

Board of Management

Finance Committee

Date of Meeting	Wednesday 27 September 2023
Paper No.	FC1-I
Agenda Item	5.3
Subject of Paper	SFC Financial Forecast Return (FFR)
FOISA Status	Disclosable
Primary Contact	Alex Stewart, Head of Finance
Date of Production	Tuesday 19 September 2023
Action	For Noting

Recommendations

The Committee is asked to note the College SFC Financial Forecast Return (FFR).

1. Purpose of report

- The purpose of this paper is to provide the Committee a copy of the College SFC Financial Forecast Return (FFR) already submitted to SFC.

2. Context

The College SFC Financial Forecast Return (FFR) has been completed by the College based on the approved financial plan and already submitted to SFC to meet their return deadline, 30th June 2023.

3. Impact & Implications

There are no additional anticipated implications from the return as the data reflect the College approved financial plan.

Financial Forecast Return June 2023

College

Contact

Telephone

Email:

DECLARATION:	The attached worksheets represent the financial forecasts for the College. They reflect a financial statement of our academic and physical plans from 2022-23 to 2025-26. Adequate explanations have been provided where requested on the return. The worksheets and their underpinning assumptions are in line with the 2023/24 Budget as approved by the Board of Management. In preparing this financial forecast the College has fully considered the financial implications of all aspects of its strategy and has properly reflected these in the forecast.
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Signed:

Principal/Chief Executive Officer

Date:

City of Glasgow College

ANNUAL STAFFING EFFICIENCIES (savings reflected in FFR)

	Forecast 2022-23 FTE	Forecast 2023-24 FTE	Forecast 2024-25 FTE	Forecast 2025-26 FTE
1 FTE Staff reduction - vacancy management	41	25	27	TBC
FTE Staff reduction - voluntary severance (related restructuring costs to be set out in section 2 below)	60	15	0	TBC
FTE Staff reduction - compulsory redundancy (redundancy costs to be set out in section 2 below)	75	0	0	TBC
Staff reduction - total	176	40	27	0
	£000	£000	£000	£000
2 Voluntary severance costs	1,800	1,500		
Compulsory redundancy costs	1,000	TBC		
Total	2800	1500	0	0
CHECK - Staff restructuring costs per SOCIE	2,800	1,500	0	0
3 NON-STAFF COST EFFICIENCIES (savings reflected in FFR)	150	750		

Pension Assumptions	2022-23	2023-24	2024-25	2025-26	2022-23	2023-24	2024-25	2025-26
Employer Contributions	£000	£000	£000	£000	Details of Methodology and Valuation	Details of Methodology and Valuation	Details of Methodology and Valuation	Details of Methodology and Valuation
STSS	5,877	5,296	5,482	5,646	Defined contribution scheme	Defined contribution scheme	Defined contribution scheme	Defined contribution scheme
SPF	2,567	2,504	2,591	2,669	Defined benefit scheme	Defined benefit scheme	Defined benefit scheme	Defined benefit scheme
Other pension schemes - please state which scheme								
Other pension schemes - please state which scheme								
Total	8,444	7,800	8,073	8,315				

