

POLICY & RESOURCES COMMITTEE

AGENDA

A meeting of the Policy & Resources Committee will be held at 14:00 hours on Tuesday, 30 May 2017 in the Boardroom, Milton Road.

		Lead Speaker	Paper
1	WELCOME & APOLOGIES	Chair	
2	DECLARATIONS OF INTEREST	Chair	
3	MINUTES OF PREVIOUS MEETING <i>for approval</i>	Chair	A
4	MATTERS ARISING	Chair	B
5	BUSINESS TRANSFORMATION PLAN		
	5.1 Business Transformation Plan Report	R Whetton	C
	5.2 Recruitment & Retention Dashboard attached	J Pearson	D
	5.3 Draft Curriculum Strategy 2017-20	J Buglass	E
<p><i>Item 5.1 is presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 30, Prejudice to the Effective Conduct of Public Affairs.</i></p> <p><i>Item 5.3 is presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 27, Information Intended for Future Publication.</i></p>			
6	STRATEGIC PLANNING UPDATE	R Whetton	F
7	ORGANISATIONAL & STAFFING REPORT		
	7.1 Human Resources Report	M Hernandez	G
	7.2 Options for Organisational Change ¹	M Hernandez	H

¹ Item 7.2 was considered by the Committee as a closed item of business.

8	FINANCE REPORT		
8.1	Section 22 Update	A Williamson	Verbal
8.2	Best Value Review of Waterfront Nursery Report	A Williamson	I
8.3	Management Accounts to March 2017 attached	L Towns	J
8.4	Indicative College Budget 2017/18	L Towns	K

Item 8.2 is presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 30, Prejudice to the Effective Conduct of Public Affairs.

Item 8.4 is presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 27, Information Intended for Future Publication.

9	CAPITAL AND INFRASTRUCTURE REPORT	A Williamson	Verbal
10	ANY OTHER COMPETENT BUSINESS		
10.1	Review of Committee Operation 2016/17	Chair	L

Item 10.1 is presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 27, Information Intended for Future Publication

11 DATE OF NEXT MEETING: 22 August 2017

FOR INFORMATION			
Meeting	Policy & Resources Committee 30.05.17		
Presented by	Jonny Pearson		
Author/Contact	Jonny Pearson	Department / Unit	Executive
Date Created	10.05.17	Telephone	0131 297 8449
Appendices Attached	None		
Disclosable under FOISA		Yes.	

RECRUITMENT AND RETENTION UPDATE

1. PURPOSE

This paper is to provide the Policy & Resources Committee with an updated overview of the College's performance against its 2016/17 recruitment and retention targets and update progress on 2017/18 recruitment.

2. BACKGROUND

For academic year 2016/17 the SFC set Edinburgh College an activity target of 186,028 credits. This total includes 2000 credits linked to ESF activity funding under the DYW project. These 2000 credits are claimable if we achieve 184,028 core credits plus an agreed level of HE provision (current target is 52,340 HN credits). Our current HE credit total is **58,889** credits.

3. DETAIL

We have currently enrolled **18,868** unique students. This is 615 more than this time last year. Our current credit position is **185,386** which is 9,790 more than this time last year. The projected vs current position is shown below:

Projected Credits		Actual Credits		% Target
FT FE	98,179	FT FE	93,701	95%
PT FE	32,813	PT FE	32,798	99%
FT HE	50,923	FT HE	50,354	98%
PT HE	8,448	PT HE	8,535	101%

As can be seen from below our actual credits are close to our projections:

FT Projected	FT Actual	% Target
149,102	144,055	97%
PT Projected	PT Actual	% Target
41,261	41,333	100%

Our Early Retention figure has also shown a pleasing improvement. In academic year 2015/16 our average early withdrawal rate was 5.5 %, currently it is standing at 4.6 %.

We've enrolled 3,616 students up to this point in Semester 2 and so far only 94 have withdrawn. This rate of 2.5% is excellent (last year 5.7%) and testament to the work done, and lessons learned from Semester 1.

