

POLICY & RESOURCES COMMITTEE

AGENDA

A meeting of the Policy & Resources Committee will be held at 15:00 hours on Tuesday, 23 August 2016 in the Boardroom, Milton Road.

		Lead Speaker	Paper
1	WELCOME & APOLOGIES	Chair	
2	DECLARATIONS OF INTEREST	Chair	
3	<u>MINUTES OF PREVIOUS MEETING</u> <i>for approval</i>	Chair	A
4	MATTERS ARISING		
	4.1 Matters Arising Report	Chair	B
	4.2 Review of Committee Operation 2015/16	Chair	C
5	BUSINESS TRANSFORMATION PLAN		
	5.1 Strategic Programme Board Exception Report	A Bruton	D
	5.2 Recruitment & Retention Dashboard	J Pearson	E

Item 5 is presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 30, Prejudice to the Effective Conduct of Public Affairs.

6	FINANCE REPORT		
	6.1 Finance Report	L Towns	F
	6.2 Management Accounts to June 2016 attached	L Towns	G
	6.3 College Budget 2016/17 <i>for approval</i>	L Towns	H

Item 6.3 is presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 27, Information Intended for Future Publication.

	6.4 Lennartz VAT Claim <i>for approval</i>	L Towns	I
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Item 6.4 is presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 30, Prejudice to the Effective Conduct of Public Affairs.

7	CAPITAL AND INFRASTRUCTURE REPORT	A Williamson	J
8	ORGANISATIONAL & STAFFING REPORT	C Wilson	K

9	<u>SOCIAL IMPACT PLEDGE</u> ¹	P Davis	L
10	CLOSED ITEMS OF BUSINESS		
	10.1 Closed minutes of previous meeting <i>for approval</i>	Chair	M
11	ANY OTHER COMPETENT BUSINESS		
12	DATE OF NEXT MEETING: 15 November 2016		

¹ The Committee noted the Social Impact Pledge, a Scottish Government initiative aimed at increasing the social impact of public sector organisations across Scotland.

MANAGEMENT ACCOUNTS TO JUNE 2016

Introduction

To provide the Policy & Resources Committee with an update on the financial performance of the College.

Action Required

Members are asked to DISCUSS and NOTE the management accounts.

Strategic Implications

Risk	Yes \ No	Details
Governance \ legal	Yes	The Board is responsible for the financial sustainability of the College. Good practice to monitor all areas of performance that can impact on the College's viability.
Financial	Yes	Good practice to monitor areas of activity that can impact on the College's funding and financial performance.
Executive Approval	Yes \ No	Details
Reviewed by Executive	Yes	
Other	Yes \ No	Details
Equality Impact	No	



FINANCIAL REPORT

11 MONTHS TO JUNE 2016

CONTENTS

Report from Chief Operating Officer

1. Financial Performance Monitoring Template
2. Financial Summary
3. Income Analysis – Year to Date
4. Expenditure Analysis – Year to Date
5. Trading Departments – Year to Date
6. Cashflow
7. Balance Sheet
8. KPIs

Appendices:

1. Income and Expenditure Account Summary and Detail.
2. Balance Sheet
3. Cashflow

DISTRIBUTION

Executive Team
Board of Management Audit Committee
Senior Management Group

Section 1:

Financial Performance Monitoring Template

	2014/15 Annual Target	2015/16 Annual Target	Revised Annual Target	2015/16 Revised Annual Target	2015/16 YTD Actual	YTD Variance	2014/15 Annual Out-turn	Year End Projection
Wsums	254,687	n/a	n/a	n/a	n/a	n/a	249,833	n/a
Credits	n/a	195,452		186,258	180,442	tbc	n/a	182,000
Credits ESF	n/a	4,806		-	-	tbc	n/a	-

	2013/14 FTE	2014/15 Average FTE	2014/15 Revised Average FTE	June Month FTE	2015/16 YTD Average FTE	YTD Variance		2015/16 Year End Average FTE Projection
Staff Numbers (FTE) section 2.8	1,099	1,175	1,175	1,152	1,164	12		1,163

	2014/15 Annual Budget	2015/16 Annual Budget	Revised Annual Budget	2015/16 YTD Budget	2015/16 YTD Actuals	YTD Variance	Previous YTD	Year End Projection
	£k	£k	£k	£k	£k	£k	£k	£k
Commercial & International Contracts	8,015	5,373	5,376	5,079	4,949	(130)	4,556	5,239
VS Scheme	718	0	0	0	0	0	730	0

Refer sections 2 to 5

Income	67,898	67,730	67,216	61,823	58,218	(3,604)	63,084	63,300
Expenditure	69,861	68,354	67,840	62,147	62,537	(390)	65,331	68,022
Operating Surplus / (Deficit)	(1,963)	(624)	(624)	(324)	(4,318)	(3,994)	(2,247)	(4,722)

Refer sections 6 to 7

Net Cash Inflow / (Outflow)	(3,895)	941	941	1,435	285	(1,150)	(5,100)	(1,755)
Bank Balance	4,441	4,052	4,052	4,624	3,197	(1,427)	3,237	1,356

Fixed Assets	155,436	150,716	150,716	150,646	150,646	-	138,775	150,419
Net Current assets / (liabilities)	(80)	631	631	645	(3,466)	(4,111)	615	(3,870)
Creditors and Provisions	(40,937)	(39,662)	(39,662)	(39,558)	(39,558)	-	(32,995)	(39,497)
Net Assets	114,419	111,685	111,685	111,733	107,622	(4,111)	106,395	107,052

Pay costs % of Income	%	65.6	66.6	67.2	67.0	71.9	(4.9)	65.1	72.0
Current Ratio		1.1	1.1	1.1	1.08	0.61	(0.47)	1.12	0.59
Cash Days in Hand		5	4	4	0	(20)	(20)	3	(23)
Borrowings as % of reserves	%	9.9	10.0	10.0	10.1	10.3	(0.2)	10.7	10.4

