

## Performance and Resources Committee Meeting

Date of Meeting	Wednesday 17 April 2024
Paper Title	GCRB Mid-Year Return 2023-24
Agenda Item	10
Paper Number	PRC3-F
Responsible Officer	Jim Godfrey, Finance and Resources Director
Status	Disclosable
Action	For discussion

### 1. Executive Summary

- 1.1.** This report provides the committee with the GCRB, and Glasgow college region, mid-year returns for 2023-24.

### 2. Recommendations

- 2.1.** The Committee is asked to **note**, and **comment on**, the mid-year returns for 2023-24.

### **3. Background**

- 3.1.** The mid-year return is an annual return that regions, and colleges, are required to submit to the Scottish Funding Council (SFC). It updates the financial forecast return 2023-24 which was provided in 2023.
- 3.2.** The information within these financial returns is used by the Scottish Funding Council to “monitor and assess the financial health of colleges and better understand the resource pressures and challenges that are anticipating”. Long-term financial planning is wholeheartedly supported in the pursuit of effective financial management and good governance. Enhanced long-term financial planning was also something that was recommended by Audit Scotland in their previous reviews of Scotland’s Colleges in 2016. The completion of the mid-year return, and financial forecast return, contribute to long-term planning within the college, the region and the sector.
- 3.3.** One important difference between the two returns is that the mid-year return provides an updated forecast for the current financial year only. Whereas the financial forecast return provides a forecast for the next 5 years.
- 3.4.** The call for Information was issued by SFC on 4 March 2024 with a deadline for submission of 31 March 2024. A link to the SFC publication is provided below:

<https://www.sfc.ac.uk/college-mid-year-financial-forecast-return-myr-2023-24/>

### **4. Mid-Year Return 2023-24 – GCRB**

- 4.1.** The return has been completed for GCRB. These figures include the running costs of GCRB and the regional programme for action. The approach is consistent with that used for the preparation of the consolidated financial statements.
- 4.2.** The figures, within the mid-year return, are consistent with the information shown in the report elsewhere on this agenda (i.e. GCRB Costs 2023-24).

### **5. Mid-Year Return 2023-24 – Glasgow College Region**

- 5.1.** The three colleges provide their returns to GCRB in advance of the SFC deadline (30 March 2024). The college returns were consolidated, along with the GCRB return, to provide the regional submission.
- 5.2.** The individual returns (GCRB and the three colleges) together with the consolidated return were submitted to the SFC on 29 March 2024. A copy of the GCRB return, and the consolidated regional return, are attached for information.
- 5.3.** At the regional level the forecast outturn for 2023-24 is very similar to the information provided in the previous financial forecast return for 2023-24. Two points worth highlighting are:
  - A reduction in the adjusted operating loss (from £3.8m to £2m), which is entirely due to an improved position within Glasgow Clyde College, and
  - An improvement in the forecast level of cash at 31 July 2024 (£9.4m from £2.0m). This is due to improved forecasts from Glasgow Clyde College (£4.6m), and City of Glasgow College (£2.8m).

**6. Risk and Compliance Analysis**

**6.1.** This report helps to inform discussion regarding financial sustainability and address the risk that “Financial sustainability and failure to achieve targets is impacted by available funding in the short term.” (Risk 004).

**6.2.** There are no legal implications arising from this report.

**7. Financial and Resource Analysis**

**7.1.** The financial implications associated with the mid-year return are set out in the body of the report.

**8. Equalities Implications**

**8.1.** There are no equalities implications as a direct result of this report.

**9. Learner Implications**

**9.1.** The ability to deliver the regional outcomes are directly affected by the future resources. The financial forecast, and mid-year, returns contribute to the long-term financial planning and therefore the ability to achieve the regional ambitions.

**Mid-Year Return 2023-24**

College

Contact

Telephone

Email:

<b>DECLARATION:</b>	The attached worksheets represent an update on the financial forecasts for the College, based on the actual financial results for the year to date and other relevant information. I consider the revised forecasts to be a reasonable assessment of the College's projected financial position at the end of this academic year in the light of the information available to me.
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Signed:

Executive Director

Date:

Glasgow Colleges' Regional Board

Statement of Comprehensive income and expenditure (Consolidated)	FFR 2023-	MYR	Variance	Variance	Explanation for variance
	24	2023-24			
	£000	£000	%	£	
<b>INCOME</b>					
Tuition fees and education contracts	0	0		0	
Funding council/RSB grants	745	691	-7.2%	-54	See income sheet for explanation
Research grants and contracts	0	0		0	
Other income	0	0		0	
Investment income	0	0		0	
<b>Total income before donations and endowments</b>	<b>745</b>	<b>691</b>	<b>-7.2%</b>	<b>-54</b>	
Donations and endowments	0	0		0	
<b>Total income</b>	<b>745</b>	<b>691</b>	<b>-7.2%</b>	<b>-54</b>	
<b>EXPENDITURE</b>					
Staff costs	479	471	-1.7%	-8	
Staff costs - exceptional restructuring costs	0	0		0	
Exceptional costs - non-staff	0	0		0	
Other operating expenses	479	439	-8.4%	-40	See expenditure sheet for explanation
Donation to Arms Length Foundation	0	0		0	
Depreciation	0	0		0	
Interest and other finance costs	0	0		0	
<b>Total expenditure</b>	<b>958</b>	<b>910</b>	<b>-5.0%</b>	<b>-48</b>	
<b>Surplus/(deficit) before other gains and losses and share of operating surplus/deficit of joint ventures and associates</b>	<b>(213)</b>	<b>(219)</b>	<b>2.8%</b>	<b>-6</b>	
Gain/(loss) on disposal of fixed assets	0	0		0	
Gain/(loss) on investments	0	0		0	
Share of operating surplus/(deficit) in joint venture(s)	0	0		0	
Share of operating surplus/(deficit) in associate(s)	0	0		0	
<b>Surplus/(deficit) before tax</b>	<b>(213)</b>	<b>(219)</b>	<b>2.8%</b>	<b>-6</b>	
Other taxation	0	0		0	
<b>Surplus/(deficit) for the year</b>	<b>(213)</b>	<b>(219)</b>	<b>2.8%</b>	<b>-6</b>	
Unrealised surplus on revaluation of land and buildings	0	0		0	
Actuarial (loss)/gain in respect of pension schemes	0	0		0	
Other comprehensive income	0	0		0	
<b>Total comprehensive income for the year</b>	<b>(213)</b>	<b>(219)</b>	<b>2.8%</b>	<b>-6</b>	