	Students Enrolled	Student WD before 25%	WD %	Sector Average WD %
FT FE	6,600	545	8.2 %	8.6 %
PT FE	8,394	209	2.4 %	2.5 %
FT HE	3,716	176	4.7 %	4.4 %
PT HE	2,157	30	1.3 %	2.6 %

2017 – 2018 Full-time Recruitment

The recruitment process for 2016 – 2107 has been evaluated and a number of modifications have been made and implemented for 2017 – 2018:

- Blanket closing date has been abolished. All courses will remain open for application until they have reached their maximum applications limit.
- Information days prior to the college summer holiday have been introduced. All 'new' applicants will attend college for 'pre-enrolment' before the end of June 2017. This will enable us to ensure that all funding is in place before the course starts thus further improvements in early retention
- Student ID cards will be printed externally enabling both a more efficient use of EC staff resource and a quicker turnaround in card production.
- Early funding application process implemented
- Current application data:

Applications	Offers	Accepted	Review	Int Arranged	Int Pending
14,412	7,180	6,351	1,072	2,984	1,144

The current total of 14,412 applicants is **411** fewer applicants than on 10th May 2016. However, we closed full-time applications on 30th April last year and thus have not had the pressure of a deadline on this year's applicants. The positive news is that these figures show:

- 1.3% more offers made
- 6.9% more offers accepted

4. BENEFITS AND OPPORTUNITIES

By evaluating last year's recruitment process we have implemented changes designed to further improve the process for 2017/18 recruitment and are currently ahead of where we were this time last year.

5. STRATEGIC IMPLICATIONS

The Board is responsible for the financial sustainability of the College. It is good practice for Academic Council to be appraised of the current position around recruitment and retention.

6. RISK

At the Board of Management meeting on 02 May, the following changes affecting the risk register were noted:

Change in Risk Status		
(1)	Shortfall in Recruitment	Inherent probability has decreased from 4 to 2 since February 2017, lowering the inherent risk score to 10. Residual probability has decreased from 4 to 2 since February 2017, lowering the residual risk score to 8, primarily as a result of the work undertaken, current forecast position and increased confidence.
(2)	Poor Retention	Inherent probability has decreased from 4 to 2 since February 2017, lowering the inherent risk score to 10. This is as a result of the work undertaken, current forecast position and increased confidence.

7. FINANCIAL IMPLICATIONS

Bodies fundable by the SFC are required by the Financial Memorandum to deliver their outcome agreement. Failure to achieve targets agreed with the SFC may result in financial clawback

8. LEGAL IMPLICATIONS

Not applicable.

9. WORKFORCE IMPLICATIONS

Not applicable.

10. REPUTATIONAL IMPLICATIONS

Failure to achieve an activity target of 186,028 could have significant implications for the College's relationship with the SFC and Scottish Government.

11. EQUALITIES IMPLICATIONS

Not applicable.

CONCLUSIONS/RECOMMENDATIONS

The Policy & Resources Committee are asked to NOTE the information provided by the Assistant Principal (Recruitment & Retention).

FOR INFORMATION / DISCUSSION			
Meeting	Policy & Resources Committee 30.05.17		
Presented by	Lindsay Towns		
Author/Contact	Lindsay Towns	Department / Unit	Finance
Date Created	23.05.17	Telephone	01312978541
Appendices Attached	<i>Appendix 1: Management Accounts to March 2017 (with commentary)</i>		
Disclosable under FOISA		Yes	

MANAGEMENT ACCOUNTS TO MARCH 2017

1. PURPOSE

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

2. BACKGROUND

The Policy & Resources Committee are asked to review the management accounts at each meeting, in order to assess the college's current financial position.

3. DETAIL

Contained within Appendix 1.

4. BENEFITS AND OPPORTUNITIES

The Board is responsible for the financial sustainability of the college, and it is considered good practice to monitor all areas of performance that can impact on the college's viability.

5. STRATEGIC IMPLICATIONS

Content inherent within strategic objectives.

6. RISK

Content assists monitoring college's financial performance.

7. FINANCIAL IMPLICATIONS

Inherent within content.

8. LEGAL IMPLICATIONS

Some content may cover legal issues.

9. WORKFORCE IMPLICATIONS

Some content may cover workforce issues.

10. REPUTATIONAL IMPLICATIONS

None.

11. EQUALITIES IMPLICATIONS

None.

CONCLUSIONS/RECOMMENDATIONS

The Policy & Resources Committee are asked to DISCUSS and NOTE the Management Accounts to March 2017.