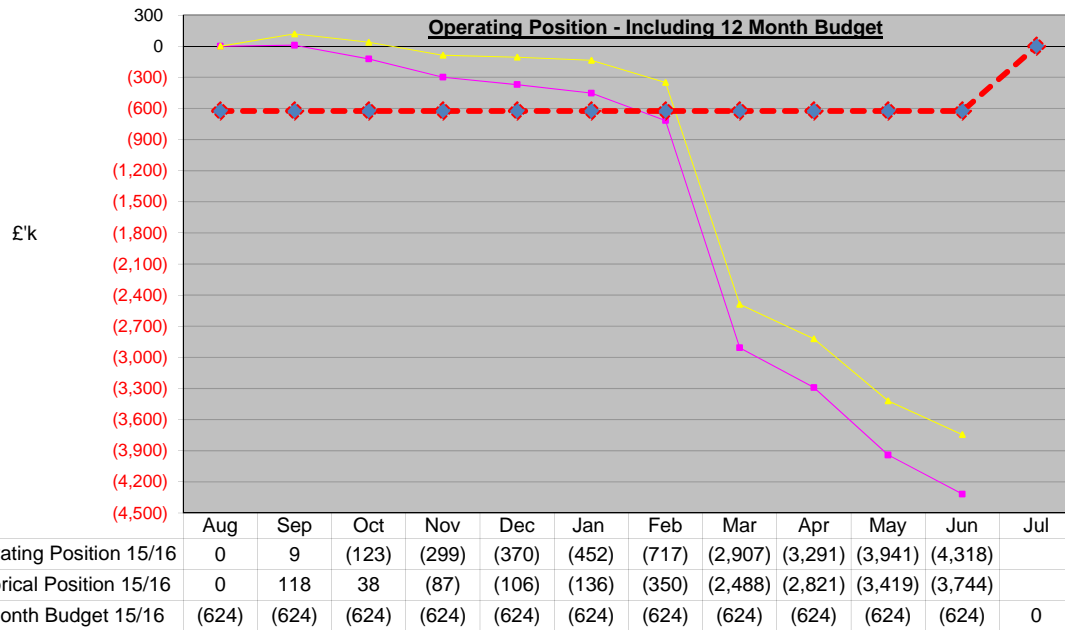
Govt Resource Accounting to 31 March 2017

		Previous Year	Annual Budget	Revised Annual Budget	YTD Budget	YTD Actuals	YTD Variance	Previous YTD	Year End Projection
RDEL	£k	(375)	(3,251)	0	1,439	1,439	0	1,764	(3,251)
AME	£k	(356)	0	0	0	0	0	0	0
CDEL	£k	2	0	0	0	71	71	(70)	0

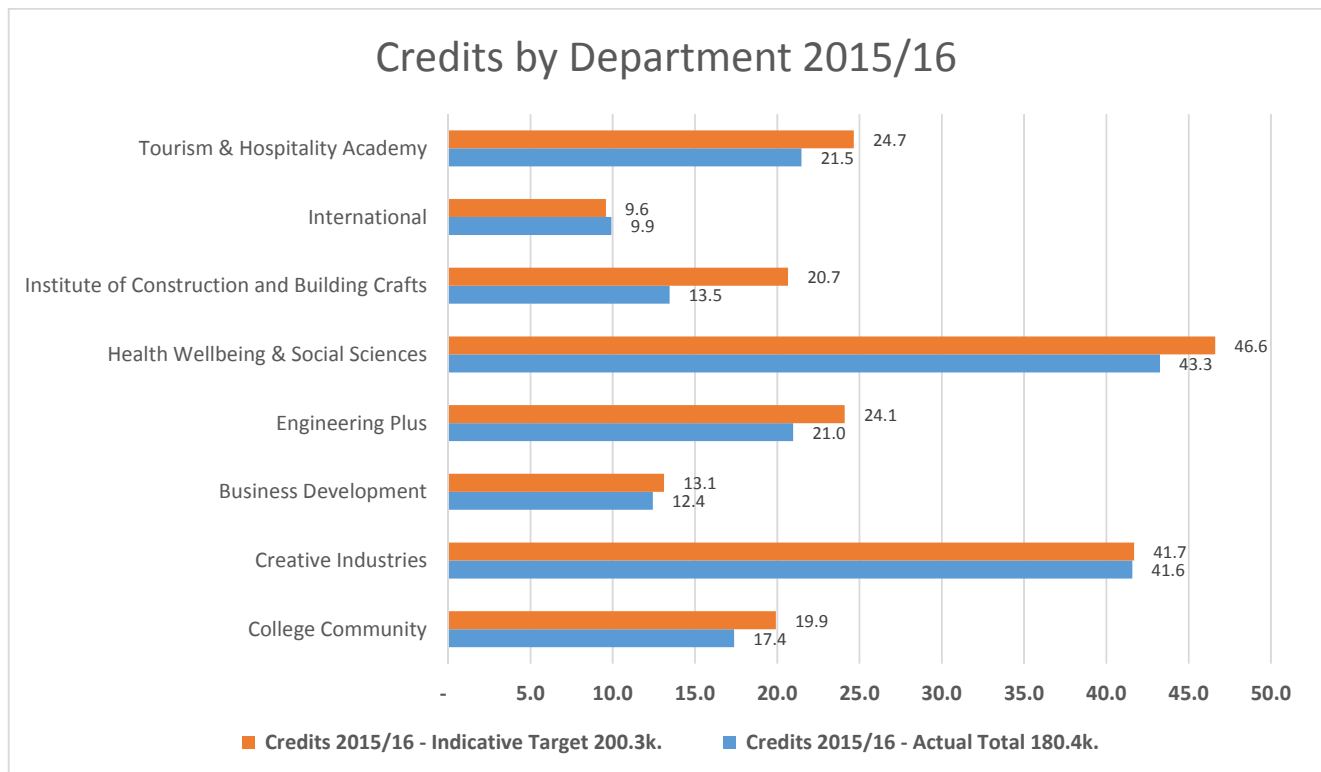
FINANCIAL COMMENTARY ON THE MANAGEMENT ACCOUNTS