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INCOME	FFR 2023-	MYR	Variance	Variance	Explanation for variance
	24	2023-24			
	£000	£000	%	£	
<b>1 Tuition fees and education contracts</b>					
a) FE - UK	0	0		0	
b) FE - EU	0	0		0	
c) HE	0	0		0	
d) Non-EU	0	0		0	
e) SDS contracts	0	0		0	
f) Education contracts	0	0		0	
g) Other	0	0		0	
<b>Total tuition fees and education contracts</b>	<b>0</b>	<b>0</b>		<b>0</b>	
<b>2 SFC / RSB Grants</b>					
a) SFC / RSB FE recurrent grant (including fee waiver)	745	691	-7.2%	-54	Income overstated in FFR (includes use of bfwd cash reserve, which isn't income)
b) UHI recurrent grant - HE provision	0	0		0	
c) FE Childcare funds	0	0		0	
d) Release of SFC / RSB deferred capital grants	0	0		0	
e) SFC capital grant	0	0		0	
f) SFC grant for NPD	0	0		0	
g) Other SFC / RSB grants - FE provision	0	0		0	
h) Other UHI grants - HE provision	0	0		0	
<b>Total SFC / RSB Grants</b>	<b>745</b>	<b>691</b>	<b>-7.2%</b>	<b>-54</b>	
<b>3 Research grants and contracts</b>					
a) European Commission	0	0		0	
b) Other grants and contracts	0	0		0	
<b>Total research grants and contracts</b>	<b>0</b>	<b>0</b>		<b>0</b>	
<b>4 Other Income</b>					
a) Catering and residences	0	0		0	
b) Other European Income	0	0		0	
c) Other income generating activities	0	0		0	
d) Grants from ALF	0	0		0	
i) Revenue	0	0		0	
II) Capital	0	0		0	
e) Non-government capital grant	0	0		0	
f) Other grant income	0	0		0	
g) Release of non-SFC government deferred capital grant	0	0		0	
h) Other income	0	0		0	
<b>Total other income</b>	<b>0</b>	<b>0</b>		<b>0</b>	
<b>5 Investment income</b>					
a) Investment income on endowments	0	0		0	
b) Investment income on restricted reserves	0	0		0	
c) Other investment income	0	0		0	
d) Other interest receivable	0	0		0	
e) Net return on pension scheme	0	0		0	
<b>Total investment income</b>	<b>0</b>	<b>0</b>		<b>0</b>	
<b>6 Donations and endowment income</b>					
a) New endowments	0	0		0	
b) Donations with restrictions	0	0		0	
c) Unrestricted donations	0	0		0	
<b>Total donation and endowment income</b>	<b>0</b>	<b>0</b>		<b>0</b>	

10	Exceptional restructuring costs	0	0		0
	<b>Total staff costs</b>	<b>479</b>	<b>471</b>	-1.7%	-8

Additional breakdown of staff costs					
	Salaries	370	369	-0.3%	-1
	Social security costs	42	40	-4.8%	-2
	Pension contributions	67	62	-7.5%	-5
	Non-cash pension adjustments - net service cost				0
	Non-cash pension adjustments - early retirement provision				0
	Severance payments	0	0		0
	<b>Total staff costs</b>	<b>479</b>	<b>471</b>	-1.7%	-8

Lower LGPS pension contributions from 1 April 2024

#### NON-STAFF COSTS

1	Exceptional costs - non-staff	0	0		0
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2	<b>Other operating expenses</b>				
	a) Teaching departments	0	0		0
	b) Teaching support services	0	0		0
	c) Other support services	0	0		0
	d) Administration and central services	102	68	-33.3%	-34
	e) General education	0	0		0
	f) Premises	0	0		0
	(i) Maintenance	0	0		0
	(ii) Utilities	0	0		0
	(iii) Other	0	0		0
	g) Catering and residences	0	0		0
	h) Other income generating activities	0	0		0
	i) Overspend on student support funds *	0	0		0
	j) Planned maintenance	0	0		0
	k) Movement on early retirement pension provision	0	0		0
	l) NPD	0	0		0
	m) Other	377	371	-1.6%	-6
	<b>Total other operating expenses</b>	<b>479</b>	<b>439</b>	-8.4%	-40

Lower spend on other costs e.g. staff development, communications, board etc

3	<b>Depreciation</b>				
	a) Government funded assets	0	0		0
	b) Non-government funded assets	0	0		0
	c) NPD funded assets	0	0		0

	<b>Total depreciation</b>	<b>0</b>	<b>0</b>		0
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4	<b>Interest</b>				
	a) On bank loans, overdrafts and other loans	0	0		0
	b) Finance lease interest	0	0		0
	b) Other	0	0		0
	c) Net charge on pension scheme				0
	d) NPD interest	0	0		0

	<b>Total interest</b>	<b>0</b>	<b>0</b>		0
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Includes any overspend on bursaries, discretionary funds, and student funds received from SAAS, but excludes childcare funds.

