



THE
ICAEW
FOUNDATION

SHAPING THE FUTURE

A unique opportunity for today's generation to make a contribution of lasting benefit and help shape the future of our profession.



THE ICAEW FOUNDATION OBJECTIVES:

- 1 Providing life-changing opportunities
- 2 Rewarding excellence
- 3 Creating thought leadership that challenges
- 4 Bringing practical insight to education
- 5 Preserving the heritage that supports

FOREWORD

Accountancy is the global language of business and commerce that enables every society to operate. After the most serious economic crisis for over half a century, the role of chartered accountants in world economies has never been more relevant: people and businesses making financial decisions need professional advice based on the highest technical and ethical standards.

Chartered accountants provide this service to the highest possible standards. They challenge people and organisations to think and act differently, provide the clarity and rigour needed to create and sustain prosperity, and enable local and global business to be transacted with confidence.

The profession has a vital role to play in influencing policy and debate. It is also essential that we win the talent war by encouraging aspiring candidates to enter the profession. The ICAEW Foundation is responding to this challenge. It provides life-changing opportunities for aspiring but disadvantaged students, and commissions practical, market-focused research that inspires business confidence.

I applaud the ICAEW Foundation and all the work it does to shape the future of the profession. However, with a target to raise £10m, our challenge is to reach out to prospective benefactors and let them know that we need their contribution.

This is your opportunity to acknowledge the advantages of being a chartered accountant, to give something back and to make a real difference to current and future generations. Rest assured that your investment will help shape the future success of accounting professionals all over the world.



Sir David Lees FCA
Chairman of Court of the Bank of England
Former chairman of Tate & Lyle plc, GKN plc and Courtaulds plc and 1999 recipient of the ICAEW Outstanding Achievement Award

MESSAGE FROM THE CHAIRMAN OF TRUSTEES

We set up the ICAEW Foundation to meet future challenges facing the profession. It gives you a unique opportunity to make a contribution of lasting benefit and to help shape the future of our profession.

This brochure outlines the ambitions and rationale behind the Foundation's planned investment in people and projects. With an initial target of £10m, it is an enterprise that will have a lasting impact for many years to come.

The Foundation's objectives are to:

- offer life-changing opportunities to talented individuals who may not otherwise have the chance to join the next generation of finance professionals;
- reward academic excellence and outstanding contributions to society;
- provide thought leadership and research to challenge perceptions of the future of accounting and finance;
- foster change in education, bringing to academic tuition and research the practical insight for which our profession is renowned and which is sorely needed; and
- preserve and enhance the ICAEW's heritage that symbolises its position as a highly respected professional body.

As chairman of the trustees I am fully committed to the vital work that the Foundation is undertaking. I very much hope that you will give your support and please encourage others to do the same.



David Illingworth BA FRSA FCA
Chairman of Chartered Accountants' Trustees Limited
Past president of the ICAEW
Former chairman, Consultative Committee of Accounting Bodies



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Providing life-changing opportunities

BURSARIES

THE FOUNDATION PROVIDES ...

meaningful annual bursaries to talented aspiring students in universities and business schools in the UK and around the world.

WHY IS IT IMPORTANT?

The increasing cost of further education is becoming prohibitively expensive for many students. For some, it is an insurmountable obstacle to their aspirations. The ICAEW works with employers to broaden entry criteria into the profession, but the majority of ACA students are university graduates.

For the accounting profession to support and engage all communities in a multicultural society, it makes economic and social sense to attract people from diverse backgrounds. The Foundation wants to break barriers to entry, and nurture talent wherever it exists by giving students that extra financial lift to realise their full potential.

All economies need high quality accountants to support their development and growth, especially emerging economies. China, for instance, is estimated to have a shortage of half a million accountants to support its growing economy. The need is pressing but many students are missing out for cultural, economic or geographic reasons. Helping talented individuals in other markets to overcome these hurdles creates finance professionals of great international value.

By offering life-changing opportunities to aspiring accountants who may otherwise miss out, the ICAEW Foundation provides a leading example of how the traditions and values of chartered accountants make a difference to individuals and societies everywhere.

WHAT IS THE COST?

We aim to raise a £2.5m endowment in order to support at least 30 students a year in the UK and internationally.



Case Study:

Chantelle Croule
18 year-old Chantelle Croule from south west London is currently studying for a BA Hons in Finance, Accounting and Management at the University of Nottingham. As a non-A level student who achieved distinctions across the board in the Business and Technology Education Council (BTEC) Diploma, she is the highly deserving recipient of an annual bursary of £3,000 from the ICAEW Foundation.