11 MONTHS TO JUNE 2016

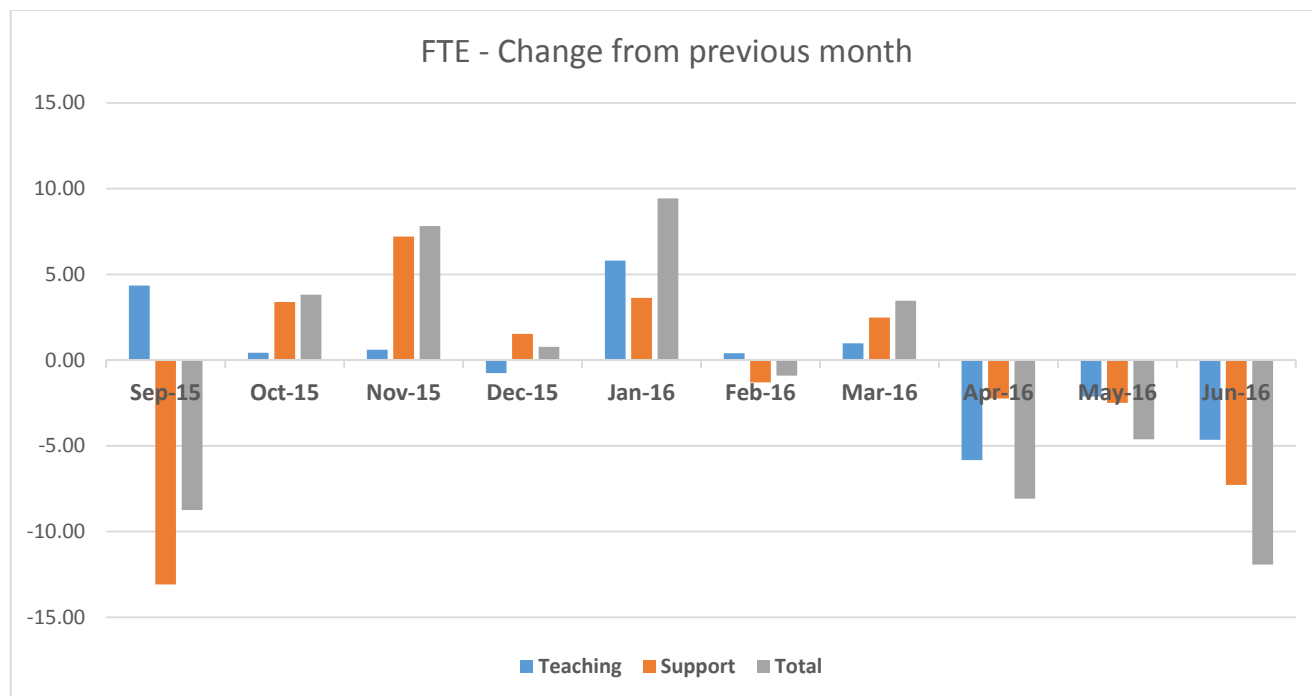
Section 2: Financial Summary



Note: June figures include the effect on income of reduction of 14,000 credits.



- 2.1 The following report provides an update on the financial position of Edinburgh College at 30th June 2016.
- 2.2 Our 2015/16 academic year shows a starting deficit budget of £0.6m which was approved by the College's Board of Management on the basis that we would work towards a year-end breakeven position.
- 2.3 As previously reported, the College has not attained its student numbers due to low recruitment and retention, and a change in policy which reduced the number of additional credits allowable per student. As a result, the College will under-achieve its current full year target of 200,258 credits by in excess of 18,000 credits (which includes an agreed SFC reduction of 14,000 credits). YTD actuals at 21st July are 180,442 credits. The "Credits by Department" table (above) shows a comparison of YTD performance, by department, against original full year targets.
- 2.4 The operating position to June shows a deficit of £4.3m (up from last month's deficit of £3.9m), which equates to a total adverse variance of £4m in comparison to the profiled budget deficit to date of £0.3m. The historical position shows a deficit of £3.7m following a release of £574k from the revaluation reserve. The total year-end projection stands at £4.7m, unchanged from last month. Also refer to table at para. 2.9.
- 2.5 Significant efforts continue in curtailing costs which are not required to deliver credit related activity and will continue to be controlled to the end of the financial year. The table below (para 2.10) shows the effect of other/exceptional items not included in the management accounts but will be included in Annual accounts at July 2016.
- 2.6 Total income to date stands at £58.2m and is showing an adverse variance of £3.6m on the year to date budget of £61.8m, which is predominantly caused by the adverse impact of the net credit reduction, and shortfall in tuition fee income.
- 2.7 Total expenditure to date is £62.5m, which is £0.4m higher than the year to date budget of £62.1m, which is primarily due to higher than budgeted staff costs of £0.4m (pay awards and JE pay adjustments), coupled with adverse variances in other expenditure categories totalling net £0.1m, offset by small underspends.
- 2.8 There has been a decrease in staff numbers of 11.9 FTE between May and June 2016 (4.6 for teaching staff and 7.3 for support staff), as colleagues complete their fixed term contracts, and end additional teaching hours. These changes are reflected in the full year forecast for staff costs. Movements by month are shown below. FTEs in June total 1,152 (512 Teaching and 640 Support Staff).



