) (www.civilservice-pensions.gov.uk).

For 2010-11, normal employer contributions of £603,928.95 were payable to PCSPS (2009-10: £569,021.54) at one of four rates in the range; 16.2 to 24.6 per cent of pensionable pay, based on salary bands. The scheme's Actuary reviews employer contributions every four years following a full scheme valuation. The salary bands and contribution rates were revised for 2005-06 and remain unchanged in 2010-11. The contribution rates reflect the benefits as they are accrued, not when the costs are actually incurred; and they reflect past experience of the scheme.

Employees joining after 1 October 2002 could opt to open a partnership pension account, a stakeholder pension with an employer contribution. No one from the Agency opted to join this scheme.

3 Other administration costs

	2010-11	Restated
	£000	2009-10
	£000	£000
Accommodation including rent and rates	797	863
IT Running costs	721	812
General office expenditure	566	826
Other costs – notional charges	317	303
Audit fee	23	24
Total	2,424	2,828

The notional charges are for services provided by the Scottish Government.

Audit Scotland, who audit our accounts, did not receive any remuneration for non-audit work.

4 Property Plant and Equipment

2010-11

	Information technology	Plant and machinery	Furniture and fittings	Assets under construction	Total
Cost or valuation	£000	£000	£000	£000	£000
As at 1 April 2010	2,087	281	291	31	2,690
Additions	154	33	-	-	187
Transfers	-	31	-	(31)	-
Disposals	(513)	-	-	-	(513)
At 31 March 2011	1,728	345	291	-	2,364
Depreciation					
At 1 April 2010	1,641	219	258	-	2,118
Charged in year	186	28	27	-	241
Disposals	(513)	-	-	-	(513)
At 31 March 2011	1,314	247	285	-	1,846
NBV at 31 March 2011	414	98	6	-	518
NBV at 31 March 2010	446	62	33	31	572

2009-10

	Information technology	Plant and machinery	Furniture and fittings	Assets under construction	Total
Cost or valuation	£000	£000	£000	£000	£000
As at 1 April 2009	1,863	260	291	-	2,414
Additions	224	21	-	31	276
At 31 March 2010	2,087	281	291	31	2,690
Depreciation					
At 1 April 2009	1,446	198	230	-	1,874
Charged in year	195	21	28	-	244
At 31 March 2010	1,641	219	258	-	2,118
NBV at 31 March 2010	446	62	33	31	572
NBV at 31 March 2009	417	62	61	-	540

5 Intangible assets

2010-11	Purchased software licences	In-house developed software	Assets under construction	Total
	£000	£000	£000	£000
Cost or valuation				
As at 1 April 2010	256	15,593	2,373	18,222
Additions	81	64	383	528
Transfers	-	-	-	-
At 31 March 2011	337	15,657	2,756	18,750
Amortisation				
At 1 April 2010	204	14,871	-	15,075
Charged in year	20	288	-	308
At 31 March 2011	224	15,159	-	15,383
NBV at 31 March 2011	113	498	2,756	3,367
NBV at 31 March 2010	52	722	2,373	3,147
2009-10	Purchased software licences	In-house developed software	Assets under construction	Total
	£000	£000	£000	£000
Cost or valuation				
As at 1 April 2009	218	15,326	1,858	17,402
Additions	38	77	705	820
Transfers	-	190	(190)	-
At 31 March 2010	256	15,593	2,373	18,222
Amortisation				
At 1 April 2009	196	14,192	-	14,388
Charged in year	8	679	-	687
At 31 March 2010	204	14,871	-	15,075
NBV at 31 March 2010	52	722	2,373	3,147
NBV at 31 March 2009	22	1,134	1,858	3,014

6 Trade and other receivables

All our receivables are prepayments. As they are all prepayments there is no provision for bad debts.

	2010-11	2009-10
	£000	£000
Prepayments	126	138
Total	126	138

7 Trade and other payables

All our payables are trade payables for goods or services received. Following a direction from the Scottish Government, from 1 December 2008, all outstanding invoices are due to be paid within 10 days (30 days prior to 1 December 2008) of receipt of the invoice or delivery of the goods or services, whichever is later.