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	Actual 2021-22	Forecast 2022-23	Forecast 2023-24	Forecast 2024-25	Forecast 2025-26	2021-22 - 2022-23	2022-23 - 2023-24	2023-24 - 2024-25	2024-25 - 2025-26	Explanation for variance
	£000	£000	£000	£000	£000	%	%	%	%	
Statement of Comprehensive income and expenditure (Consolidated)										
INCOME										
Tuition fees and education contracts	17,353	18,019	18,444	18,594	18,744	3.8%	2.4%	0.8%	0.8%	
Funding council/RSB grants	71,456	68,979	67,984	67,984	67,984	-3.5%	-1.4%	0.0%	0.0%	
Research grants and contracts	0	0	0	0	0					
Other income	6,121	7,854	5,114	5,370	5,638	28.3%	-34.9%	5.0%	5.0%	
Investment income	0	0	0	0	0					
Total income before donations and endowments	94,930	94,852	91,542	91,948	92,366	-0.1%	-3.5%	0.4%	0.5%	
Donations and endowments	0	0	0	0	0					
Total income	94,930	94,852	91,542	91,948	92,366	-0.1%	-3.5%	0.4%	0.5%	
EXPENDITURE										
Staff costs	63,101	58,379	52,615	54,457	56,090	-7.5%	-9.9%	3.5%	3.0%	
Staff costs - exceptional restructuring costs	0	2,800	1,500	0	0		-46.4%	-100.0%		
Exceptional costs - non-staff	0	0	0	-2,400	-4,000				66.7%	
Other operating expenses	17,209	20,770	19,769	20,164	20,568	20.7%	-4.8%	2.0%	2.0%	
Donation to Arms Length Foundation	0	0	0	0	0					
Depreciation	5,707	6,732	7,317	7,317	7,317	18.0%	8.7%	0.0%	0.0%	
Interest and other finance costs	13,109	12,325	12,325	12,325	12,325	-6.0%	0.0%	0.0%	0.0%	
Total expenditure	99,126	101,006	93,526	91,863	92,300	1.9%	-7.4%	-1.8%	0.5%	
Surplus/(deficit) before other gains and losses and share of operating surplus/deficit of joint ventures and associates	(4,196)	(6,154)	(1,984)	85	66	46.7%	-67.8%	-104.3%	-21.8%	
Gain/(loss) on disposal of fixed assets	0	0	0	0	0					
Gain/(loss) on investments	0	0	0	0	0					
Share of operating surplus/(deficit) in joint venture(s)	0	0	0	0	0					
Share of operating surplus/(deficit) in associate(s)	0	0	0	0	0					
Surplus/(deficit) before tax	(4,196)	(6,154)	(1,984)	85	66	46.7%	-67.8%	-104.3%	-21.8%	
Other taxation	0	0	0	0	0					
Surplus/(deficit) for the year	(4,196)	(6,154)	(1,984)	85	66	46.7%	-67.8%	-104.3%	-21.8%	
Unrealised surplus on revaluation of land and buildings	0	0	0	0	0					
Actuarial (loss)/gain in respect of pension schemes	42,180	0	0	0	0	-100.0%				
Other comprehensive income	0	0	0	0	0					
Total comprehensive income for the year	37,984	(6,154)	(1,984)	85	66	-116.2%	-67.8%	-104.3%	-21.8%	

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INCOME	Actual	Forecast	Forecast	2021-22 -	2022-23-	Explanation for variance
	2021-22	2022-23	2023-24	2022-23	2023-24	
	£000	£000	£000	%	%	
1 Tuition fees and education contracts						
a) FE - UK	656	1,044	1,044	59%	0%	
b) FE - EU	0	0	0			
c) HE	8,802	7,884	7,464	(10%)	(5%)	
d) Non-EU	1,748	1,471	1,768	(16%)	20%	
e) SDS contracts	0	423	0		(100%)	
f) Education contracts	5,693	1,718	2,141	(70%)	25%	
g) Other	454	5,479	6,027	1107%	10%	
Total tuition fees and education contracts	17,353	18,019	18,444	4%	2%	small uplift in fees rates off-setting reduction in volume for 2023/24
2 SFC / RSB Grants						
a) SFC / RSB FE recurrent grant (including fee waiver)	45,590	44,490	44,568	(2%)	0%	flat cash
b) UHI recurrent grant - HE provision	0	0	0			
c) FE Childcare funds	549	515	520	(6%)	1%	flat cash
d) Release of SFC / RSB deferred capital grants	731	1,173	1,170	60%	(0%)	flat cash
e) SFC capital grant	0	0	0			
f) SFC grant for NPD	20,208	20,250	20,561	0%	2%	small uplift in NPC grant income
g) Other SFC / RSB grants - FE provision	4,378	2,551	1,165	(42%)	(54%)	removal of YPG
h) Other UHI grants - HE provision	0	0	0			
Total SFC / RSB Grants	71,456	68,979	67,984	(3%)	(1%)	
3 Research grants and contracts						
a) European Commission	0	0	0			
b) Other grants and contracts	0	0	0			
Total research grants and contracts	0	0	0			
4 Other Income						
a) Catering and residences	2,821	3,848	4,084	36%	6%	5% increase
b) Other European Income	587	918	0	56%	(100%)	reduced to nil post-Brexit
c) Other income generating activities	253	906	250	258%	(72%)	
d) Grants from ALF	1,590	1,250	0	(21%)	(100%)	
i) Revenue	498	1,250	0	151%	(100%)	
ii) Capital	1,092	0	0	(100%)		
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) Income from Coronavirus Job Retention Scheme	0	0	0			
i) Other income	870	932	780	7%	(16%)	
Total other income	6,121	7,854	5,114	28%	(35%)	
5 Investment income						
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			
Total investment income	0	0	0			
6 Donations and endowment income						
a) New endowments	0	0	0			
b) Donations with restrictions	0	0	0			
c) Unrestricted donations	0	0	0			
Total donation and endowment income	0	0	0			