2.9

Table illustrating the effects of pay award and reduction in credits on annual budget	
	£m.
Operating Deficit - Annual Budget	(0.6)
Effect of Reduction in Credits	(2.8)
Effect of unfunded Pay Award	(0.6)
	(4.0)
Operating Deficit - Year End Projection	(4.7)
Net adverse effect of other variances on Annual Budget	0.7

2.10

Table illustrating the effects of items not included in Management Accounts that will be included in the Annual Accounts	
	£m.
Forecast per June 16	(4.7)
SFC claw back of GIA included in July 15 accounts not required	0.8
SMG restructuring costs	(0.4)
VS Strain costs	(0.1)
	(4.4)
There will also be differences not quantifiable until after 31 July relating to the accounting for pension costs and annual leave provision	

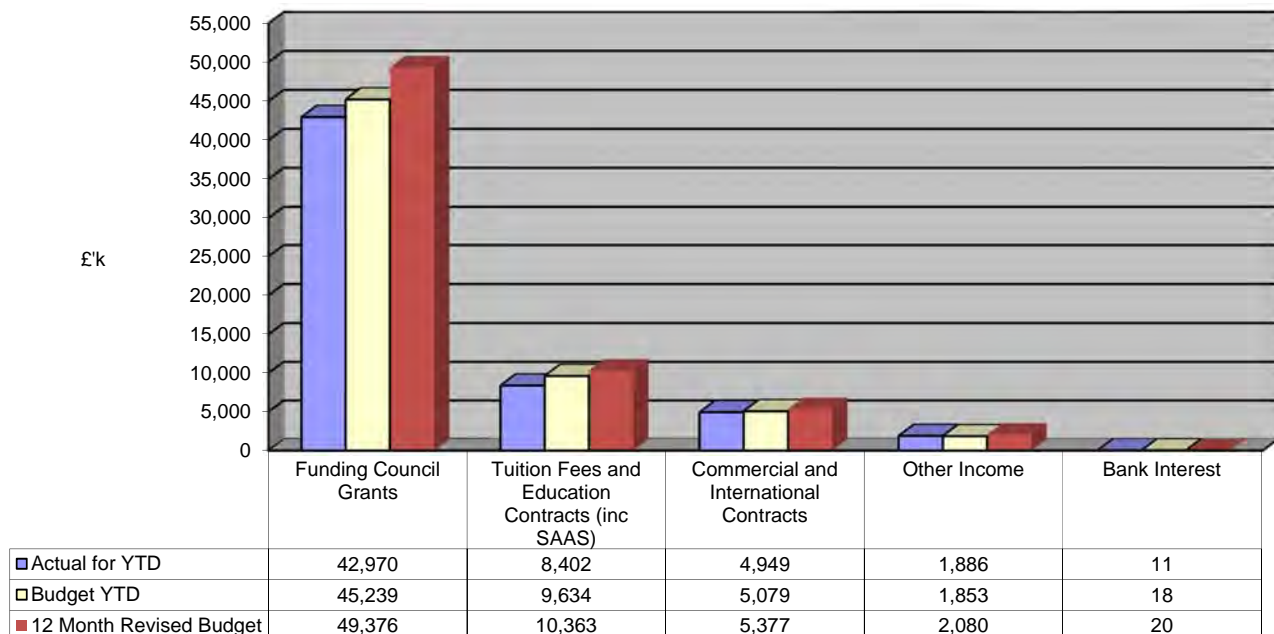
Budget Movements

During the month there have been a small number of budget virements within income and expenditure categories to eliminate timing variances and miscodings. Our opening budget deficit position of £0.6m remains unaffected by these adjustments.

Section 3:

Income Analysis – Year-to-Date

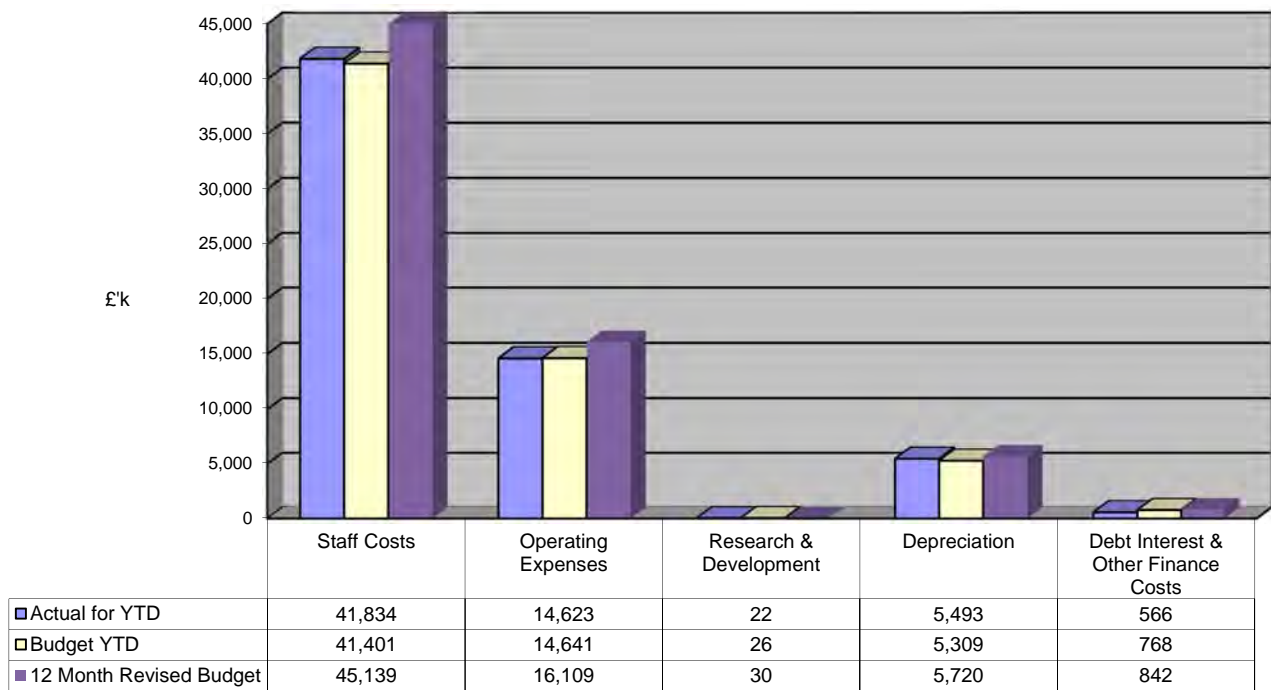
Income Analysis - Year to date (Incorporating 12 Month Revised Budget)