Also included is an accrual for the proportion of untaken annual leave and flexible working time credits.

	2010-11	2009-10
	£000	£000
Accruals	375	423
Untaken leave and flexi working credits	134	136
Total	509	559

8 Cash and cash equivalents

There were no cash or cash equivalent balances in 2010-11 or 2009-10.

9 Provisions for liabilities and charges

Early retirement costs provision

A provision was created in 2005-06 to take account of the early retirement severance cost of the previous Head of Finance and Personnel. This is based on the annual value of payments incurred by SAAS and the time remaining until retirement age. A recent review highlighted a shortfall in the future provision which has now been enhanced by £36,000 to cover.

In 2010-11 two members of staff left under an approved early retirement scheme and an additional sum of £49,000 has been provided to meet all future costs.

Dilapidations

A provision was set up during 2008-09 to meet the anticipated dilapidation costs of ending the Gyleview House lease in November 2013 (see note 9).

2010-11	Early retirement provision	Dilapidations provision	Total
	£000	£000	£000
Balance as at 1 April 2010	26	943	969
Add: Balance on provisions within one year	24	-	24
Total as at 1 April 2010	50	943	993
Provided for in the year	85	-	85
Amount released in year	(24)	-	(24)
As at 31 March 2011	111	943	1,054
Balance on provisions within one year	(49)	-	(49)
Balance as at 31 March 2011	62	943	1,005

2009-10	Early retirement provision £000	Dilapidations provision £000	Total £000
Balance as at 1 April 2009	51	943	994
Add: Balance on provisions within one year	22	-	22
Total as at 1 April 2009	73	943	1,016
Amount released in year	(23)	-	(23)
As at 31 March 2010	50	943	993
Balance on provisions within one year	(24)	-	(24)
Balance as at 31 March 2010	26	943	969

10 Commitments under leases

Total future minimum lease payments under operating leases are given below:

	2010-11 £000	2009-10 £000
Building lease expiring within:		
One year	438	429
Two to five years	219	642
Over five years	-	-
Total	657	1,071

This operating lease is a non-cancellable lease and refers to the premises occupied by the Student Awards Agency at Gyleview House. The lease runs until November 2013. SAAS has no finance leases.

11 Contingent liabilities

There were no contingent liabilities at 31 March 2011 that require to be disclosed under IAS 37.

12 Financial instruments

The Students Awards Agency for Scotland is exposed to minimal amounts of financial risk, largely because of the non-trading nature of its activities and the way government is financed.

	2010-11 Fair value through OCS £000	2010-11 Loans and payables £000	2009-10 Fair value through OCS £000	2009-10 Loans and payables £000
Financial liabilities				
Trade payables	-	375	-	423
Total	-	375	-	423

13 Capital commitments

There were no capital commitments at 31 March 2011 or 31 March 2010.

14 Post statement of financial position events

There were no material post statement of financial position events that require to be adjusted in the accounts or to be disclosed.

15 Financial losses

No financial losses were incurred during financial year 2010-11 or in 2009-10.

16 Related party transactions

SAAS is an Executive Agency of the Scottish Government (SG). The SG is regarded as a related party. During the year SAAS had various material transactions with the SG along with other Government Departments.

During the year, no members of the Senior Management Board, key members of staff or related parties have undertaken any material transactions with the Agency.

17 Reconciliation to draft portfolio account

The Agency expenditure is included within the accounts of the Scottish Government's Education and Lifelong Learning Directorate, but it is not separately identified. The financing of £7.136m (£7.567m for 2009-10) as recorded in the Agency's Statement of Cash Flows, has been agreed with the Directorate.