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EXPENDITURE

	Actual 2021-22	Forecast 2022-23	Forecast 2023-24	2021-22 - 2022-23	2022-23- 2023-24	Explanation for variance
	£000	£000	£000	%	%	
STAFF COSTS						
1 Teaching departments	41,551	41,154	36,875	(1%)	(10%)	Pay Award off-set by efficiencies
2 Teaching support services	3,799	4,007	3,650	5%	(9%)	"
3 Other support services	0	0	0			
4 Administration and central services	8,721	8,444	7,800	(3%)	(8%)	"
5 Premises	1,361	1,391	1,260	2%	(9%)	"
6 Catering and residences	921	1,173	1,050	27%	(10%)	"
7 Other income generating activities	1,941	2,210	1,980	14%	(10%)	"
8 Other staff costs	0	0	0			
9 Impact of FRS 102 pensions reported costs (less contributions paid included above)	4,807					
Normal staff costs	63,101	58,379	52,615	(7%)	(10%)	"
10 Exceptional restructuring costs	0	2,800	1,500		(46%)	"
Total staff costs	63,101	61,179	54,115	(3%)	(12%)	
Additional breakdown of staff costs						
Salaries	44,899	44,937	40,500	0%	(10%)	
Social security costs	4,604	4,627	4,170	0%	(10%)	
Pension contributions	8,791	8,815	7,945	0%	(10%)	
Non-cash pension adjustments - net service cost	5,245					
Non-cash pension adjustments - early retirement provision	(438)					
Severance payments	0	2,800	1,500			
Total staff costs	63,101	61,179	54,115	(3%)	(12%)	
NON-STAFF COSTS						
1 Exceptional costs - non-staff	0	0	0			
2 Other operating expenses						
a) Teaching departments	2,113	1,574	1,324	(26%)	(16%)	
b) Teaching support services	1,279	2,350	2,100	84%	(11%)	
c) Other support services	0	300	300		0%	
d) Administration and central services	3,591	4,199	3,949	17%	(6%)	
e) General education	0	0	0			
f) Premises	7,358	8,023	8,523	9%	6%	
(i) Maintenance	382	400	400	5%	0%	
(ii) Utilities	1,640	2,118	2,618	29%	24%	
(iii) Other	5,336	5,505	5,505	3%	0%	
g) Catering and residences	1,419	1,939	1,939	37%	0%	
h) Other income generating activities	900	2,385	1,634	165%	(31%)	
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	549	0	0	(100%)		
Total other operating expenses	17,209	20,770	19,769	21%	(5%)	
3 Depreciation						
a) Government funded assets	731	1,173	1,173	60%	0%	
b) Non-government funded assets	310	292	292	(6%)	0%	
c) NPD funded assets	4,666	5,267	5,852	13%	11%	
Total depreciation	5,707	6,732	7,317	18%	9%	
4 Interest						
a) On bank loans, overdrafts and other loans	0	0	0			
b) Finance lease interest	0	0	0			
c) Other	0	0	0			
d) Net charge on pension scheme	284			(100%)		
e) NPD interest	12,825	12,325	12,325	(4%)	0%	
Total interest	13,109	12,325	12,325	(6%)	0%	39,411