- 3.1 Our total income budget for the year stands at £67.2m (unchanged from last month). Actual income for the year to date totals £58.2m, which is £3.6m lower than the profiled budget of £61.8m.
- 3.2 Total SFC grant income (excluding deferred capital releases) stands at £40m, a net £2.3m behind its year to date budget, reflecting the reduction in core grant activity (14,000 credits).
- 3.3 Net tuition fees and educational contracts (primarily SAAS, FE & HE / PT courses, associate degrees and self-payers) remain behind their year to date target by £1.2m in total, although we are still offering a small number of courses in conjunction with our Summer School activities. This forecast includes the impact of SAAS fees settling approximately £0.4m short of full-year budget (in line with prior months), whilst current forecasts for tuition fee income indicate a full year shortfall of £1.4m (in line with last month's projection), spread across a number of faculties.
- 3.4 Commercial & International income to date stands at £4.9m, which is £0.13m lower than its year to date profiled budget. The adverse position is due to previously reported weakness within 'other bespoke' contracts and scheduled short courses owing to competitive market conditions. However revenue from Summer School contracts will slightly improve our position during July. The full year forecast for commercial income shows a shortfall on budget of £0.1m (in line with last month's prediction).
- 3.5 International income is currently behind budget (by £57k) at £1.2m achieved to date. However, the international faculty is still likely to meet its current full year income target of £1.35m. Any income gaps will be bridged by mitigating cost savings within overseas agency commissions and travel expenditure.
- 3.6 During the month, the deferred income release was £0.15m (YTD £2.9m), which is higher than forecast by £0.18m and matches higher than budgeted associated depreciation charges. The full year forecast for deferred capital grant releases stands at £3.3m (unchanged from last month), which is £200k higher than budget and aligns with a corresponding increase in the full year forecast for depreciation.
- 3.8 The full year forecast for total income remains unchanged from last month and currently stands at £63.3m, approximately £3.9m below budget, which is primarily due to the adverse impact of the credit reduction.

Section 4: Expenditure Analysis – Year-to-Date

Expenditure Analysis - Year to date (Incorporating 12 Month Revised Budget)



- 4.1 Our total expenditure budget for the year stands at £67.8m (in line with last month). Actual expenditure for the year to date totals £62.5m, which is £0.4m higher than the profiled budget of £62.1m (largely due to higher than

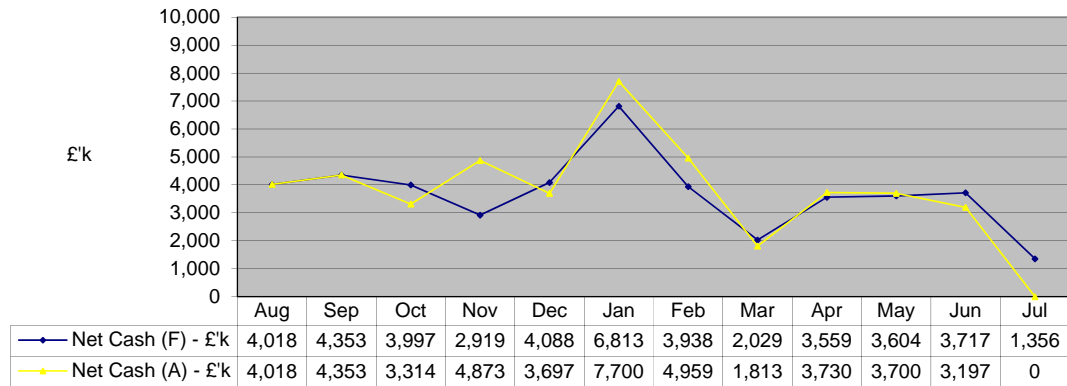
budgeted staffing costs of £0.4m coupled with adverse variances in other expenditure categories totalling net £0.1m.

- 4.2 Year to date staff costs are £0.4m above budget largely as a result of the effects of higher National Insurance and Pensions costs, pay awards, and job evaluation appeal arrears offset by savings on staff recruitment.
- 4.3 Favourable variances within debt servicing and other finance costs (totalling £0.2m) are offset by higher than forecast depreciation charges (matched by higher than budgeted deferred income) of £0.18m. The debt servicing variance is made up of £0.12m for debt interest payments (which is likely to accumulate to £0.13m by the end of the session) and £0.08m of other finance charges (favourable exchange rate movements).
- 4.4 Within operating expenditure, favourable variances are noted within overseas agent's commission (£0.1m), premises costs (£0.06m – mainly building rentals and maintenance costs) and ICT charges (licences and leasing agreements). However, these favourable variances are currently offset by a number of other small adverse variances, across different categories, totalling £0.07m. Many areas are forecast to settle within budget by the end of the session.
- 4.5 In the year to date, depreciation charges of £5.5m (2014/15: £5.1m) have been released from our fixed assets to reflect their economic use. The full year forecast for depreciation stands at £5.9m (unchanged from last month), £200k higher than budget and aligns with a corresponding increase in the full year forecast for deferred capital grant releases.
- 4.6 Forecast year-end expenditure currently totals £68m (in line with last month), approximately £0.2m higher than our revised budget.

Section 5: Catering and Nursery Trading Departments – Year-to-Date

- 5.1 The following information provides an overview of the year to date trading positions of the catering and nursery departments.
- 5.2 The cross-campus catering facilities have generated total revenue to date of £1.5m, resulting in a gross operating profit of £1m and a current net operating loss of £0.08m. Following budgetary and forecast changes made in April, the revised full year budget (and forecast) for catering income currently stands at £1.8m (previously £2.1m) - the reduction in income of £0.3m is forecast to be offset by £0.2m of lower associated catering costs and general cost contribution of efficiencies within Estates Services.