18 Intra-government balances

	Trade and other receivables: amounts falling due within one year 2010-11 £000	Trade and other payables: amounts falling due within one year 2010-11 £000	Trade and other receivables: amounts falling due within one year 2009-10 £000	Trade and other payables: amounts falling due within one year 2009-10 £000
Balances with other central government bodies	-	14	1	-

19 Compensation for loss of office

Reporting of Civil Service compensation scheme – exit packages 2010-11

Exit package cost band	Number of compulsory redundancies	Number of other departures	Total number of exit packages by cost band
Less than £10,000	0	3	3
£10,000 to £25,000	0	1	1
£25,000 to £50,000	0	2	2
£50,000 to £100,000	0	1	1
£100,000 to £150,000	0	0	0
£150,000 to £200,000	0	0	0
Total number of exit packages	0	7	7
Total resource costs	0	£173,888	£173,888

There were no exit packages in 2009-10.

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972. Exit costs are accounted for in the year that departure is agreed. Where the department has agreed early retirements, the additional costs are met by the department and not the Civil Service pension scheme. Ill-health retirement costs are met by the pension scheme and are not included in this table.



STUDENT AWARDS AGENCY FOR SCOTLAND

DIRECTION BY THE SCOTTISH MINISTERS

in accordance with
section 19(4) of the Public Finance and Accountability (Scotland) Act 2000

1. The statement of accounts for the financial year ended 31 March 2006 and subsequent years shall comply with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FReM) which is in force for the year for which the statement of accounts are prepared.
2. The accounts shall be prepared so as to give a true and fair view of the income and expenditure, recognised gains and losses, and cash flows for the financial year, and of the state of affairs as at the end of the financial year.
3. This direction shall be reproduced as an appendix to the statement of accounts. The direction given on 29 March 2001 is hereby revoked.

Signed by the authority of the Scottish Ministers

Dated 17 January 2006

Part 7

Key performance targets

SAAS's primary customers are eligible students and their families. Good performance for those customers will mean an accurate and timely assessment of the application for support – so that students have their award letters in advance of matriculation at their institution; with a payment schedule advising when awards will be paid. The performance of SAAS, is however, also impacted by when students submit their applications. The following target therefore balances processing performance with encouragement to students to submit applications early.

- All applications received by 30 June to be processed in time for courses starting in the new academic session (earliest date 1 August).

SAAS must also provide clear expectations of the time-frame in which enquiries will be answered.

- All email or written enquiries to be resolved within 21 days.
- All formal complaints and appeals to receive a response within 14 days.

Management Performance Measures

SAAS will also regularly monitor processing and quality standards within the organisation.

Processing

- Percentage of applications received 3 weeks in advance of course date and processed before commencement.
- 75% of applications to be processed within 21 days.
- Average unit cost per application to be less than £40.

Complaints

- Less than 1 in 1,000 applications to generate a formal complaint to SAAS.
- Less than 10 formal complaints to be received/upheld by Scottish Public Sector Ombudsman each year.
- 100% of ministerial correspondence to be delivered within target.

Financial Performance

- 100% of invoices to be paid within 10 days.
- 30% of Opening Debt to be recovered during the year.

Part 8

Contact information

Our offices are staffed and open for business between 8.30 a.m. and 5 p.m Monday to Thursday, and 8.30 a.m. to 4.30 p.m on Fridays. We are not open during public holidays or during the period between Christmas and the New Year. You can contact us by letter, phone, fax, e-mail or in person.

Student Awards Agency for Scotland
Gyleview House
3 Redheughs Rigg
Edinburgh
EH12 9HH