On completing her degree, Chantelle very much hopes to follow a career in either finance or accounting, perhaps leading to a point when she could set up her own business – she is particularly inspired by retail and fashion.

‘I’ve always dreamed of going to university one day, and by studying for this degree I’m learning about a subject and profession of which I knew little,’ said Chantelle. ‘It would not have been easy to start my studies without the support of the ICAEW Foundation bursary. I was astonished when I heard I had received this award.’ She went on, ‘It’s given me greater confidence, especially as I am the first person in my family to go to university.’



Peter Wyman CBE FCA

Global Leader, Public Policy and Regulation at PricewaterhouseCoopers, past president of the ICAEW and 2006 recipient of the ICAEW Outstanding Achievement Award

‘Access to education is a big issue for government and the profession. Setting students on the path to a fulfilling career and becoming a real asset to the economy – wherever they are – is not just an admirable aim, it’s a necessity. I fully support the ICAEW Foundation in that.’



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Rewarding excellence

PRIZES

THE FOUNDATION IS REWARDING EXCELLENCE BY:

- creating new contemporary prizes for academic excellence;
- establishing new prizes to recognise chartered accountants' outstanding achievements in their respective communities around the world; and
- raising the value of long-standing ICAEW examination prizes.

WHY IS IT IMPORTANT TO REWARD EXCELLENCE?

The ICAEW's qualifications are widely acknowledged as being among the most rigorous and challenging in the world. Successfully passing the ICAEW's examinations is a mark of academic and intellectual excellence, and the ICAEW gives prizes to recognise this. We support these prizes because we know that intellectual rigour is essential to the professional judgements made daily by chartered accountants on behalf of business.

Creating new contemporary prizes will take account of changes in the world of business. Accountants need to learn new specialisations for today's global markets such as international financial reporting standards, forensic or charities accounting. The ICAEW's portfolio of qualifications is changing in line with these needs, so the prizes on offer from the ICAEW Foundation must reflect and respond to these new requirements.

The Deloitte, Whinney, Peat and other ICAEW prize winners are justifiably proud of their success because in every case they have come top – worldwide. To inspire others, our prizes should reflect the significance of the achievement, yet more than 75% of our existing prizes were created some 50 years ago and most are now financially depleted.

As well as creating more prizes for examination performance, we also have an ideal opportunity to establish new awards in non-academic fields such as outstanding achievement in the community at local levels.

WHAT IS THE COST?

We aim to build a £500,000 endowment to create new prizes and restore the value of existing ICAEW prizes. Prizes often commemorate the achievements of individuals by family, friends and colleagues. Please contact the Foundation Office if you want to discuss the creation of a prize.



Case Study: Global Inspiration Award
Yanhua 'Andy' Cheng was the only student of the 2007 intake in China to pass all the ACA exams at the first attempt. Andy achieved this excellent distinction despite considerable personal hurdles, and that is why he has been given an ICAEW Foundation and CABA Global Inspiration Award.

Sitting the exams in a foreign language and grappling with the intricacies of the complex UK tax system, he also faced great financial hardship. Andy estimates that the total cost of gaining the qualification was equivalent to nearly twice the average annual salary of an accountant in China. His parents are farmers from South China who could not afford to help him, and he had to fit studying and his own young family's life around his full-time job.

Reacting to his Global Inspiration Award, Andy said, 'I am sure this award will inspire other students and attract more people to join in this programme. It has really boosted my confidence and I am so proud to have been selected.'



Sir David K P Li OBE MA FCIB FCA
Chairman and Chief Executive of The Bank of East Asia, Chairman of the Executive Committee and Council of the Hong Kong Management Association and Chairman of the Chinese Banks' Association

'The world we live in is getting more competitive by the day. The purpose of these awards is not only to reward the winners, but more importantly to inspire others to succeed. I applaud the ICAEW Foundation for its commitment to the pursuit of excellence worldwide.'

A large, white number '3' is positioned on the left side of the image. The background is a photograph of a desert landscape with sand dunes. A path of footprints leads from the bottom left towards the top right, following the curve of a dune. The lighting is warm, suggesting a sunset or sunrise, with long shadows cast across the sand.

3

Creating thought leadership
that challenges

RESEARCH

THE FOUNDATION IS INITIATING ...

new research into key financial and business issues.

WHY IS RESEARCH SO IMPORTANT?