In view of the slowdown in current activity due to student and staff holidays, it will still prove challenging to achieve the revised full year income target for catering. Maintaining tight control over associated costs will contribute towards the revised net forecast operating break-even position.
- 5.3 The Nursery currently shows a net operating loss of £0.15m, which is due to lower than planned recruitment, and the continued use of agency staff (adverse net cost to date of £187k) to cover staff absences (primarily maternity leave), thereby maintaining mandatory staff to children ratios. Marketing campaigns remain in place to increase our intake accordingly.

Cash Position - Forecast versus Actuals to June 2016

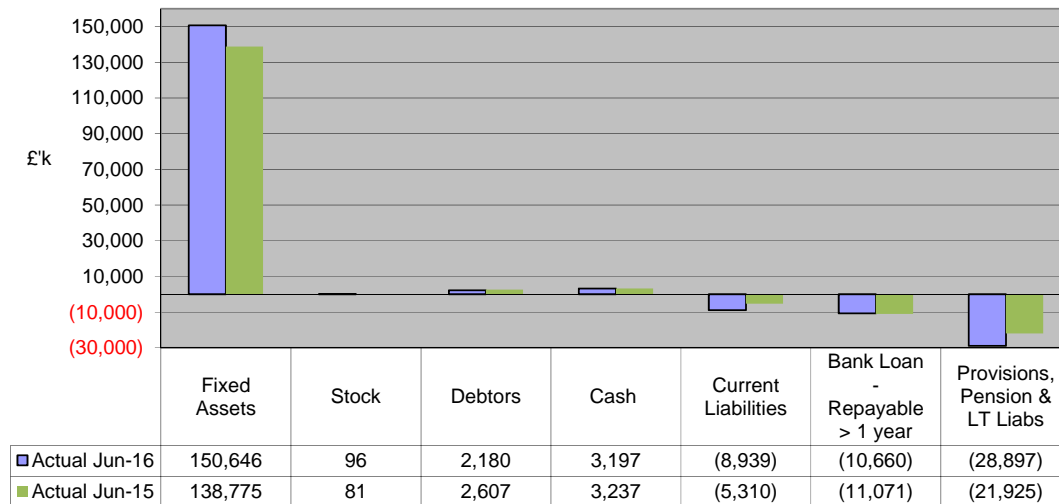
- 6.1 The cash position at 30 June 2016 shows a balance of £3.2m, lower than rolling forecast owing to the timing of other operational expenditure cashflows (largely SQA exam fees of £0.5m). The current average burn rate is £124k per month against a rolling target generation rate of £130k (which equates to an I&E breakeven position).
- 6.2 Our net cash balance is projected to remain within a narrow range for the foreseeable future and, in view of this, managing our working capital needs will continue to pose challenges. The College is paying an average of 5.7% on our debt borrowing (prior year 5.72%), and our underlying interest related borrowings stand at £11m, whilst our Lennartz VAT liability is £1.8m. Our latest Lennartz VAT payment (a net £0.2m) was settled in June, with the next payment due in September 2016.
- 6.3 Based on estimated cashflow movements, we forecast an end of year bank balance of £1.4m (rolling target £4.7m – based on an I/E breakeven position), an adverse movement of £520k from last month's projection of £1.9m due to continued cash pressures within staffing costs; mainly pay awards, backdated job evaluation payments together with cashflow pressures within other operating expenditure, all of which have been included within the I&E full year forecast. The revised year end bank balance equates to an adverse cash movement for the year of £1.8m. However, we will continue to contain expenditure towards the year-end.
- 6.4 Our capital allocation for the financial year 2016/17 stands at £1.7m in total (£0.7m has been assigned for capital works, whilst the balance (£1m) has been set aside for estates maintenance) and is available for drawdown (on a matching spends basis); £79k was drawn down in June to cover anticipated works taking place over the summer period.

SFC / GOVERNMENT RETURNS

- 6.5 The first Resource Return of 16/17 was submitted in July incorporating figures for Quarter 1 and a full year forecast. The RDEL (Resource Departmental Expenditure Limit) refers to an under or overspend for the financial year to 31 March 2017. The Financial Performance Monitoring template shows a full year overspend forecast of £3.3m to 31 March 2017 subject to finalisation of the 2016/17 budget, compared to an actual full year overspend of £375k to 31 March 2016. Loan repayments of £1.3m are included in this figure for 16/17 but not 15/16 (in line with SFC guidelines in each year). The current forecast is based on the figures provided to the SFC as part of the College's transformation plan. The movement from the previous month is due to the split of grants between period to March 2017 and July 2017 being agreed with SFC, updated student support fund projections and actual figures to June 2016, along with the change in accounting for loan repayments for the purpose of these returns.
- 6.6 The AME (Annually Managed Expenditure) refers to the revaluation of pension liabilities, including the FRS17 deficit; as a result, neither budgets nor projections have been provided at this stage due to the uncertainty of future movements. The previous year figure of £356k relates to the revaluation of the early retirement provision. This figure will be updated once the actuarial valuation of the LPF scheme to 31 July 2016 is available (under SFC guidelines the valuation to July 2016 is included in the March 2016 figures once available). No provision is made for the current year within the management accounts due to the uncertainty regarding the position at July 2016. The figures exclude any impact of the revaluation of land and buildings and the restatement of prior year figures; guidance from the SFC states that these revaluations are outside of the scope of resource return reporting.
- 6.7 The CDEL (Capital Departmental Expenditure Limit) refers to the difference between the capital grant received and corresponding expenditure on fixed assets. There is currently an underspend, for the period to end June

2016 of £71k, as a result of capital grants being drawn down in advance of spend over the summer period (i.e. timing difference).