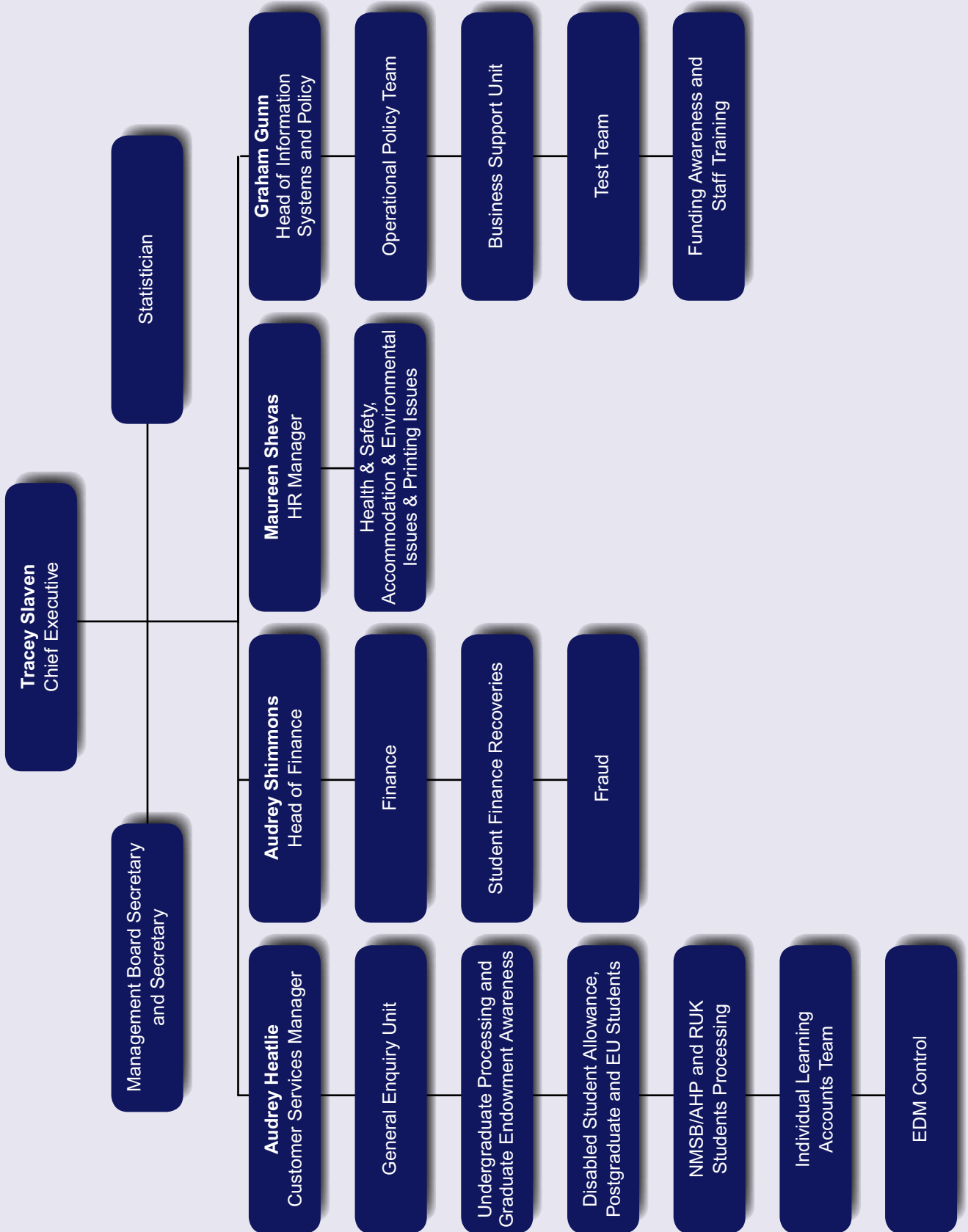
Automated telephone answering service: 0300 555 0505

Fax no: 0131 244 5887

E-mail: www.saas.gov.uk/contact.htm

Website: www.saas.gov.uk

SAAS Organisation Chart



Part 9

Glossary

Accruals basis	The most commonly used accounting method in which income and expenses are accounted for as they are earned or incurred, whether or not they have been received or paid.
Actuarial	Statistical method used in determining the amount of periodic contributions to a pension fund.
AHP	Allied Health Professions. These are the clinical healthcare professions distinct from the medical and nursing professions. They register with the Health Professions Council.
Capitalisation	The addition to the statement of financial position (balance sheet) any expenditure for the purchase or improvement of an asset which could otherwise have been treated as an expense to be charged to the statement of comprehensive expenditure (income and expenditure account).
Componentisation	Componentisation recognises that not all components of a non-current asset have the same useful life. Some components may wear down or depreciate at different rates throughout their life. As such, accounting practice requires that each significant component of a non-current asset be depreciated separately over its useful life.
Contingent liability	A possible financial obligation that arises from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within an entity's control.
Current asset investment	Application of cash or an asset expected to be converted into cash within one year.
DEFRA	Department for Environment, Food and Rural Affairs.
Depreciation	The measure of the cost or revalued amount of the economic benefits of a non-current asset that have been consumed during a financial period. This includes the wearing out, using up or other reduction in the useful economic life of an asset.
Dilapidation costs	Estimated costs to return rented premises to a contractually required state of repair at the end of the lease.
Dyslexia	A learning disability that impairs a person's fluency or comprehension accuracy in being able to read and spell.
Economic benefits	These are usually gains quantifiable in terms of money, such as revenue, net cash flow and net income as a result of an improvement in facilities provided by an organisation.
Useful economic life	Period during which an asset or property is expected to be usable for the purpose it was acquired. It may or may not correspond with the item's actual physical or economic life.