FINANCIAL REPORT

8 MONTHS TO MARCH 2017

CONTENTS

Report from Chief Operating Officer

1. Executive Summary
2. Credit Activity
3. Progress with the Transformational Plan and its alignment to the College's 2016/17 Budget
4. Income Analysis
5. Expenditure Analysis
6. Staff Cost Analysis
7. Trading Departments
8. Cash-flow
9. Balance Sheet
10. SFC Reporting
11. Key Performance Data

Appendices:

1. Income and Expenditure Account Summary and Detail.
2. Balance Sheet
3. Cash-flow

DISTRIBUTION

Executive Team
Board of Management P&R Committee
Senior Management Group

The following report provides an update on the financial position of
Edinburgh College at 31 March 2017

1. EXECUTIVE SUMMARY

Activity

	2016/17 Annual Budget		Actuals achieved @ 24/04/17	Due to be received
GIA @ £218 per credit income	£40,162,092		£40,162,092	-
Credit Target / achieved	184,028		184,028	-
ESF @ £238.15	£476,300		£304,594	£171,706
ESF Credit target / achieved	2,000		1,279	721

- 1.1 The College is nearing its targeted credit level of 186,028, with actual credits achieved to date currently sitting at 185,307 credits. There is planned activity of up to 2,000 credits in excess of the College's full year SFC target of 186k credits (in total).

1.2 Income and Expenditure

	<u>Revised Annual Budget</u>	<u>YTD Budget</u>	<u>YTD Actuals</u>	<u>YTD Variance</u>	<u>Previous YTD</u>	<u>Full Year Forecast</u>
	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>
Funding Council Grants	44,364	28,888	28,690	(198)	28,537	44,372
Tuition Fees and Commercial & Other Income	16,930	11,675	10,970	(705)	11,583	15,845
Deferred Income	3,065	2,000	2,050	50	2,181	3,140
Exceptional Support Grants	560	560	585	25	0	638
Total Income	64,919	43,123	42,295	(829)	42,301	63,995
Staff Costs	45,552	30,207	29,724	483	29,967	44,931
Other Costs	17,134	11,421	10,897	524	11,248	16,513
Depreciation	5,487	3,648	3,545	103	3,993	5,332
Exceptional Support Costs	560	560	638	(78)	0	638
Total Expenditure	68,733	45,836	44,804	1,031	45,208	67,414
Operating (Deficit)	(3,814)	(2,712)	(2,510)	203	(2,907)	(3,420)

- 1.3 The full year forecast deficit stands at £3.42m (an adverse movement of £0.04m from last month's deficit projection of £3.38m). Further downward revisions have been made to full year projections for the Integrated Employability (IES) contract (down by an extra net £60k) and for catering income (down by £73k), although these movements have been partly offset by full year efficiency savings across a number of categories, including within teaching activities (£34k), professional fees (£26k) and research & development (£20k). Reviews of other operating expenditure continues and further savings are expected to crystallise as we move towards the end of the academic year. The full year forecast does not include an estimate for any settlement from the current national pay negotiations between EIS and Colleges Scotland or any pay increases that will affect Support Staff, pending further information. Both of these would apply from 1 April 2017.

- 1.4 The March operating position shows a deficit of £2.5m (previous month deficit: £2.2m) which is currently £0.2m favourable compared to the profiled budget deficit. SFC grant income is £0.2m lower than its profiled budget due to circa 700 credits still to be achieved. Forecast grant income for the full year currently remains unchanged owing to expectations that additional semester 2 planned activity will bridge the current credit and grant income gap (unchanged from last month).

Within income, positive variances remain for scheduled short courses (£27k) and for other income (secondment income). However these favourable variances are off-set by adverse variances within associate degree income (£194k), SAAS (£154k) and Nursery Income (£67k). International income (£100k) and Catering revenue (£149k) also show negative variances, although these are partly offset by positive variances within their expenditure lines. Mitigation through new contract work and reducing expenditure has been ongoing throughout the year and continues.