Glasgow Colleges' Regional Board

ADJUSTED OPERATING RESULT	FFR 2023-24 £000	MYR 2023-24 £000	Variance %	Variance £	Explanation for variance
<b>Surplus/(deficit) before other gains and losses and share of operating surplus/deficit of joint ventures and associates</b>	(213)	(219)	2.8%	-6	
<b>Add:</b>					
Total depreciation (Government-funded, privately funded and NPD-funded assets) net of deferred capital grant release ( <i>incorporated colleges only</i> )	0	0		0	
Exceptional non-restructuring items (e.g. impairment costs)	0	0		0	
Donation to Arms-Length Foundation (incorporated colleges only)	0	0		0	
Non-cash pension adjustment - net service cost	0	0		0	
Non-cash pension adjustment - ERP	0	0		0	
Non-cash pension adjustment -net interest costs	0	0		0	
<b>Deduct:</b>					
Non-Government capital grants (e.g. ALF capital grant)	0	0		0	
Exceptional income (if disclosed as exceptional in accounts)	0	0		0	
CBP allocated to loan repayments and other capital items ( <i>incorporated colleges only</i> )	0	0		0	
NPD payments to reduce NPD balance sheet debt	0	0		0	
<b>Adjusted operating result</b>	<b>(213)</b>	<b>(219)</b>	2.8%	-6	

**Cash budget for priorities (*incorporated colleges*) :**

**Revenue priorities**

Student support funding	0	0
2015-16 pay award	0	0
Voluntary severance	0	0
Estates costs	0	0
Other - please describe	0	0
<b>Total impact on operating position</b>	<b>0</b>	<b>0</b>

**Capital priorities**

Loan repayments	0	0
NPD / PFI repayments	0	0
Estates costs	0	0
Provisions pre 1 April 2014	0	0
<b>Total capital</b>	<b>0</b>	<b>0</b>

**Total cash budget for priorities spend**

<b>0</b>	<b>0</b>
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Balance Sheet		FFR 2023-24	MYR 2023-24	Variance	Variance	Explanation for variance
		£000	£000	%	£	
1 Non-current assets	a) Intangible assets	0	0		0	
	b) Fixed assets	0	0		0	
	c) Investments	0	0		0	
<b>Total non-current assets</b>		<b>0</b>	<b>0</b>		<b>0</b>	
2 Current assets	a) Stock	0	0		0	
	b) Debtors	8	2	-75.0%	-6	One prepayment now expected at 31 July 2024
	c) Investments	0	0		0	
	d) Cash and cash equivalents	200	215	7.5%	15	
	e) Other (e.g. assets for resale)	0	0		0	
<b>Total current assets</b>		<b>208</b>	<b>217</b>	<b>4.3%</b>	<b>9</b>	
3 Creditors: amounts falling due within one year	a) Bank loans and external borrowing	0	0		0	
	b) Bank overdrafts	0	0		0	
	c) Lennartz creditor	0	0		0	
	d) Obligations under finance leases and service concessions	0	0		0	
	e) Payments received in advance	0	0		0	
	f) Amounts owed to Funding Council	0	0		0	
	g) Obligations under PFI/NPD	0	0		0	
	h) Deferred capital grant	0	0		0	
	i) Other creditors and accruals	86	68	-20.9%	-18	Reduction primarily due to settlement of prior year pay arrears
<b>Total creditors &lt; 1 year</b>		<b>86</b>	<b>68</b>	<b>-20.9%</b>	<b>-18</b>	
Share of net assets/(liabilities) in associate		0	0		0	
<b>NET CURRENT ASSETS/LIABILITIES</b>		<b>122</b>	<b>149</b>	<b>22.1%</b>	<b>27</b>	
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>122</b>	<b>149</b>	<b>22.1%</b>	<b>27</b>	
4 Creditors: amounts falling due after more than one year	a) Local authority loans	0	0		0	
	b) Bank loans and external borrowing	0	0		0	
	c) Lennartz creditor	0	0		0	
	d) Finance leases and service concessions	0	0		0	
	e) Obligations under PFI/NPD	0	0		0	
	f) Deferred capital grant	0	0		0	
	g) Amounts repayable to Funding Council	0	0		0	
	h) Other creditors	0	0		0	
<b>Total creditors &gt;1 year</b>		<b>0</b>	<b>0</b>		<b>0</b>	
5 Provisions	a) Pension provisions	59	0	-100.0%	-59	Asset ceiling applied at 31 Jul 2023
	b) Other	0	0		0	
<b>Total provisions</b>		<b>59</b>	<b>0</b>	<b>-100.0%</b>	<b>-59</b>	
<b>TOTAL NET ASSETS</b>		<b>63</b>	<b>149</b>	<b>136.5%</b>	<b>86</b>	
9 Restricted Reserves	a) Endowment Reserve	0	0		0	
	b) Restricted Reserve	0	0		0	
10 Unrestricted reserves	a) Income and Expenditure Reserve	63	149	136.5%	86	
	b) Revaluation reserve	0	0		0	
11 Non-controlling interest		0	0		0	
<b>TOTAL RESERVES</b>		<b>63</b>	<b>149</b>	<b>136.5%</b>	<b>86</b>	
	Check	0	0		0	

## Glasgow Colleges' Regional Board

### LIQUIDITY ANALYSIS

		FFR 2023- 24	MYR 2023- 24	Variance	
		£000	£000	£000	%
<b>1 Current assets</b>	a) Stocks	0	0	0	
	b) Debtors	8	2	6	300%
	c) Investments	0	0	0	
	d) Cash and cash equivalents	200	215	(15)	(7%)
<b>Total Current Assets</b>		<b>208</b>	<b>217</b>	<b>(9)</b>	<b>(4%)</b>
<b>2 Less Creditors: Amounts falling due within one year excl Deferred Capital Grants</b>					
	a) Bank loans and external borrowing	0	0	0	
	b) Bank overdrafts	0	0	0	
	c) Lennartz creditor	0	0	0	
	d) Obligations under finance leases and service concessions	0	0	0	
	e) Payments received in advance	0	0	0	
	f) Amounts owed to SFC	0	0	0	
	g) Obligations under PFI / NPD (Unfunded Only)	0	0	0	
	h) Other creditors and accruals	86	68	18	26%
<b>Total Creditors: Amounts falling due within one year excl Deferred Capital Grants</b>		<b>86</b>	<b>68</b>	<b>18</b>	<b>26%</b>
<b>Liquidity position (Baseline Cash)</b>		<b>122</b>	<b>149</b>	<b>(27)</b>	<b>(18%)</b>
<b>Liquidity ratio</b>		<b>2.42</b>	<b>3.19</b>	<b>(1)</b>	