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

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ADJUSTED OPERATING RESULT	Actual 2021-22 £000	Forecast 2022-23 £000	Forecast 2023-24 £000	Forecast 2024-25 £000	Forecast 2025-26 £000	2021-22 - 2022-23 %	2022-23- 2023-24 %	2023-24 - 2024-25 %	2024-25 - 2025-26 %	Explanation for variance
Surplus/(deficit) before other gains and losses and share of operating surplus/deficit of joint ventures and associates	(4,196)	(6,154)	(1,984)	85	66					
Add:										
Total depreciation (Government-funded, privately funded and NPD-funded assets) net of deferred capital grant release (<i>incorporated colleges only</i>)	4,976	5,559	6,147	6,647	7,147	11.7%	10.6%	8.1%	7.5%	
Exceptional non-restructuring items (e.g. impairment costs)	0	0	0	(2,400)	(4,000)				66.7%	
Donation to Arms-Length Foundation (incorporated colleges only)	0	0	0	0	0					
Non-cash pension adjustment - net service cost	5,245									
Non-cash pension adjustment - ERP	(438)									
Non-cash pension adjustment -net interest costs	284									
Deduct:										
Non-Government capital grants (e.g. ALF capital grant)	1,092	0	0	0	0	-100.0%				
Exceptional income (if disclosed as exceptional in accounts)	0	0	0	(2,400)	(4,000)				66.7%	
CBP allocated to loan repayments and other capital items (<i>incorporated colleges only</i>)	0	0	0	0	0					
NPD payments to reduce NPD balance sheet debt	5,248	5,470	5,790	6,110	6,450	4.2%	5.9%	5.5%	5.6%	
Adjusted operating result	(469)	(6,065)	(1,627)	622	763	1193.2%	-73.2%	-138.2%	22.8%	
Cash budget for priorities (<i>incorporated colleges</i>) :										
Revenue priorities										
Student support funding	0	0	0	0	0					
2015-16 pay award	581	581	581	581	581					
Voluntary severance	0	0	0	0	0					
Estates costs	575	575	575	575	575					
Other - please describe	0	0	0	0	0					
Total impact on operating position	1,156	1,156	1,156	1,156	1,156					
Capital priorities										
Loan repayments	0	0	0	0	0					
NPD / PFI repayments	0	0	0	0	0					
Estates costs	0	0	0	0	0					
Provisions pre 1 April 2014	0	0	0	0	0					
Total capital	0	0	0	0	0					
Total cash budget for priorities spend	1,156	1,156	1,156	1,156	1,156					