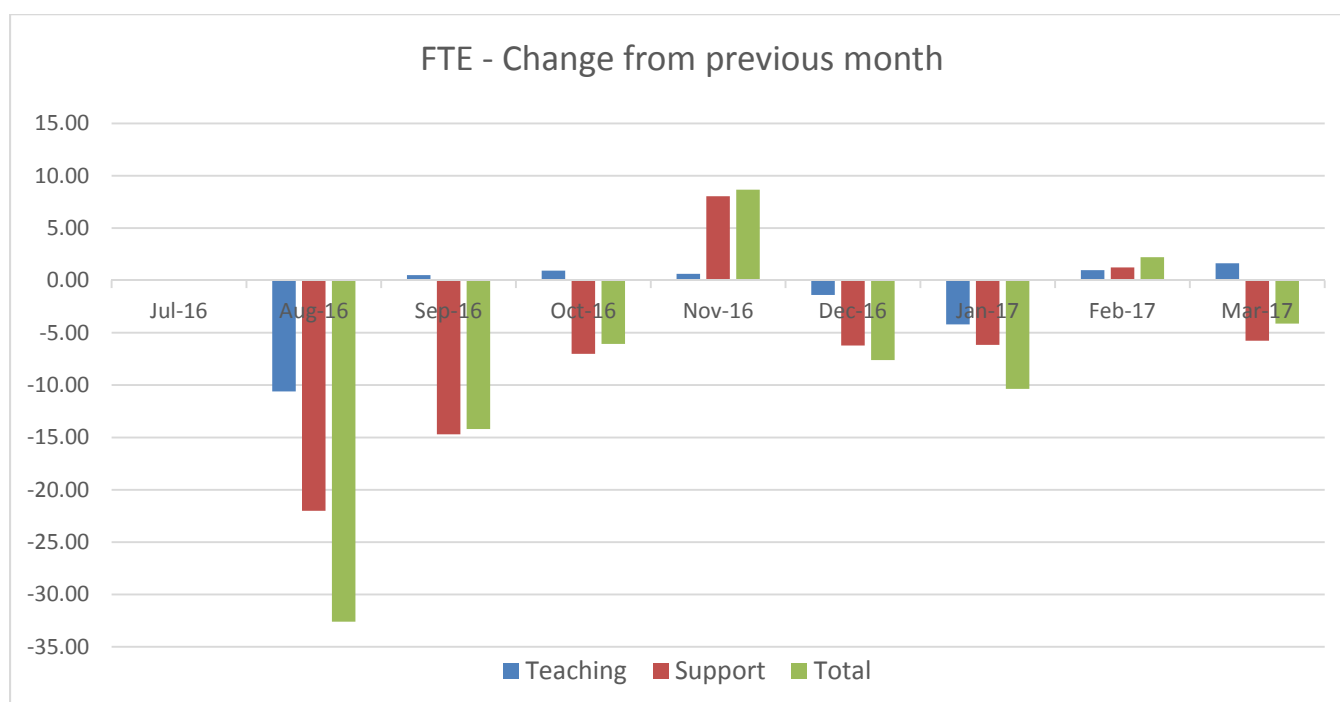
- 1.5 Staff vacancy churn and delayed recruitment, together with lower than planned temporary staff costs and savings achieved through the use of our staff bank, continue to reflect a current favourable staff cost year to date underspend of £483k.

1.6 Staff (Full Time Equivalent)

FTE	31/03/16	31/07/16	31/03/17	Other movement	VS reduction
Teaching	524.6	503.6	492.1	8.5	(20.0)
Support	651.9	634.2	581.6	(13.6)	(39.0)
	1,176.5	1,137.8	1,073.7	(5.1)	(59.0)

The year to date decrease primarily consists of a permanent reduction in staffing numbers (33 FTE in relation to the phase 1 VS scheme, 26 FTE in relation to the phase 2 and 4.6 gross FTE from the transfer of staff to SRUC). Most vacant positions are filled on a temporary basis only.

FTE Staff movements by month are shown below:



1.7 Cash Position

Opening Cash	Month-end cash	Forecast year-end cash	Comments
01/08/2016	31/03/2017	31/07/2017	The movement in the total cash balance from February (a decrease of £1.9m) is due to capital expenditure outflows of £0.7m, and net student funds outflows of £1.1m (both broadly in line with forecast). Our cash balance includes the net effect of £2.9m of advanced funding from the SFC, which was fully received in March 2017. This sum was agreed to support the College's Business Transformation Plan.
£'m.	£'m.	£'m.	
2.0	2.3	1.3	