### ADDITIONAL INFORMATION

Longer Term Obligations under PFI / NPD (Unfunded Only)

Other Longer Term Liabilities in Balance Sheet resulting in cash outflows

Other Cash Commitments not included in Balance Sheet

**Liquidity position less Longer Term Cash Liabilities/Commitments**

0	0	0
0	0	0
0	0	0
<b>122</b>	<b>149</b>	<b>(27)</b>

Cashflow	FFR 2023-	MYR	Variance	Variance	Explanation for variance
	24	2023-24			
	£000	£000	%	£	
<b>1 Cash flow from operating activities</b>					
a) Surplus / (deficit) for the year	-213	-219	3%	-6	
<b>2 Adjustment for non-cash items</b>					
a) Depreciation	0	0		0	
b) Amortisation of intangibles	0	0		0	
c) Benefit on acquisition	0	0		0	
d) Amortisation of goodwill	0	0		0	
e) Loss / (gain) on investments	0	0		0	
f) Decrease / (increase) in stock	0	0		0	
g) Decrease / (increase) in debtors	0	6		6	
h) Increase / (decrease) in creditors	(1,239)	(1,163)	(6%)	76	
i) Increase / (decrease) in pension provision	0	0		0	
j) Increase / (decrease) in other provisions	0	0		0	
k) Receipt of donated equipment	0	0		0	
l) Share of operating surplus / (deficit) in joint venture	0	0		0	
m) Share of operating surplus / (deficit) in associate	0	0		0	
n) Other	0	0		0	
<b>Total adjustment for non-cash items</b>	<b>(1,239)</b>	<b>(1,157)</b>	<b>(7%)</b>	<b>82</b>	
<b>3 Adjustment for investing or financing activities</b>					
a) Investment income	0	0		0	
b) Interest payable	0	0		0	
c) Endowment income	0	0		0	
d) Loss / (gain) on the sale of assets	0	0		0	
e) Capital grant income	0	0		0	
<b>Total adjustment for investing or financing activities</b>	<b>0</b>	<b>0</b>		<b>0</b>	
<b>4 Net cash inflow from operating activities</b>	<b>(1,452)</b>	<b>(1,376)</b>	<b>(5%)</b>	<b>76</b>	
<b>5 Cash flow from investing activities</b>					
a) Proceeds from sales of fixed assets	0	0		0	
b) Proceeds from sales of intangible assets	0	0		0	
c) Capital grants receipts	0	0		0	
d) Disposal of non-current asset investments	0	0		0	
e) Withdrawal of deposits	0	0		0	
f) Investment income	0	0		0	
g) Payments made to acquire fixed assets	0	0		0	
h) Payments made to acquire intangible assets	0	0		0	
i) New non-current asset investments	0	0		0	
j) New deposits	0	0		0	
<b>Total cash flows from investing activities</b>	<b>0</b>	<b>0</b>		<b>0</b>	
<b>6 Cash flows from financing activities</b>					
a) Interest paid	0	0		0	
b) Interest element of finance lease and service concession	0	0		0	
c) Endowment cash received	0	0		0	
d) New secured loans	0	0		0	
e) New unsecured loans	0	0		0	
f) Repayments of amounts borrowed	0	0		0	
g) Capital element of finance lease and service concession payments	0	0		0	
<b>Total cash flows from financing activities</b>	<b>0</b>	<b>0</b>		<b>0</b>	
<b>7 (Decrease) / increase in cash and cash equivalents in the year</b>	<b>(1,452)</b>	<b>(1,376)</b>	<b>(5%)</b>	<b>76</b>	
<b>8 Cash and cash equivalents at beginning of the year</b>	<b>1,652</b>	<b>1,591</b>	<b>(4%)</b>	<b>-61</b>	
<b>9 Cash and cash equivalents at the end of the year</b>	<b>200</b>	<b>215</b>	<b>8%</b>	<b>15</b>	
Check	(1,452)	(1,376)			

Glasgow Colleges' Regional Board

Capital Expenditure Projects and Forecast Methods of Financing

	FFR 2023-24 £000	MYR 2023-24 £000	Variance %	Variance £	Explanation for variance
<b>Expenditure:</b>					
Land & Buildings	0	0		0	
Equipment & Others	0	0		0	
	0	0		0	
<b>Financed by:</b>					
Cash reserves	0	0		0	
Arms Length Foundation	0	0		0	
Leasing	0	0		0	
SFC/RSB grant	0	0		0	
Re-investment of proceeds from disposal of assets *	0	0		0	
Non-SFC/RSB grants	0	0		0	
PFI/NPD	0	0		0	
Other - please specify if material	0	0		0	
	0	0		0	

\* to be included only where this has been agreed by SFC

Capital disposals

	FFR 2023-24 £000	MYR 2023-24 £000
<b>Disposal proceeds:</b>		
Asset description	0	0
	0	0

Gain/(loss) on disposal:



Glasgow Colleges' Regional Board

FINANCIAL SUMMARY

FFR 2023-24	MYR 2023-24
£000	£000

Income ratios		
Total Income	745	691
Total Funding Council Grant (excluding release of deferred capital grant) as % of Total Income	100%	100%
Total non-Funding Council Grant (including release of SFC DCG) as % of Total Income	0%	0%
Total Education Contracts and Tuition Fees as % of Total Income	0%	0%
Total Research Grants and Contracts as % of Total Income	0%	0%
Total Other Income as % of Total Income	0%	0%

Expenditure ratios		
Total Expenditure	958	910
Salaries as % of Total Expenditure	50%	52%
Other operating costs as % of Total Expenditure	50%	48%
Depreciation/amortisation as % of Total Expenditure	0%	0%

Operating position		
Operating Surplus/(deficit)	(213)	(219)
Operating Surplus/(deficit) as % of Total Income	-29%	-32%
Adjusted operating surplus/(deficit)	(213)	(219)
Adjusted operating surplus/(deficit) as % of Total Income	-28.6%	-31.7%

Cash Position		
Cash and Current Asset Investments	200	215
Overdrafts	0	0
Days Ratio of Cash to Total Expenditure	76	86
Net cash inflow/(outflow) from operating activities	-1,452	-1,376
Net cash inflow/(outflow) from operating activities as % of Total Income	-194.9%	-199.1%

Balance Sheet strength		
Unrestricted reserves	63	149
Liquidity Ratio	2.42	3.19
Unrestricted reserves as % of Total Income	8%	22%
Total borrowing (Overdrafts, Loans, Finance Leases, PFI/NPD)	0	0
Interest cover	#DIV/0!	#DIV/0!