Section 7: Balance Sheet
Assets and Liabilities



- 7.1 In the academic year to date our capitalised expenditure is £0.7m, of which £0.3m was incurred on ICT desktop & Macs deployments, whilst £0.3m was incurred on Estates projects. Assets under construction, awaiting to be brought into use and then capitalised, total £0.1m for the year to date.
- 7.2 Our net current liabilities stand at minus £3.5m due to a net decrease in our cash deposits and equates to negative (20 days) of working capital reserves. At the end of June, debtors include trade £1.4m and £0.8m of prepayments and accrued income. We continue to actively chase all outstanding payments.
- 7.3 Year on year provisions (excluding pension liabilities) have decreased by £0.03m to £4.7m (academic y/e £5m) following movements in relation to the student accommodation contract and enhanced early retirement pension provision. Our support staff pension liability stands at £23.2m, whilst our current bank debt level is £11m.
- 7.4 The main (net) year on year movement in current liabilities is within net accruals and deferred income (£3.3m). The amount held in deferred grant liabilities at the month-end (£3.8m) represents SFC funds in respect of grant-in-aid, student support, capital formula, ESOL and debt support. Our capital allocation for the financial year 2016/17 stands at £1.7m in total (£0.7m has been assigned for capital works), whilst the balance (£1m) has been set aside for estates maintenance) and is available for drawdown on a matching spends basis. No capital costs were incurred in June. We currently show £11.6m of liabilities as repayable in more than 1 year.
- 7.5 Deferred grants and specific reserves, less pension reserve, have decreased by 4.4% to £66.3m (academic y/e 2014/15: £69.4m), following the capitalisations detailed above, whilst the income and expenditure reserve is currently £41.3m (academic y/e 2014/15: £45m).

Section 8: KPIs

8.1 KPIs

<ul style="list-style-type: none"> • Current Out-turn: (£4.3m) deficit • Target: Breakeven • Forecast out-turn: (£4.7m) deficit [Includes reduction of £2.8m re:14,000 credits (including the ESF element – 2,000 credits)] 	<ul style="list-style-type: none"> • Cash (burn) / generation rate at (£124k) (pay-award / SFC grant pressures). • Target rolling monthly average generation rate: +£130k. ***
<ul style="list-style-type: none"> • YTD cash balance: £3.2m • Rolling target: ## £4.7m 	<ul style="list-style-type: none"> • Net Current Assets/(Liabilities): (£3.5m) -20 days • Target: (£3.3m) -19 days
<ul style="list-style-type: none"> • Current Ratio: 1:0.61 • Target: 1:1.15 	<ul style="list-style-type: none"> • Pay Costs as % of Total Income: 71.9% • Target: 66.6%
<ul style="list-style-type: none"> • Borrowings as % of reserves: 10.3% • Target: 9.9%. 	<ul style="list-style-type: none"> • Current credits 180,442 • Target credits: 186,258

Month end cash balance from original budget (and with I&E at breakeven)

*** Average monthly cash movement based on breakeven I&E position

	<u>Original Annual Budget</u> £000s	<u>Revised Annual Budget</u> £000s	<u>YTD Budget</u> £000s	<u>YTD Actuals</u> £000s	<u>YTD Variance</u> £000s	<u>Previous YTD</u> £000s	<u>Year End Projection</u> £000s
Funding Council Grants	45,786	45,507	41,814	39,361	(2,453)	42,393	42,992
Deferred Capital Grant Releases	3,069	3,069	2,692	2,875	183	3,082	3,269
Debt Support Grant	800	800	733	733	0	632	800
Tuition Fees and Education Contracts (inc SAAS)	10,366	10,363	9,634	8,402	(1,231)	9,562	8,943
Commercial and International Contracts	5,373	5,377	5,079	4,949	(130)	4,556	5,239
Other Income	2,337	2,100	1,871	1,897	27	2,129	2,057
Exceptional Merger Support Grants	0	0	0	0	0	730	0
Total Income	67,730	67,216	61,823	58,218	(3,604)	63,084	63,300
Staff Costs	45,139	45,139	41,401	41,834	(433)	41,040	45,573
Other Operating Expenses	16,603	16,109	14,641	14,623	18	17,986	15,794
Exceptional Item - Accommodation Provision Release	0	0	0	0	0	(353)	0
Depreciation	5,720	5,720	5,309	5,493	(183)	5,121	5,920
Debt Interest & Other Finance Costs	842	842	768	566	203	693	710
Research & Development	50	30	28	22	6	114	25
Exceptional Merger Support Costs	0	0	0	0	0	730	0
Total Expenditure	68,354	67,840	62,147	62,537	(390)	65,331	68,022
Operating Surplus / (Deficit)	(624)	(624)	(324)	(4,318)	(3,994)	(2,247)	(4,722)
Statement of Historical Cost Surpluses and Deficits for the 11 Months to 30th June 2016							
Operating Surplus / (Deficit)	(624)	(624)	(324)	(4,318)	(3,994)	(2,247)	(4,722)
Difference between historical cost depreciation and actual revaluation charge for the period	313	612	574	574	0	286	612
Historical Cost Surplus / (Deficit)	(311)	(12)	250	(3,744)	(3,994)	(1,961)	(4,110)