1.8 Capital Expenditure

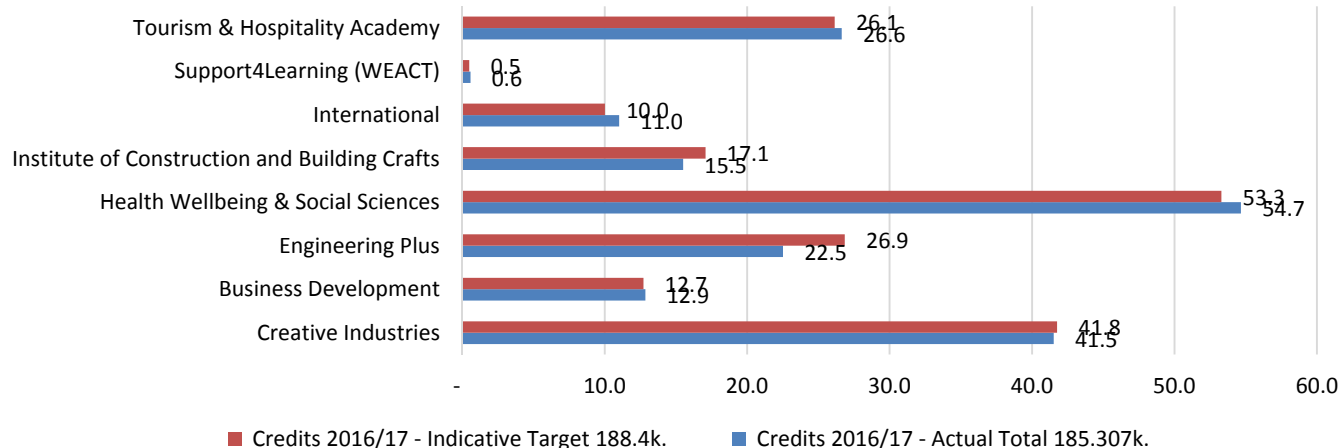
Opening Fixed Assets	Additions YTD	Depreciation	Closing Fixed Assets	Comments
01/08/2016	31/03/2017	31/03/2017	31/03/2017	Additions to date relate to 2016/17 capital funding to March. The College is still awaiting confirmation from the SFC with regards to the amount of our capital allocation for 2017/18 and, as a consequence, no funds are currently accessible for drawdown.
£'m.	£'m.	£'m	£'m.	
150.2	1.0	(3.5)	147.7	

2. CREDIT ACTIVITY

- 2.1 The SFC has set Edinburgh College's core activity target for Academic Year 2016/17 at 184,028 credits. In addition, if the HE credit total of 52,340 is achieved a further 2,000 credits through the ESF Developing Scotland's Workforce 2016/17 project will be received. The HE credit target has already been exceeded, but receiving funding is dependent on the overall target being achieved.
- 2.2 Enrolment figures for semester 1 settled at 169,898 credits which is 1% behind the semester 1 target of 171,528 credits. In view of this, an enhanced semester 2 student intake of circa 17,000 credits was planned to mitigate potential credits shortfall. The scheduled semester 2 course portfolio has been designed to attract more students to cover the credits gap. There is particular focus on Construction, Dental Nursing, Pharmacy, Childhood Practice, STEM and ECDL courses.
- 2.3 Early Retention has also shown a positive improvement to date. In the 2015/16 academic year the early withdrawal rate was 5.2%, whilst the current 2016/17 figure is 4.4%, which compares to a sector average in 2015/16 of 4.5%. The Semester 2 rate at 2.4% has been particularly positive.

The "Credits by Department" table (below) shows a comparison of YTD performance, by department, against current full year targets (funded level 186k credits, target 188k credits).

Credits by Department 2016/17



The target above at circa 188k credits is higher than the College's funded target of 186k credits (including ESF credits) to provide headroom for withdrawals.