**Mid-Year Return 2023-24**

College:

Contact:

Telephone:

Email:

<b>DECLARATION:</b>	The attached worksheets represent an update on the financial forecasts for the College, based on the actual financial results for the year to date and other relevant information. I consider the revised forecasts to be a reasonable assessment of the College's projected financial position at the end of this academic year in the light of the information available to me.
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Signed:

Executive Director

Date:

Glasgow College Region

	FFR 2023-24	MYR 2023-24	Variance	Variance	Explanation for variance
	£000	£000	%	£	
<b>Statement of Comprehensive income and expenditure (Consolidated)</b>					
<b>INCOME</b>					
Tuition fees and education contracts	28,555	27,782	-2.7%	-773	
Funding council/RSB grants	136,922	138,821	1.4%	1,899	
Research grants and contracts	0	0		0	
Other income	12,476	11,921	-4.4%	-555	
Investment income	0	0		0	
<b>Total income before donations and endowments</b>	<b>177,953</b>	<b>178,524</b>	0.3%	571	
Donations and endowments	0	0		0	
<b>Total income</b>	<b>177,953</b>	<b>178,524</b>	0.3%	571	
<b>EXPENDITURE</b>					
Staff costs	114,056	113,087	-0.8%	-969	
Staff costs - exceptional restructuring costs	2,250	3,831	70.3%	1,581	
Exceptional costs - non-staff	0	0		0	
Other operating expenses	38,436	39,571	3.0%	1,135	
Donation to Arms Length Foundation	0	0		0	
Depreciation	14,864	13,942	-6.2%	-922	
Interest and other finance costs	12,325	11,579	-6.1%	-746	
<b>Total expenditure</b>	<b>181,931</b>	<b>182,010</b>	0.0%	79	
<b>Surplus/(deficit) before other gains and losses and share of operating surplus/deficit of joint ventures and associates</b>	<b>(3,978)</b>	<b>(3,486)</b>	-12.4%	492	
Gain/(loss) on disposal of fixed assets	0	0		0	
Gain/(loss) on investments	0	0		0	
Share of operating surplus/(deficit) in joint venture(s)	0	0		0	
Share of operating surplus/(deficit) in associate(s)	0	0		0	
<b>Surplus/(deficit) before tax</b>	<b>(3,978)</b>	<b>(3,486)</b>	-12.4%	492	
Other taxation	0	0		0	
<b>Surplus/(deficit) for the year</b>	<b>(3,978)</b>	<b>(3,486)</b>	-12.4%	492	
Unrealised surplus on revaluation of land and buildings	0	0		0	
Actuarial (loss)/gain in respect of pension schemes	0	0		0	
Other comprehensive income	0	0		0	
<b>Total comprehensive income for the year</b>	<b>(3,978)</b>	<b>(3,486)</b>	-12.4%	492	

## Glasgow College Region

INCOME	FFR 2023-	MYR	Variance	Variance	Explanation for variance
	24	2023-24			
	£000	£000	%	£	
<b>1 Tuition fees and education contracts</b>					
a) FE - UK	1,177	1,177	0.0%	0	
b) FE - EU	0	0		0	
c) HE	11,620	11,592	-0.2%	-28	
d) Non-EU	1,768	1,768	0.0%	0	
e) SDS contracts	350	276	-21.1%	-74	
f) Education contracts	6,670	6,232	-6.6%	-438	
g) Other	6,970	6,737	-3.3%	-233	
<b>Total tuition fees and education contracts</b>	<b>28,555</b>	<b>27,782</b>	<b>-2.7%</b>	<b>-773</b>	
<b>2 SFC / RSB Grants</b>					
a) SFC / RSB FE recurrent grant (including fee waiver)	104,275	105,027	0.7%	752	
b) UHI recurrent grant - HE provision	0	0		0	
c) FE Childcare funds	3,120	2,565	-17.8%	-555	
d) Release of SFC / RSB deferred capital grants	5,712	5,723	0.2%	11	
e) SFC capital grant	1,546	2,486	60.8%	940	
f) SFC grant for NPD	20,561	20,561	0.0%	0	
g) Other SFC / RSB grants - FE provision	1,708	2,459	44.0%	751	
h) Other UHI grants - HE provision	0	0		0	
<b>Total SFC / RSB Grants</b>	<b>136,922</b>	<b>138,821</b>	<b>1.4%</b>	<b>1,899</b>	
<b>3 Research grants and contracts</b>					
a) European Commission	0	0		0	
b) Other grants and contracts	0	0		0	
<b>Total research grants and contracts</b>	<b>0</b>	<b>0</b>		<b>0</b>	
<b>4 Other Income</b>					
a) Catering and residences	4,883	4,923	0.8%	40	
b) Other European Income	0	0		0	
c) Other income generating activities	967	1,125	16.3%	158	
d) Grants from ALF	3,300	2,213	-32.9%	-1,087	
i) Revenue	1,000	2,213	121.3%	1,213	
ii) Capital	2,300	0	-100.0%	-2,300	
e) Non-government capital grant	0	0		0	
f) Other grant income	1,476	1,472	-0.3%	-4	
g) Release of non-SFC government deferred capital grant	743	743	0.0%	0	
h) Other income	1,107	1,445	30.5%	338	
<b>Total other income</b>	<b>12,476</b>	<b>11,921</b>	<b>-4.4%</b>	<b>-555</b>	
<b>5 Investment income</b>					
a) Investment income on endowments	0	0		0	
b) Investment income on restricted reserves	0	0		0	
c) Other investment income	0	0		0	
d) Other interest receivable	0	0		0	
e) Net return on pension scheme	0	0		0	
<b>Total investment income</b>	<b>0</b>	<b>0</b>		<b>0</b>	
<b>6 Donations and endowment income</b>					
a) New endowments	0	0		0	
b) Donations with restrictions	0	0		0	
c) Unrestricted donations	0	0		0	
<b>Total donation and endowment income</b>	<b>0</b>	<b>0</b>		<b>0</b>	