Balance Sheet		Actual 2021-22	Forecast 2022-23	Forecast 2023-24	Forecast 2024-25	Forecast 2025-26	2021-22 - 2022-23	2022-23- 2023-24	2023-24 - 2024-25	2024-25 - 2025-26	Explanation for variance
		£000	£000	£000	£000	£000	%	%	%	%	
1	Non-current assets										
	a) Intangible assets	0	0	0	0	0					
	b) Fixed assets	257,351	252,294	246,313	240,346	234,379	-2.0%	-2.4%	-2.4%	-2.5%	
	c) Investments	4	4	4	4	4	0.0%	0.0%	0.0%	0.0%	
	Total non-current assets	257,355	252,298	246,317	240,350	234,383	-2.0%	-2.4%	-2.4%	-2.5%	
2	Current assets										
	a) Stock	42	42	42	42	42	0.0%	0.0%	0.0%	0.0%	
	b) Debtors	8,691	8,082	8,082	8,082	8,082	-7.0%	0.0%	0.0%	0.0%	
	c) Investments	0	0	0	0	0					
	d) Cash and cash equivalents	14,987	3,560	514	514	514	-76.2%	-85.6%	0.0%	0.0%	
	e) Other (e.g. assets for resale)	0	0	0	0	0					
	Total current assets	23,720	11,684	8,638	8,638	8,638	-50.7%	-26.1%	0.0%	0.0%	
3	Creditors: amounts falling due within one year										
	a) Bank loans and external borrowing	0	0	0	0	0					
	b) Bank overdrafts	0	0	0	0	0					
	c) Lennartz creditor	0	0	0	0	0					
	d) Obligations under finance leases and service concessions	0	0	0	0	0					
	e) Payments received in advance	0	0	0	0	0					
	f) Amounts owed to SFC	5,152	0	0	0	0	-100.0%				
	g) Obligations under PFI/NPD	5,470	5,790	6,110	6,450	6,810	5.9%	5.5%	5.6%	5.6%	
	h) Deferred capital grant	864	864	864	864	864					
	i) Other creditors and accruals	15,614	14,331	17,159	18,929	18,790	-8.2%	19.7%	10.3%	-0.7%	
	Total creditors < 1 year	27,100	20,985	24,133	26,243	26,464	-22.6%	15.0%	8.7%	0.8%	
	Share of net assets/(liabilities) in associate	0	0	0	0	0					
	NET CURRENT ASSETS/LIABILITIES	(3,380)	(9,301)	(15,495)	(17,605)	(17,826)	175.2%	66.6%	13.6%	1.3%	
	TOTAL ASSETS LESS CURRENT LIABILITIES	253,975	242,997	230,822	222,745	216,557	-4.3%	-5.0%	-3.5%	-2.8%	
4	Creditors: amounts falling due after more than one year										
	a) Local authority loans	0	0	0	0	0					
	b) Bank loans and external borrowing	0	0	0	0	0					
	c) Lennartz creditor	0	0	0	0	0					
	d) Finance leases and service concessions	0	0	0	0	0					
	e) Obligations under PFI/NPD	123,820	118,030	111,920	105,470	98,660	-4.7%	-5.2%	-5.8%	-6.5%	
	f) Deferred capital grant	7,589	8,093	8,093	8,093	8,093					
	g) Amounts repayable to Funding Council	0	0	0	0	0					
	h) Other creditors	0	0	0	0	0					
	Total creditors >1 year	131,409	126,123	120,013	113,563	106,753	-4.0%	-4.8%	-5.4%	-6.0%	
5	Provisions										
	a) Pension provisions	-18,461	-18,461	-18,461	-18,461	-18,461	0.0%	0.0%	0.0%	0.0%	
	b) Other	0	0	0	0	0					
	Total provisions	(18,461)	(18,461)	(18,461)	(18,461)	(18,461)	0.0%	0.0%	0.0%	0.0%	
	TOTAL NET ASSETS	141,027	135,335	129,270	127,643	128,265	-4.0%	-4.5%	-1.3%	0.5%	
9	Restricted Reserves										
	a) Endowment Reserve	0	0	0	0	0					
	b) Restricted Reserve	398	398	398	398	398	0.0%	0.0%	0.0%	0.0%	
10	Unrestricted reserves										
	a) Income and Expenditure Reserve	32,558	29,322	23,257	21,630	22,252	-9.9%	-20.7%	-7.0%	2.9%	
	b) Revaluation reserve	108,071	105,615	105,615	105,615	105,615	-2.3%	0.0%	0.0%	0.0%	
11	Non-controlling interest	0	0	0	0	0					
	TOTAL RESERVES	141,027	135,335	129,270	127,643	128,265	-4.0%	-4.5%	-1.3%	0.5%	