3. PROGRESS WITH THE TRANSFORMATION PLAN AND ITS ALIGNMENT TO THE COLLEGE'S 2016/17 BUDGET

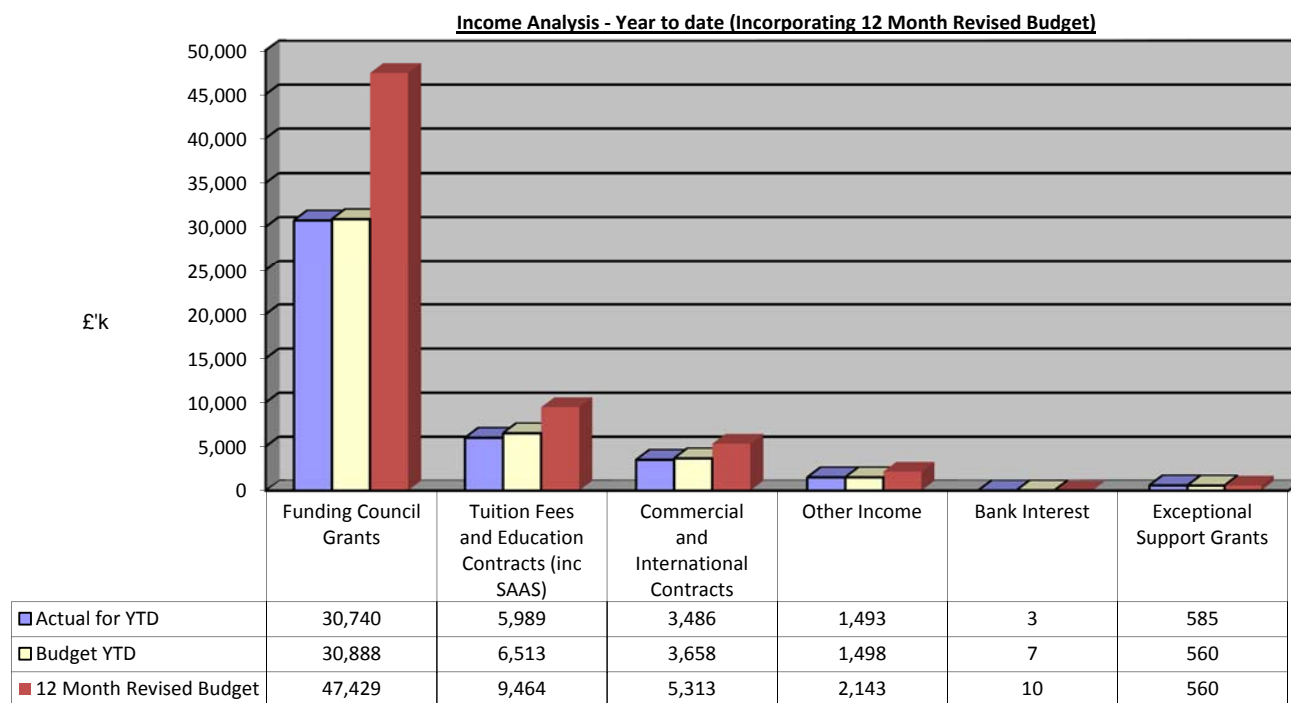
- 3.1 Following an under-achievement of its credit target in 2015/16, the College published in April 2016 a Business Transformation Plan which outlined a sustainable business model for the future. This contains four programmes (financial sustainability, curriculum relevance, workforce development, and student recruitment and retention) that provide a sound framework to enable Edinburgh College to show improvements. The programmes and associated projects were developed through a highly consultative exercise, are evidence based and provide clear rationale for implementation. The College set a £3.8m deficit budget for 2016/17, in line with the transformation plan agreed with the SFC, budget savings and/or income growth are being identified, including VS savings of £3.2m for the 2017/18 academic year. This will maintain progress towards a financially sustainable future. The 2016/17 budget already incorporates recurring cost reductions of over £1.2m from the previous year. Many projects have already completed or are underway.
- 3.2 The College's Budget for 2016/17 aligns with the 3-year Business Transformation Plan, which requires the College to work towards delivering a surplus of £0.4m in 2018/19. The College requires written confirmation from the SFC for each stage of its plan to secure support funding.

Savings for future starting budgets	For Academic Year 2015/16	For Academic Year 2016/17	For Academic Year 2017/18
	£'m	£'m	£'m
Voluntary Severance 1	1.03m		-
Voluntary Severance 2	-	0.76m	-
Voluntary Severance 3		2.46m	
Voluntary Severance 4			0.35m
Non-Pay costs		0.38m	0.45m
Transformation Plan	1.03m	3.60m	0.80m
Achieved to date:			
Voluntary Severance 1	1.07m		-
Voluntary Severance 2	-	0.77m	-
Non-Pay costs		0.63m	-
Total Achieved	1.07m	1.40m	-

- 3.3 The 'total achieved' figures will only be included when cost reductions have been agreed. Work remains on-going within curriculum and support areas in identifying future cost savings in relation to curriculum design, and producing new staff structures for both support and curriculum areas.
- 3.4 Non-pay related supplies and services contracts are also being reviewed. It is envisaged that savings from a new print contract (from centralisation of print services) will equate to £138k per annum (for the next 5 years), whilst savings from a renegotiated contract with ISS are expected to total £200k per annum (for the next 2 years).
- 3.5 The College had a successful Phase 1 of its voluntary severance scheme, showing an improvement of £0.03m against plan in 2016/17. Phase 2 closed at the end of November 2016 and will deliver savings of net £0.77m, following the release of recycled savings of £0.23m which are being used to increase academic capacity within the curriculum.

Phase 3 opened on 24 March and will run until 2 May 2017; however, this phase will present the biggest challenge to the College as £2.4m of savings need to be identified through this scheme.