Accounting is now recognised as an economic fundamental rather than a technical art. With programmes such as *Dialogue in Corporate Governance* and *Information for Better Markets* the ICAEW sustains its tradition of working in the public interest.

Through the generosity of the late P D Leake, the ICAEW has, since 1949, been able to fund research that has had far-reaching impact, influencing government policy, law and corporate practices.

In the wake of the most serious financial crisis since the Great Depression, there is a pressing need for higher levels of funding to provide significant, groundbreaking research which is relevant to the profession, business and policy-makers in the UK and internationally.

While the reputation of chartered accountancy is undoubtedly enhanced by innovative academic research, there is also a need for more practical market focused studies. Government and regulators, for instance, welcome high quality academic research, especially when it brings insight and understanding on issues that matter to them.

For example, although public and private businesses have a great story to tell, there is a pressing need for research into their concerns and the role of accountants as their advisers. Key issues include:

- the governance and management of risk
- inspiring confidence in financial services
- SMEs as future engines of growth in the economy
- sustainability initiatives.

WHAT IS THE COST?

£3m would give us enough income to increase the range of research projects.



Case Study: *Getting It Right: a report on Risk Governance* sponsored by the ICAEW Foundation

The Foundation recently embarked on key research to

examine corporate governance in the wake of the banking collapse.

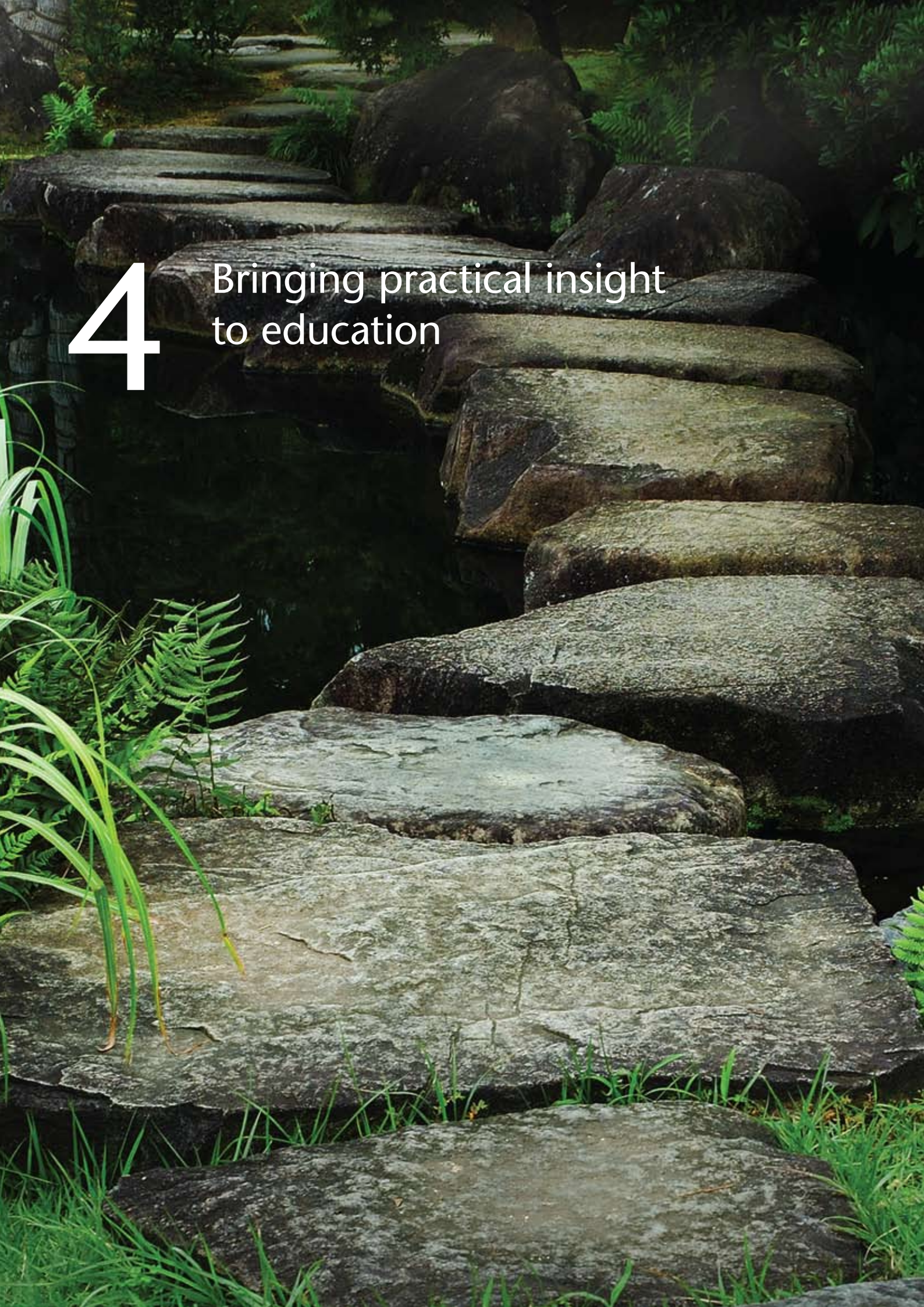
Getting It Right is a comprehensive study on risk management in non-financial FTSE companies. Concentrating on board governance of risk and highlighting good practice, it complements the Walker Review which looked specifically at financial services.