	<u>Original Annual Budget £000s</u>	<u>Revised Annual Budget £000s</u>	<u>YTD Budget £000s</u>	<u>YTD Actuals £000s</u>	<u>YTD Variance £000s</u>	<u>Previous YTD £000s</u>
INCOME						
Funding Council Grants						
Recurrent Grant Inc Fee Waiver	41,074	41,074	37,652	36,245	(1,406)	38,985
Childcare Funds	1,545	1,545	1,482	1,482	(0)	1,488
Deferred Capital Grants	3,069	3,069	2,692	2,875	183	3,082
Debt Support Grants	800	800	733	733	0	632
Other SFC Grants	3,166	2,887	2,680	1,634	(1,046)	1,920
	49,655	49,376	45,239	42,970	(2,269)	46,107
Tuition Fees & Education Contracts						
FE - UK & EU	102	170	168	126	(42)	1,040
HE - UK & EU	996	610	580	349	(232)	599
PT Self Payers	906	1,237	1,164	799	(365)	39
Examination Fee Income	21	6	6	23	17	
SAAS	4,280	4,280	3,931	3,529	(402)	3,905
Associate Degree Fees	1,250	1,250	1,152	1,009	(143)	1,329
Managing Agents	1,380	1,380	1,299	1,310	11	1,386
Edinburgh Council - Pre Emp Contract	1,430	1,430	1,332	1,257	(75)	1,264
	10,366	10,363	9,634	8,402	(1,231)	9,562
Commercial & International						
International	1,350	1,350	1,278	1,221	(57)	1,253
SDS	517	517	511	536	25	425
EH15 and The Apprentice Restaurants	47	97	93	103	10	116
Bliss SPA and Employability Salons	148	123	118	118	(0)	147
Gym	335	312	290	294	4	297
Nursery	1,075	1,075	1,037	936	(101)	895
Residences	595	595	517	613	97	480
Access Centre Provision	130	130	119	120	1	139
Bespoke Contracts for Employers	1,175	695	653	549	(104)	758
Scheduled Short Courses		483	464	436	(28)	
Other European Income				22	22	46
	5,373	5,377	5,079	4,949	(130)	4,556
Other Income						
Catering	2,085	1,870	1,647	1,548	(99)	1,841
Other Income Generating Activities	232	211	205	338	133	270
	2,317	2,080	1,853	1,886	33	2,111
Endowment & Investment						
Bank Interest	20	20	18	11	(7)	18
	20	20	18	11	(7)	18
Exceptional Merger Support Grants						
						730
TOTAL INCOME	67,730	67,216	61,823	58,218	(3,604)	63,084
EXPENDITURE						
Staff Costs						
Senior Management	1,862	1,902	1,751	1,778	(27)	1,994
Academic Departments	23,281	23,192	21,263	21,196	66	20,689
Academic Services	4,428	4,439	4,069	3,987	81	1,729
Admin & Central Services	12,145	12,255	11,235	11,327	(92)	12,870
Premises	1,146	1,148	1,052	1,072	(20)	1,318
Catering & Residences	856	894	820	811	9	798
Temporary & Agency Staff Costs	754	936	858	1,084	(226)	1,054
Other Staffing Expenditure	668	373	354	577	(223)	588
	45,139	45,139	41,401	41,834	(433)	41,040
Other Operating Expenses						
Premises	5,094	5,111	4,648	4,591	57	5,016
Teaching Activity & Support	1,033	1,008	865	853	12	1,415
Childcare Costs	1,545	1,545	1,482	1,482	0	1,488
Transport Costs	42	42	37	54	(17)	275
IT Costs	1,427	1,284	1,122	1,078	44	1,362
Telecomms Costs	145	194	184	184	(0)	179
Equipment	41	41	40	83	(43)	86
Health & Safety	92	93	76	83	(7)	100
Travel & Subsistence	547	546	489	502	(13)	482
Admin Costs	295	304	229	226	3	251
Student Support Funds Contribution				1		150
Corporate, Consultancy, Professional	864	834	757	871	(115)	1,314
Staff Welfare	17	17	11	11	0	22
Catering	1,401	1,195	1,094	1,053	41	1,437
Training & Development	183	65	59	59	1	202
VAT	1,546	1,546	1,481	1,504	(22)	1,666
Marketing & PR	243	185	165	177	(12)	194
Partnership Costs	616	616	550	544	6	652
Overseas Agents Commission	158	158	149	52	97	244
Registration & Exam Fees	1,266	1,277	1,165	1,182	(17)	1,403
Bad Debts	48	48	38	34	5	48
	16,603	16,109	14,641	14,623	18	17,986
Exceptional item - Accommodation Provision Release						
						(353)
Depreciation for the year						
	5,720	5,720	5,309	5,493	(183)	5,121
Debt Interest & Other Finance Costs						
Interest On Bank Loans	800	800	733	611	122	632
Other Finance Charges	42	42	35	(46)	81	61
	842	842	768	566	203	693
Research & Development						
	50	30	28	22	6	114
Exceptional Merger Support Costs						
						730
TOTAL EXPENDITURE	68,354	67,840	62,147	62,537	(390)	65,331
	(624)	(624)	(324)	(4,318)	(3,994)	(2,247)

Balance Sheet
For the 11 Months to 30th June 2016

	<u>2015/2016</u> <u>YTD Actuals</u> <u>£000s</u>	<u>2014/15</u> <u>Year End</u> <u>£000s</u>	<u>2014/2015</u> <u>Previous YTD</u> <u>£000s</u>
Fixed Assets			
L&B	142,821	145,731	129,226
FFE	7,825	9,705	9,549
	150,646	155,436	138,775
Current Assets			
Stock	96	137	81
Debtors	2,180	3,853	2,607
Cash	3,197	3,111	3,237
	5,472	7,101	5,925
Creditors < 1yr			
Loans	(386)	(386)	(357)
Payments received in advance	(662)	(281)	(457)
Trade creditors	(835)	(1,761)	(470)
Taxes & social sec	(1,003)	(1,024)	(874)
Accruals, Def Inc & Other Creditors	(2,266)	(3,695)	(2,437)
Amounts owed to SFC	(3,786)	(34)	(715)
	(8,939)	(7,181)	(5,310)
Net current assets / (liabilities)	(3,466)	(80)	615
Total assets less current liabilities	147,179	155,356	139,391
Creditors > 1yr			
Bank loans	(10,660)	(10,982)	(11,071)
Lennartz VAT	(938)	(1,699)	(1,808)
	(11,598)	(12,681)	(12,879)
Provisions			
Early retirement	(4,706)	(4,975)	(4,519)
Other	(37)	(65)	(254)
	(4,743)	(5,040)	(4,773)
Net pension asset / (liability)	(23,216)	(23,216)	(15,344)
NET ASSETS	107,622	114,419	106,395
Deferred capital grants			
SFC	60,803	63,273	62,612
Other	555	564	572
	61,357	63,837	63,184
Reserves			
I&E account	41,290	45,034	52,351
Pension reserve	(23,216)	(23,216)	(15,344)
Revaluation reserve	28,190	28,764	6,204
	46,264	50,583	43,211
CAPITAL & RESERVES	107,622	114,419	106,395