Income Expanded Account Detail for the 8 Months to 31st March 2017 (Ex Core SFC Grants)							
Edinburgh College	Original Annual Budget	Revised Annual Budget	YTD Budget	YTD Actuals	YTD Variance	Previous YTD	Year End Projection
	£000s	£000s	£000s	£000s	£000s	£000s	£000s
4. Income Analysis							
Tuition Fees & Education Contracts							
FE - UK & EU	1,401	140	140	108	(32)	122	110
HE - UK & EU		339	339	360	22	372	409
PT Self Payers		922	793	692	(101)	729	812
Examination Fee Income		0	0	10	9	13	20
SAAS	4,238	4,238	2,825	2,671	(154)	2,555	4,018
Associate Degree Fees	1,198	1,198	799	604	(194)	728	906
Managing Agents	1,362	1,362	892	892	0	904	1,362
Edinburgh Council - Pre Emp Contract	1,265	1,265	725	652	(73)	978	1,155
	9,464	9,464	6,513	5,989	(524)	6,401	8,792
Commercial & International							
International	1,350	1,350	807	707	(100)	1,029	1,200
SDS	600	600	494	457	(37)	407	550
EH15 and The Apprentice Restaurants	53	53	45	55	10	81	53
Bliss SPA and Employability Salons	120	120	90	90		82	120
Gym	338	337	212	199	(13)	215	337
Nursery	1,050	1,050	693	626	(67)	674	950
Residences	590	590	385	385		331	590
Access Centre Provision	130	130	110	110	0	95	130
Bespoke Contracts for Employers	1,052	667	409	416	7	427	717
Scheduled Short Courses	30	416	413	440	27	398	416
Other European Income				0	0	22	
	5,313	5,313	3,658	3,486	(173)	3,760	5,063
Other Income							
Catering	1,879	1,879	1,276	1,127	(149)	1,201	1,656
Other Income Generating Activities	230	265	222	366	144	212	325
	2,108	2,143	1,498	1,493	(5)	1,413	1,980
Endowment & Investment							
Bank Interest	10	10	7	3	(4)	9	10
	10	10	7	3	(4)	9	10
Exceptional Support Grants							
		560	560	585	25		638
TOTAL INCOME (EX CORE SFC GRANTS)	16,895	17,490	12,235	11,555	(680)	11,583	16,483



- 4.1 The total income budget for the year stands at £64.9m (unchanged from last month). Total income for the year to date is £42.3m, which is £0.8m lower than the profiled budget of £43.1m.

Grant in Aid and ESF income remain on target on the assumption that all credit targets will be met. However, actual income is showing an adverse variance of £0.2m against budget, although as outlined in paragraph 1.4 above, this variance is expected to unwind as a result of ongoing additional planned semester 2 activity.

SAAS funded student income remains below forecast at £220k (in line with last month) and will not recover, whilst the latest review of fulltime HE/FE self-paying students shows associated revenue expected to settle below budget (by £50k – unchanged from last month).

Following meetings with all partners in relation to the Integrated Employability (IES) contract, the full year projection for this income stream now stands at £1.16m, £60k lower than last month. Contractual issues remain under discussion with our partners, which may influence the current position. However, mitigating expenditure savings continue to be sought to bridge forecast income shortfalls.

- 4.2 Associate Degree numbers have settled short of target by 52 students (40 within Engineering and 12 within Tourism & Hospitality). This income stream has been impacted by the lack of a sufficient number of eligible students to replace previous withdrawals (or replace those students who have decided not to progress to university). The year-end forecast shows a shortfall for the year of £292k (in line with last month).
- 4.3 Full-year Managing Agent income remains in line with budget, with any adverse contract positions continuing to be offset by positive movements. Some additions have been made to individual SLAs, with extra units being added for particular apprentices, such as core skills.

- 4.4 Total commercial and international income to date is £3.5m. The full year forecast for bespoke commercial income remains at £50k above full year budget, which is partly caused by £22k of additional Facilities Hire (there is optimism that this will increase further), whilst a number of new scheduled short courses and bespoke offerings have recently been created which will help to bolster the overall position.

Business School scheduled courses continue to perform strongly, with high student demand being noted particularly within CIPD Certificate, AAT, Intermediate Diploma and CIM Marketing qualifications and Health & Social Care SVQs. At least three new summer school contracts for June/July 2017 remain under negotiation. One of the agreements is nearing finalization and if secured may generate an additional £60k of revenue with low associated overheads.

Following the latest reviews of SDS employability fund contracts, the full year forecast for SDS income remains in line with last month (a shortfall on budget of £50k). Although new courses have recently been added to try to bridge the gap, enrolments (eligible for SDS funding) are lower than previously budgeted. Mitigating expenditure savings are being sought to bridge this gap.