10 Exceptional restructuring costs		2,250	3,831		70.3%	1,581
<b>Total staff costs</b>		<b>116,306</b>	<b>116,918</b>		0.5%	612

<b>Additional breakdown of staff costs</b>						
	Salaries	88,163	88,026		-0.2%	-137
	Social security costs	9,004	8,935		-0.8%	-69
	Pension contributions	16,888	16,126		-4.5%	-762
	Non-cash pension adjustments - net service cost					0
	Non-cash pension adjustments - early retirement provision					0
	Severance payments	2,250	3,831		70.3%	1,581
	<b>Total staff costs</b>	<b>116,305</b>	<b>116,918</b>		0.5%	613

**NON-STAFF COSTS**

1 Exceptional costs - non-staff		0	0			0
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2 Other operating expenses	a)	Teaching departments	4,117	5,041		22.4%	924
	b)	Teaching support services	3,287	2,980		-9.3%	-307
	c)	Other support services	300	558		86.0%	258
	d)	Administration and central services	6,959	5,689		-18.2%	-1,270
	e)	General education	0	0			0
	f)	Premises	14,923	16,974		13.7%	2,051
	(i)	Maintenance	1,773	1,951		10.0%	178
	(ii)	Utilities	5,251	5,044		-3.9%	-207
	(iii)	Other	7,899	9,979		26.3%	2,080
	g)	Catering and residences	2,463	2,967		20.5%	504
	h)	Other income generating activities	1,634	464		-71.6%	-1,170
	i)	Overspend on student support funds *	0	0			0
	j)	Planned maintenance	0	0			0
	k)	Movement on early retirement pension provision	0	0			0
	l)	NPD	0	0			0
	m)	Other	4,753	4,898		3.1%	145
<b>Total other operating expenses</b>			<b>38,436</b>	<b>39,571</b>		3.0%	1,135

3 Depreciation	a)	Government funded assets	8,621	7,989		-7.3%	-632
	b)	Non-government funded assets	391	243		-37.9%	-148
	c)	NPD funded assets	5,852	5,710		-2.4%	-142
<b>Total depreciation</b>			<b>14,864</b>	<b>13,942</b>		-6.2%	-922

4 Interest	a)	On bank loans, overdrafts and other loans	0	0			0
	b)	Finance lease interest	0	0			0
	b)	Other	0	0			0
	c)	Net charge on pension scheme					0
	d)	NPD interest	12,325	11,579		-6.1%	-746
<b>Total interest</b>			<b>12,325</b>	<b>11,579</b>			

36,875	34,407
3,650	3,751
0	0
7,800	9,368

\*

Includes any overspend on bursaries, discretionary funds, and student funds received from SAAS, but excludes childcare funds.

Glasgow College Region

ADJUSTED OPERATING RESULT	FFR	MYR	Variance	Variance	Explanation for variance
	2023-24	2023-24	%	£	
	£000	£000			
<b>Surplus/(deficit) before other gains and losses and share of operating surplus/deficit of joint ventures and associates</b>	<b>(3,978)</b>	<b>(3,486)</b>	-12.4%	492	
<b>Add:</b>					
Total depreciation (Government-funded, privately funded and NPD-funded assets) net of deferred capital grant release ( <i>incorporated colleges only</i> )	8,409	7,476	-11.1%	-933	
Exceptional non-restructuring items (e.g. impairment costs)	0	0		0	
Donation to Arms-Length Foundation (incorporated colleges only)	0	0		0	
Non-cash pension adjustment - net service cost	0	0		0	
Non-cash pension adjustment - ERP	0	0		0	
Non-cash pension adjustment -net interest costs	0	0		0	
<b>Deduct:</b>					
Non-Government capital grants (e.g. ALF capital grant)	2,300	0	-100.0%	-2,300	
Exceptional income (if disclosed as exceptional in accounts)	0	0		0	
CBP allocated to loan repayments and other capital items ( <i>incorporated colleges only</i> )	181	181	0.0%	0	
NPD payments to reduce NPD balance sheet debt	5,790	5,790	0.0%	0	
<b>Adjusted operating result</b>	<b>(3,840)</b>	<b>(1,981)</b>	-48.4%	1,859	

**Cash budget for priorities (*incorporated colleges*) :**

**Revenue priorities**

Student support funding	0	0
2015-16 pay award	1,323	881
Voluntary severance	0	0
Estates costs	706	706
Other - please describe	0	0
<b>Total impact on operating position</b>	<b>2,029</b>	<b>1,587</b>

**Capital priorities**

Loan repayments	0	0
NPD / PFI repayments	0	0
Estates costs	0	0
Provisions pre 1 April 2014	181	181
<b>Total capital</b>	<b>181</b>	<b>181</b>