A clear message from this research is the need for existing regulation to be implemented more effectively. Lord Smith of Kelvin, Chairman of the Weir Group plc and Scottish and Southern Energy plc, addresses this finding in the report's foreword: 'We need to concentrate on making our present system of governance work well, not on adding more regulation. The ICAEW Foundation is to be applauded on taking the initiative to undertake more detailed research in this area.'



Sir Michael Lickiss BSc (Econ) FCA
Governor Emeritus at the London School of Economics, former managing partner of Grant Thornton and past president of the ICAEW

'Over the years the Institute has built its reputation by serving the public interest. In an increasingly complex world its activity in the field of research has never been more relevant. So much more needs to be done. The ICAEW Foundation is addressing this issue at exactly the right time.'



4

Bringing practical insight
to education

TEACHING AND PhD FELLOWSHIPS

THE FOUNDATION WILL CREATE ...

teaching and PhD fellowships to enable practising accountants to bring their personal business experience into universities, business schools and academic research.

WHY IS IT IMPORTANT TO ENCOURAGE PRACTISING ACCOUNTANTS TO TEACH?

Not enough professionally qualified accountants are being recruited as teachers in our leading business schools today. The teaching community has told us that it urgently needs academic teaching of accounting and finance to be balanced with real-life experience and examples.

The Foundation will help to address this issue by creating new teaching fellowships that:

- develop the teaching of accounting and finance, making it relevant to business; and
- enable the ICAEW to influence the way accounting is taught.

Practising accountants have the knowledge and experience of accounting and business best practice that is absolutely essential to give students a realistic, pragmatic and balanced outlook. While it is unrealistic to expect working accountants to move into teaching unsupported, teaching fellowships offer an ideal solution.

WHY IS IT IMPORTANT FOR ACCOUNTANTS TO UNDERTAKE ACADEMIC RESEARCH?

The lack of clear routes into academia for qualified accountants is having a negative effect on the approach and topicality of research. The Foundation will therefore sponsor PhD fellowships for practitioners who want to move into academia, with funding to cover doctoral fees and suitable maintenance.

The recipients will also help to promote the knowledge transfer between practising accountants and the academic community that is so vital for the continued development of finance and accounting disciplines.

WHAT IS THE COST?

£2m would endow up to three named fellowships at key centres of learning.



Professor Pauline Weetman
BA BSc (Econ) PhD CA FRSE
Professor of Accounting at Edinburgh University, recipient of the Distinguished Academic Award of the British Accounting Association in 2005 and past chair of the Conference of Professors of Accounting and Finance

'I am greatly encouraged that the ICAEW Foundation will sponsor practising accountants to apply their knowledge and experience to teaching. It will significantly strengthen the links between academia and practice and ensure a rounded education for students. I fully endorse this key objective.'

A photograph of a long, arched stone tunnel. The walls and ceiling are made of rough-hewn stone blocks. A wooden walkway runs along the bottom of the tunnel, illuminated by warm, yellow lights. The perspective is from the end of the tunnel, looking down its length.

5

Preserving the heritage
that supports

LIBRARY SERVICES AND HERITAGE

THE FOUNDATION AIMS ...

to enhance the ICAEW's world-leading specialist Library and Information Service (LIS) and to conserve the heritage of Chartered Accountants' Hall, the ICAEW's symbolic headquarters.

WHY IS ENHANCING THE LIS IMPORTANT?

Chartered Accountants' Hall is home to one of the finest specialist libraries in the world. As a global centre of excellence for accountancy and business, it provides immediate access to a first class range of up-to-date accounting, legal, corporate and market information, news and research services.