Liquidity Analysis		Actual	Forecast	Forecast	Forecast	Forecast	2021-22 -	2022-23-	2023-24 -	2024-25 -
		2021-22	2022-23	2023-24	2024-25	2025-26	2022-23	2023-24	2024-25	2025-26
		£000	£000	£000	£000	£000	%	%	%	%
1	Current assets									
	a) Stock	42	42	42	42	42	0.0%	0.0%	0.0%	0.0%
	b) Debtors	8,691	8,082	8,082	8,082	8,082	-7.0%	0.0%	0.0%	0.0%
	c) Investments	0	0	0	0	0				
	d) Cash and cash equivalents	14,987	3,560	514	514	514	-76.2%	-85.6%	0.0%	0.0%
	Total current assets	23,720	11,684	8,638	8,638	8,638	-50.7%	-26.1%	0.0%	0.0%
2	Creditors: amounts falling due within one year excl Deferred Capital Grants									
	a) Bank loans and external borrowing	0	0	0	0	0				
	b) Bank overdrafts	0	0	0	0	0				
	c) Lennartz creditor	0	0	0	0	0				
	d) Obligations under finance leases and service concessions	0	0	0	0	0				
	e) Payments received in advance	0	0	0	0	0				
	f) Amounts owed to SFC	5,152	0	0	0	0	-100.0%			
	g) Obligations under PFI/NPD (unfunded only)	0	0	0	0	0				
	h) Other creditors and accruals	15,614	14,331	17,159	18,929	18,790	-8.2%	19.7%	10.3%	-0.7%
	Total creditors < 1year excl Deferred Capital Grants	20,766	14,331	17,159	18,929	18,790	-31.0%	19.7%	10.3%	-0.7%
	Liquidity position (baseline cash)	2,954	(2,647)	(8,521)	(10,291)	(10,152)	-189.6%	221.9%	20.8%	-1.4%
	Liquidity ratio	1.14	1	1	0	0				
ADDITIONAL INFORMATION										
	Longer Term Obligations under PFI / NPD (Unfunded Only)	0	0	0	0	0				
	Other Longer Term Liabilities in Balance Sheet resulting in cash outflows	0	0	0	0	0				
	Other Cash Commitments not included in Balance Sheet	0	0	0	0	0				
	Liquidity position less Longer Term Cash Liabilities/Commitments	2,954	(2,647)	(8,521)	(10,291)	(10,152)	-189.6%	221.9%	20.8%	-1.4%

City of Glasgow College

Cashflow	Actual 2021-22 £000	Forecast 2022-23 £000	Forecast 2023-24 £000	Forecast 2024-25 £000	Forecast 2025-26 £000	2021-22 - 2022-23 %	2022-23- 2023-24 %	2023-24 - 2024-25 %	2024-25 - 2025-26 %	Explanation for variance
1 Cash flow from operating activities										
a) Surplus / (deficit) for the year	-4196	-6154	-1984	84,795	66,29665	47%	(68%)	(104%)	(22%)	
2 Adjustment for non-cash items										
a) Depreciation	5,707	6,732	7,317	7,317	7,317	18%	9%	0%	0%	
b) Amortisation of intangibles	0	0	0	0	0					
c) Benefit on acquisition	0	0	0	0	0					
d) Amortisation of goodwill	0	0	0	0	0					
e) Loss / (gain) on investments	0	0	0	0	0					
f) Decrease / (increase) in stock	5	0	0	0	0	(100%)				
g) Decrease / (increase) in debtors	(2,026)	609	0	0	0	(130%)	(100%)			
h) Increase / (decrease) in creditors	6,312	(5,490)	(1,253)	44	403	(187%)	(77%)	(104%)	816%	
i) Increase / (decrease) in pension provision	5,529	0	0	0	0	(100%)				
j) Increase / (decrease) in other provisions	(682)	0	0	0	0	(100%)				
k) Receipt of donated equipment	0	0	0	0	0					
l) Share of operating surplus / (deficit) in joint venture	0	0	0	0	0					
m) Share of operating surplus / (deficit) in associate	0	0	0	0	0					
n) Other	0	21	0	0	0					
Total adjustment for non-cash items	14,845	1,872	6,064	7,361	7,720	(87%)	224%	21%	5%	
3 Adjustment for investing or financing activities										
a) Investment income	0	0	0	0	0					
b) Interest payable	13,109	12,325	11,825	11,325	10,825	(6%)	(4%)	(4%)	(4%)	
c) Endowment income	0	0	0	0	0					
d) Loss / (gain) on the sale of assets	9	0	0	0	0	(100%)				
e) Capital grant income	(1,568)	(1,173)	(1,336)	(1,336)	(1,336)	(25%)	14%	0%	0%	
Total adjustment for investing or financing activities	11,550	11,152	10,489	9,989	9,489	(3%)	(6%)	(5%)	(5%)	
4 Net cash inflow from operating activities	22,199	6,870	14,569	17,435	17,275	(69%)	112%	20%	(1%)	
5 Cash flow from investing activities										
a) Proceeds from sales of fixed assets	0	0	0	0	0					
b) Proceeds from sales of intangible assets	0	0	0	0	0					
c) Capital grants receipts	1,568	1,173	1,336	1,336	1,336	(25%)	14%	0%	0%	
d) Disposal of non-current asset investments	0	0	0	0	0					
e) Withdrawal of deposits	0	0	0	0	0					
f) Investment income	0	0	0	0	0					
g) Payments made to acquire fixed assets	(2,673)	(1,675)	(1,336)	(1,336)	(1,336)	(37%)	(20%)	0%	0%	
h) Payments made to acquire intangible assets	0	0	0	0	0					
i) New non-current asset investments	0	0	0	0	0					
j) New deposits	0	0	0	0	0					
Total cash flows from investing activities	(1,105)	(502)	0	0	0	(55%)	(100%)			
6 Cash flows from financing activities										
a) Interest paid	(284)	0	0	0	0	(100%)				
b) Interest element of finance lease and service concession	(12,825)	(12,325)	(11,825)	(11,325)	(10,825)	(4%)	(4%)	(4%)	(4%)	
c) Endowment cash received	0	0	0	0	0					
d) New secured loans	0	0	0	0	0					
e) New unsecured loans	0	0	0	0	0					
f) Repayments of amounts borrowed	0	0	0	0	0					
g) Capital element of finance lease and service concession payments	(5,248)	(5,470)	(5,790)	(6,110)	(6,450)	4%	6%	6%	6%	
Total cash flows from financing activities	(18,357)	(17,795)	(17,615)	(17,435)	(17,275)	(3%)	(1%)	(1%)	(1%)	
7 (Decrease) / increase in cash and cash equivalents in the year	2,737	(11,427)	(3,046)	(0)	0	(518%)	(73%)	(100%)	(245%)	
8 Cash and cash equivalents at beginning of the year	12,250	14,987	3,860	514	514	22%	(76%)	(86%)	0%	
9 Cash and cash equivalents at the end of the year	14,987	3,560	514	514	514	(76%)	(86%)	0%	0%	