**Total cash budget for priorities spend**

<b>2,210</b>	<b>1,768</b>
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Balance Sheet		FFR 2023-24	MYR 2023-24	Variance	Variance	Explanation for variance
		£000	£000	%	£	
1	Non-current assets					
	a) Intangible assets	0	0		0	
	b) Fixed assets	475,213	482,786	1.6%	7,573	
	c) Investments	4	4	0.0%	0	
	<b>Total non-current assets</b>	<b>475,217</b>	<b>482,790</b>	<b>1.6%</b>	<b>7,573</b>	
2	Current assets					
	a) Stock	65	126	93.8%	61	
	b) Debtors	12,225	13,876	13.5%	1,651	
	c) Investments	0	0		0	
	d) Cash and cash equivalents	1,986	9,362	371.4%	7,376	
	e) Other (e.g. assets for resale)	0	0		0	
	<b>Total current assets</b>	<b>14,276</b>	<b>23,364</b>	<b>63.7%</b>	<b>9,088</b>	
3	Creditors: amounts falling due within one year					
	a) Bank loans and external borrowing	0	0		0	
	b) Bank overdrafts	0	0		0	
	c) Lennartz creditor	227	227	0.0%	0	
	d) Obligations under finance leases and service concessions	0	0		0	
	e) Payments received in advance	190	281	47.9%	91	
	f) Amounts owed to Funding Council	0	0		0	
	g) Obligations under PFI/NPD	6,110	6,077	-0.5%	-33	
	h) Deferred capital grant	6,141	6,152	0.2%	11	
	i) Other creditors and accruals	24,904	23,086	-7.3%	-1,818	
	<b>Total creditors &lt; 1 year</b>	<b>37,572</b>	<b>35,823</b>	<b>-4.7%</b>	<b>-1,749</b>	
	<b>Share of net assets/(liabilities) in associate</b>	<b>0</b>	<b>0</b>		<b>0</b>	
	<b>NET CURRENT ASSETS/LIABILITIES</b>	<b>(23,296)</b>	<b>(12,459)</b>	<b>-46.5%</b>	<b>10,837</b>	
	<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>451,921</b>	<b>470,331</b>	<b>4.1%</b>	<b>18,410</b>	
4	Creditors: amounts falling due after more than one year					
	a) Local authority loans	0	0		0	
	b) Bank loans and external borrowing	0	0		0	
	c) Lennartz creditor	0	0		0	
	d) Finance leases and service concessions	0	0		0	
	e) Obligations under PFI/NPD	111,920	111,494	-0.4%	-426	
	f) Deferred capital grant	112,826	112,889		63	
	g) Amounts repayable to Funding Council	0	0		0	
	h) Other creditors	0	0		0	
	<b>Total creditors &gt;1 year</b>	<b>224,746</b>	<b>224,383</b>	<b>-0.2%</b>	<b>-363</b>	
5	Provisions					
	a) Pension provisions	-46,431	-14,824	-68.1%	31,607	
	b) Other	0	2,509		2,509	
	<b>Total provisions</b>	<b>(46,431)</b>	<b>(12,315)</b>	<b>-73.5%</b>	<b>34,116</b>	
	<b>TOTAL NET ASSETS</b>	<b>273,606</b>	<b>258,263</b>	<b>-5.6%</b>	<b>-15,343</b>	
9	Restricted Reserves					
	a) Endowment Reserve	0	0		0	
	b) Restricted Reserve	398	398	0.0%	0	
10	Unrestricted reserves					
	a) Income and Expenditure Reserve	65,560	43,091	-34.3%	-22,469	
	b) Revaluation reserve	207,648	214,774	3.4%	7,126	
11	Non-controlling interest	0	0		0	
	<b>TOTAL RESERVES</b>	<b>273,606</b>	<b>258,263</b>	<b>-5.6%</b>	<b>-15,343</b>	

## Glasgow College Region

### LIQUIDITY ANALYSIS

		FFR 2023- 24	MYR 2023- 24	Variance	
		£000	£000	£000	%
<b>1 Current assets</b>	a) Stocks	65	126	(61)	(48%)
	b) Debtors	12,225	13,876	(1,651)	(12%)
	c) Investments	0	0	0	
	d) Cash and cash equivalents	1,986	9,362	(7,376)	(79%)
<b>Total Current Assets</b>		<b>14,276</b>	<b>23,364</b>	<b>(9,088)</b>	<b>(39%)</b>
<b>2 Less Creditors: Amounts falling due within one year excl Deferred Capital Grants</b>					
	a) Bank loans and external borrowing	0	0	0	
	b) Bank overdrafts	0	0	0	
	c) Lennartz creditor	227	227	0	0%
	d) Obligations under finance leases and service concessions	0	0	0	
	e) Payments received in advance	190	281	(91)	(32%)
	f) Amounts owed to SFC	0	0	0	
	g) Obligations under PFI / NPD (Unfunded Only)	0	729	(729)	(100%)
	h) Other creditors and accruals	24,904	23,086	1,818	8%
<b>Total Creditors: Amounts falling due within one year excl Deferred Capital Grants</b>		<b>25,321</b>	<b>24,323</b>	<b>998</b>	<b>4%</b>
<b>Liquidity position (Baseline Cash)</b>		<b>(11,045)</b>	<b>(959)</b>	<b>(10,086)</b>	<b>1052%</b>
<b>Liquidity ratio</b>		<b>0.56</b>	<b>0.96</b>	<b>(0)</b>	

### ADDITIONAL INFORMATION

Longer Term Obligations under PFI / NPD (Unfunded Only)	0	13,379	(13,379)
Other Longer Term Liabilities in Balance Sheet resulting in cash outflows	0	2,509	(2,509)
Other Cash Commitments not included in Balance Sheet	0	0	0
<b>Liquidity position less Longer Term Cash Liabilities/Commitments</b>	<b>(11,045)</b>	<b>(16,847)</b>	<b>5,802</b>