The LIS is also the custodian of the ICAEW's 3,000 archived rare books on accounting, including the famous Kheil Collection, and Pacioli's 15th Century *Summa de Arithmetica* with the first description of double-entry book-keeping. The Foundation will build an endowment to ensure that the LIS continues to provide the most comprehensive service to the profession and businesses worldwide.

It will also enable the LIS to undertake specialist projects such as database cataloguing of rare archives to make them accessible online.

WHY PRESERVE THE HERITAGE OF CHARTERED ACCOUNTANTS' HALL?

Designed by John Belcher in the Italian renaissance style in 1890, Chartered Accountants' Hall is a listed architectural landmark. It is not only a place of historic and architectural interest, but a symbol of the continuity and relevance of one of the longest established professions in the world.

As well as being a workplace for ICAEW staff, it regularly welcomes global policy-makers and other international visitors such as government ministers, commissioners and business delegations. It is a working building that reflects the position of the ICAEW as a world-leading body.

The conservation and preservation of our historic home for the benefit of current and future members is therefore a duty we take seriously.

WHAT IS THE COST?

£2m would endow the income needed to enhance the superb Library and Information Service, as well as contributing to the heritage of the ICAEW's prestigious headquarters.



**The Rt Hon Sir Jeremy Hanley
KCMG FCA**
Former Cabinet Minister and Past Master of the Worshipful Company of Chartered Accountants in England and Wales

'I am delighted that the Foundation has identified both a need and an opportunity to enhance the world-class Library and Information Service, together with preserving the heritage of its magnificent home in the City.'

GETTING INVOLVED

Locally and internationally

The ICAEW Foundation is a unique and challenging initiative, which can draw considerable strength from the ICAEW's network of members who live and work in over 165 countries.

Wherever you are in the world, there will be members with local knowledge and expertise. By harnessing the goodwill of our contacts around the globe we can inspire individuals, trusts and organisations to support the Foundation's objectives.

Please consider these questions.

- Could you pledge a gift to the Foundation either in cash, shares, property, a legacy or other tax efficient ways?
- Can you work with us to personally approach a small number of prospective benefactors?
- Would you run a campaign in your own area to endow a fellowship, prize or bursary? For example, a bursary could involve your local institution, and benefit candidates born and educated in your area.

If you would like to develop a project idea that meets one or more of the Foundation's objectives, we would really like to hear from you.

The ICAEW Foundation is designed to benefit the profession locally and internationally and your contribution, large or small, will be of immense value to future generations.

Thank you.



Rachel Campbell BA FCA
KPMG Global Head of People,
Performance and Culture

'If the accountancy profession is to stay relevant in the global age we must nurture talent, reward excellence, provide opportunity and encourage diversity. The ICAEW Foundation is playing a key role in making this happen – it is to be welcomed and supported.'

HOW CAN YOU HELP?

SCALE OF GIVING

The Foundation initially aims to raise £10m from a combination of cash, five-year pledges and legacy commitments.

We will welcome all gifts in strict confidence. The table below shows the gifts we need to achieve the Foundation's goal. It also illustrates the benefits to higher rate taxpayers:

No of Gifts or Pledges	5 x Annual Instalments (Gross)	Net Annual Instalment for 40% Taxpayer	Total Pledge per Donor	Amount Raised (Gross)
1	200,000	120,000	1,000,000	1,000,000
4	100,000	60,000	500,000	2,000,000
6	50,000	30,000	250,000	1,500,000
15	20,000	12,000	100,000	1,500,000
20	10,000	6,000	50,000	1,000,000
40	5,000	3,000	25,000	1,000,000
100	2,000	1,200	10,000	1,000,000
200	1,000	600	5,000	1,000,000
386 gifts				£10,000,000

Notes:

- The net Annual Gift is based on a tax rate of 40%.
- 50% tax payers are entitled to further tax relief.

DONOR RECOGNITION

To recognise the generosity of benefactors the ICAEW Foundation offers a range of acknowledgements linked to giving, including the naming of:

- bursaries;
- prizes; and
- fellowships.

INTERNATIONAL

If you are a member based outside the UK and want to make a donation, please contact the Foundation Office to discuss the most tax efficient method of giving.

The ICAEW Foundation is shaping the future of the profession by creating life-changing opportunities for the disadvantaged, commissioning ground-breaking research that inspires business confidence, and establishing closer ties between academia and the profession.

This is your opportunity to acknowledge the advantages of being a chartered accountant, to give something back and to make a real difference to the professional lives of current and future generations.

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