EDM	Electronic Data Management. SAAS department with responsibility for converting applications and associated correspondence received from students into electronic format.
EU	European Union.
Fair value	The amount of money for which it is assumed an asset or liability could be exchanged in an arm's-length transaction between informed and willing parties.
Financial instrument	Any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.
General reserve	Any retained funds set aside by an entity for future use.
Graduate endowment	A fixed amount that graduates had to pay after completing their degree which was abolished from April 2008.
HE	Higher education.
Historical cost convention	An accounting technique that requires transactions to be recorded at the price ruling at the time, and for assets to be valued at their original cost.
HR	Human Resources.
Impairment review	Required when an event or change in circumstance happens to a non-current asset or to the economic environment in which it is used meaning the carrying amount may not be recoverable.
In real terms	The change in a value after correcting for the effects of inflation.
Intangible asset	Non-current asset of a non monetary nature that has no physical substance (something of value that cannot be physically touched) such as IT software.
Intra government balances	Transaction balances with other government bodies.
ISO 14001	An international standard that specifies a process for controlling and improving an entity's environmental performance.
IT	Information technology.
Matriculation	The process where students register with their university or college each academic year.
NHS	National Health Service.
NMSB	Nursing and Midwifery Student Bursary.
Non-current assets	An asset that is not expected to be turned into cash within one year during the normal course of business. These include buildings, land, equipment/machinery and other assets held for relatively long periods.
Notional charge	Charge for a service provided by the Scottish Government, although no actual monies change hands.

Phishing attack	A way of attempting to acquire sensitive information such as usernames, passwords and credit card details by pretending to be a trustworthy entity in an electronic communication.
Post statement of financial position events	Something that happens after the date when the Statement of Financial Position is drawn up, and before the time when it is officially approved, which affects an entity's financial position.
PC	Personal computer.
Postgraduate	Academic study carried out upon conclusion of a first degree.
Prepayment	Payment made in advance for an item for example, rent, rates or insurance.
Provision	A liability of uncertain timing and uncertain amount.
Provision for bad debts	Created because of the uncertainty regarding debtors settling their debts.
Recognised income and expenditure	Recording income earned by an entity either at the time of sale or when a service is provided during the financial year. Recording costs incurred by an entity either at the time of payment or when a service is received during the financial year.
Related party	A person or entity that is related to the entity that is preparing its financial statements.
Replacement cost	The price that will have to be paid to replace an existing asset with a similar asset.
Residual value	How much a non-current asset is worth at the end of its lease, or at the end of its useful life.
Restated	A revision to an entity's financial statements. An entity may need to issue a restatement on its previously announced financial information for a variety of reasons, including changes in accounting practice.
Revaluation	A change in the value of an asset to reflect its current market value.
RUK	Rest of UK.
Running costs	The amount of money that is regularly spent by on things like electricity, salaries, rent etc.
SG	Scottish Government.
Statement of cash flows	Cash receipts and cash payments during a specified period.
Straight line basis	A method of calculating depreciation by taking an equal amount of the asset's cost as an expense for each year of the asset's useful life.
Trade and other receivables	The amount that customers owe an entity for money, goods, or services provided.
Trade and other payables	Amounts owed to suppliers for purchases or services rendered.
Undergraduate	Education level taken prior to gaining a first degree.

SAAS

© Crown copyright 2011

APS Group Scotland
186382 (10/11)