## Glasgow College Region

Cashflow	FFR 2023-	MYR	Variance	Variance	Explanation for variance
	24	2023-24			
	£000	£000	%	£	
<b>1 Cash flow from operating activities</b>					
a) Surplus / (deficit) for the year	(3,978)	(3,486)	(12%)	492	
<b>2 Adjustment for non-cash items</b>					
a) Depreciation	14,864	13,942	(6%)	-922	
b) Amortisation of intangibles	0	0		0	
c) Benefit on acquisition	0	0		0	
d) Amortisation of goodwill	0	0		0	
e) Loss / (gain) on investments	0	0		0	
f) Decrease / (increase) in stock	0	121		121	
g) Decrease / (increase) in debtors	3,259	3,234	(1%)	-25	
h) Increase / (decrease) in creditors	(12,632)	(17,388)	38%	-4,756	
i) Increase / (decrease) in pension provision	(181)	(181)	0%	0	
j) Increase / (decrease) in other provisions	0	313		313	
k) Receipt of donated equipment	0	0		0	
l) Share of operating surplus / (deficit) in joint venture	0	0		0	
m) Share of operating surplus / (deficit) in associate	0	0		0	
n) Other	0	0		0	
<b>Total adjustment for non-cash items</b>	<b>5,310</b>	<b>41</b>	<b>(99%)</b>	<b>-5,269</b>	
<b>3 Adjustment for investing or financing activities</b>					
a) Investment income	0	0		0	
b) Interest payable	11,825	11,579	(2%)	-246	
c) Endowment income	0	0		0	
d) Loss / (gain) on the sale of assets	0	0		0	
e) Capital grant income	(5,936)	(4,333)	(27%)	1,603	
<b>Total adjustment for investing or financing activities</b>	<b>5,889</b>	<b>7,246</b>	<b>23%</b>	<b>1,357</b>	
<b>4 Net cash inflow from operating activities</b>	<b>7,221</b>	<b>3,801</b>	<b>(47%)</b>	<b>-3,420</b>	
<b>5 Cash flow from investing activities</b>					
a) Proceeds from sales of fixed assets	0	0		0	
b) Proceeds from sales of intangible assets	0	0		0	
c) Capital grants receipts	5,936	4,333	(27%)	-1,603	
d) Disposal of non-current asset investments	0	0		0	
e) Withdrawal of deposits	0	0		0	
f) Investment income	0	0		0	
g) Payments made to acquire fixed assets	(5,936)	(4,333)	(27%)	1,603	
h) Payments made to acquire intangible assets	0	0		0	
i) New non-current asset investments	0	0		0	
j) New deposits	0	0		0	
<b>Total cash flows from investing activities</b>	<b>0</b>	<b>0</b>		<b>0</b>	
<b>6 Cash flows from financing activities</b>					
a) Interest paid	0	0		0	
b) Interest element of finance lease and service concession	(11,825)	(11,579)	(2%)	246	
c) Endowment cash received	0	0		0	
d) New secured loans	0	0		0	
e) New unsecured loans	0	0		0	
f) Repayments of amounts borrowed	0	0		0	
g) Capital element of finance lease and service concession payments	(5,790)	(5,789)	(0%)	1	
<b>Total cash flows from financing activities</b>	<b>(17,615)</b>	<b>(17,368)</b>	<b>(1%)</b>	<b>247</b>	
<b>7 (Decrease) / increase in cash and cash equivalents in the year</b>	<b>(10,394)</b>	<b>(13,567)</b>	<b>31%</b>	<b>-3,173</b>	
<b>8 Cash and cash equivalents at beginning of the year</b>	<b>12,380</b>	<b>22,929</b>	<b>85%</b>	<b>10,549</b>	
<b>9 Cash and cash equivalents at the end of the year</b>	<b>1,986</b>	<b>9,362</b>	<b>371%</b>	<b>7,376</b>	

**Glasgow College Region**

**Capital Expenditure Projects and Forecast Methods of Financing**

***Expenditure:***

Land & Buildings  
Equipment & Others

	<b>FFR 2023-24</b>	<b>MYR 2023-24</b>	<b>Variance %</b>	<b>Variance £</b>
	<b>£000</b>	<b>£000</b>		
	4,600	2,729	-40.7%	-1871
	1,335	1,604	20.1%	269
	5,935	4,333	-27.0%	-1602

***Financed by:***

Cash reserves  
Arms Length Foundation  
Leasing  
SFC/RSB grant  
Re-investment of proceeds from disposal of assets \*  
Non-SFC/RSB grants  
PFI/NPD  
Other - please specify if material

	0	0		0
	2,300	0	-100.0%	-2300
	0	0		0
	3,635	4,333	19.2%	698
	0	0		0
	0	0		0
	0	0		0
	0	0		0
	5,935	4,333	-27.0%	-1602

\* to be included only where this has been agreed by SFC

**Capital disposals**

***Disposal proceeds:***

<b>FFR 2023-24</b>	<b>MYR 2023-24</b>
<b>£000</b>	<b>£000</b>



Glasgow College Region

FINANCIAL SUMMARY

FFR 2023-24	MYR 2023-24
£000	£000

Income ratios		
Total Income	177,953	178,524
Total Funding Council Grant (excluding release of deferred capital grant) as % of Total Income	77%	78%
Total non-Funding Council Grant (including release of SFC DCG) as % of Total Income	23%	22%
Total Education Contracts and Tuition Fees as % of Total Income	16%	16%
Total Research Grants and Contracts as % of Total Income	0%	0%
Total Other Income as % of Total Income	7%	7%

Expenditure ratios		
Total Expenditure	181,931	182,010
Salaries as % of Total Expenditure	63%	62%
Other operating costs as % of Total Expenditure	21%	22%
Depreciation/amortisation as % of Total Expenditure	8%	8%

Operating position		
Operating Surplus/(deficit)	(3,978)	(3,486)
Operating Surplus/(deficit) as % of Total Income	-2%	-2%
Adjusted operating surplus/(deficit)	(3,840)	(1,981)
Adjusted operating surplus/(deficit) as % of Total Income	-2.2%	-1.1%

Cash Position		
Cash and Current Asset Investments	1,986	9,362
Overdrafts	0	0
Days Ratio of Cash to Total Expenditure	4	20
Net cash inflow/(outflow) from operating activities	7,221	3,801
Net cash inflow/(outflow) from operating activities as % of Total Income	4.1%	2.1%

Balance Sheet strength		
Unrestricted reserves	65,560	43,091
Liquidity Ratio	0.56	0.96
Unrestricted reserves as % of Total Income	37%	24%
Total borrowing (Overdrafts, Loans, Finance Leases, PFI/NPD)	118,257	117,798
Interest cover	0.68	0.70