City of Glasgow College

Capital Expenditure Projects and Forecast Methods of Financing

	Actual 2021-22	Forecast 2022-23	Forecast 2023-24	Forecast 2024-25	Forecast 2025-26	2021-22 - 2022-23	2022-23 - 2023-24	2023-24 - 2024-25	2024-25 - 2025-26
	£000	£000	£000	£000	£000	%	%	%	%
Expenditure:									
Land & Buildings	0	0	0	0	0				
Equipment & Others	2673	1675	1335	1335	1335	-37.3%	-20.3%	0.0%	0.0%
	<u>2,673</u>	<u>1,675</u>	<u>1,335</u>	<u>1,335</u>	<u>1,335</u>	<u>-37.3%</u>	<u>-20.3%</u>	<u>0.0%</u>	<u>0.0%</u>
Financed by:									
Cash reserves	0	0	0	0	0				
ALF grants	1092	0	0	0	0	-100.0%			
Leasing	0	0	0	0	0				
SFC/RSB grant	1581	1675	1335	1335	1335	5.9%	-20.3%	0.0%	0.0%
Re-investment of proceeds from disposal of assets *	0	0	0	0	0				
Non-SFC/RSB grants	0	0	0	0	0				
PFI/NPD	0	0	0	0	0				
Other - please specify if material	0	0	0	0	0				
	<u>2,673</u>	<u>1,675</u>	<u>1,335</u>	<u>1,335</u>	<u>1,335</u>	<u>-37.3%</u>	<u>-20.3%</u>	<u>0.0%</u>	<u>0.0%</u>

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

	Actual 2021-22	Forecast 2022-23	Forecast 2023-24	Forecast 2024-25	Forecast 2025-26
	£000	£000	£000	£000	£000

Capital disposals

Disposal proceeds:

Asset description	0	0	0	0	0
Asset description	0	0	0	0	0
Asset description	0	0	0	0	0
Asset description	0	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Gain/(loss) on disposal:

Asset description	0	0	0	0	0
Asset description	0	0	0	0	0
Asset description	0	0	0	0	0
Asset description	0	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

City of Glasgow College

ALF Funding

	Actual 2021-22 £000	Forecast 2022-23 £000	Forecast 2023-24 £000	Forecast 2024-25 £000	Forecast 2025-26 £000
Estimated balance of cash in ALF as at 1 August	2,250	2,250	1,000	1,000	1,000
Donation to Arms Length Foundation	0	0	0	0	0
Grant from Arms Length Foundation - capital	0	0	0	0	0
Grant from Arms Length Foundation - revenue	0	(1,250)	0	0	0
Estimated balance of cash in ALF as at 31 July	2,250	1,000	1,000	1,000	1,000

Note:

For most foundations, the most recent accounts available are for periods ending in 2022. Colleges' forecast movements will not include governance costs, donations from third parties, payments to third parties or investment income.

	Actual 2021-22 £000	Forecast 2022-23 £000	Forecast 2023-24 £000	Forecast 2024-25 £000	Forecast 2025-26 £000
Grant from Arms Length Foundation - capital:					
Description	0	0	0	0	0
Description	0	0	0	0	0
Description	0	0	0	0	0
Description	0	0	0	0	0
Description	0	0	0	0	0
Description	0	0	0	0	0
Total	0	0	0	0	0

Grant from Arms Length Foundation - revenue

Support to VS scheme	0	1,100	0	0	0
Annual charge for VLE (Virtual Learning Environment)	0	150	0	0	0
Description	0	0	0	0	0
Description	0	0	0	0	0
Description	0	0	0	0	0
Total	0	1250	0	0	0

City of Glasgow College
FINANCIAL SUMMARY

Actual 2021-22	Forecast 2022-23	Forecast 2023-24	Forecast 2024-25	Forecast 2025-26
£000	£000	£000	£000	£000

Income ratios					
Total Income	94,930	94,852	91,542	91,948	92,366
Total Funding Council Grant as % of Total Income	75%	73%	74%	74%	74%
Total non-Funding Council Grant as % of Total Income	25%	27%	26%	26%	26%
Total Education Contracts and Tuition Fees as % of Total Income	18%	19%	20%	20%	20%
Total Research Grants and Contracts as % of Total Income	0%	0%	0%	0%	0%
Total Other Income as % of Total Income	6%	8%	6%	6%	6%

Expenditure ratios					
Total Expenditure	99,126	101,006	93,526	91,863	92,300
Salaries as % of Total Expenditure	64%	58%	56%	59%	61%
Other operating costs as % of Total Expenditure	17%	21%	21%	22%	22%
Depreciation/amortisation as % of Total Expenditure	6%	7%	8%	8%	8%

Operating position					
Operating Surplus/(deficit)	(4,196)	(6,154)	(1,984)	85	66
Operating Surplus/(deficit) as % of Total Income	-4%	-6%	-2%	0%	0%
Adjusted operating surplus/(deficit)	-469	-6,065	-1,627	622	763
Adjusted operating surplus/(deficit) as % of Total Income	-0.5%	-6.4%	-1.8%	0.7%	0.8%

Cash Position					
Cash and Current Asset Investments	14,987	3,560	514	514	514
Overdrafts	0	0	0	0	0
Days Ratio of Cash to Total Expenditure	59	14	2	2	2
Net cash inflow/(outflow) from operating activities	22,199	6,870	14,569	17,435	17,275
Net cash inflow/(outflow) from operating activities as % of Total Income	23.4%	7.2%	15.9%	19.0%	18.7%

Balance Sheet strength					
Unrestricted reserves	32,558	29,322	23,257	21,630	22,252
Liquidity ratio	1.14	0.82	0.50	0.46	0.46
Unrestricted reserves as % of Total Income	34%	31%	25%	24%	24%
Total borrowing (Overdrafts, Loans, Finance Leases, PFI/NPD)	129,290	123,820	118,030	111,920	105,470
Interest cover	0.68	0.50	0.84	1.01	1.01