- 4.5 Latest reviews of pipeline international contracts suggest full year international income will settle the year £150k lower than budget (in line with last month). This reduction is currently offset by full year forecast savings within international travel (£100k) and overseas agent's commission (£50k). However, work actively continues in seeking new contracts and expenditure budgets continue to be reviewed for savings. There is optimism that ongoing discussions with prospective customers will generate additional income, whilst new public sector tenders are likely to be released in the new financial year which the College will bid into.

- 4.6 Catering income to date stands at £1.1m, which is £149k lower than the profiled budget and is partly offset by net savings across associated expenditure areas. Following a detailed analysis of projected footfall for the remainder of the session, the Catering Department has forecast full year income to settle at £223k below budget (an adverse movement of £73k from last month's projection, which is currently unmitigated within associated forecast costs - £150k of forecast cost savings are already included within the above full year forecasts). Bridging the current income gap will prove challenging, although various proposals with regards to increasing sales, and in particular, tight cost controls have been implemented.

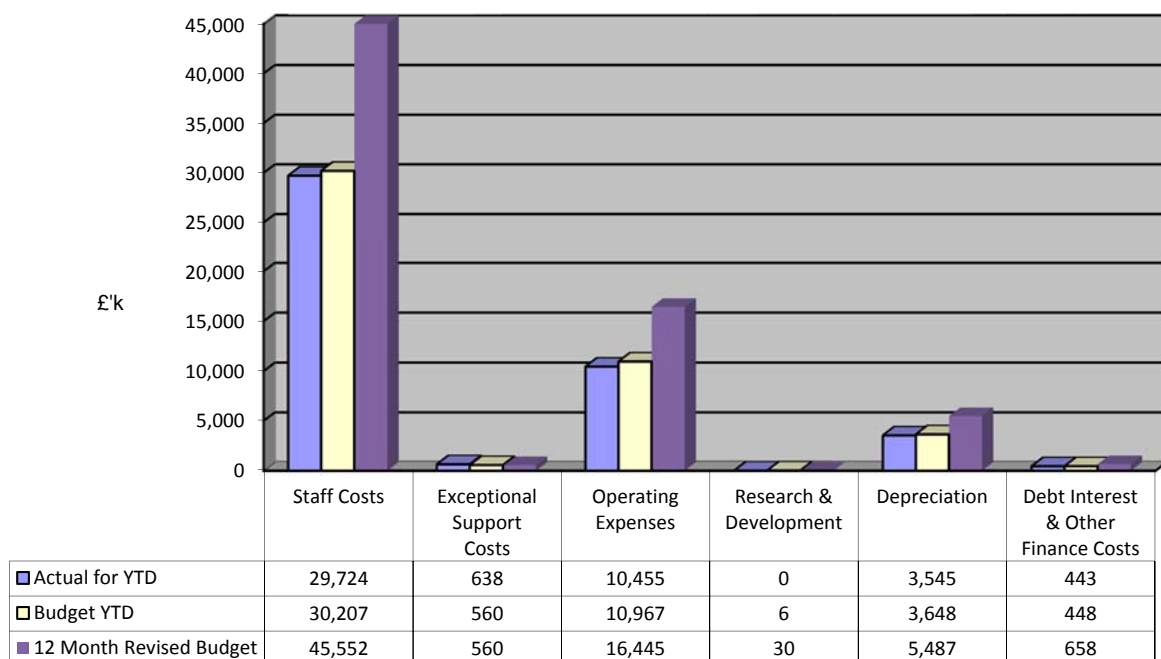
The nursery is showing a forecast income reduction of £100k (in line with last month). However, steps to mitigate the current income gap actively continue, which include various marketing campaigns to increase our customer base, an 'essential spends only' policy being rigidly enforced, and a reduction in agency and bank staff following a review of staff rotas. However, for prudence, the positive impact of these actions remain unreflected within the full year expenditure forecast until the financial effects have been fully quantified. The trading positions for both the catering and nursery functions are shown in paragraph 7.

- 4.7 We are currently forecasting year-end total income of £64m, approximately £0.9m below budget.

5. EXPENDITURE ANALYSIS

Total Expenditure (Non-Staffing) Expanded Account Detail for the 8 Months to 31st March 2017								
	Original Annual Budget £000s	Revised Annual Budget £000s	YTD Budget £000s	YTD Actuals £000s	YTD Variance £000s	Previous YTD £000s	Year End Projection £000s	
Other Operating Expenses								
Premises	5,081	5,067	3,332	3,302	30	3,454	5,027	
Teaching Activity & Support	912	856	634	688	(54)	717	856	
Childcare Costs	1,500	1,500	1,123	1,123		1,123	1,540	
Transport Costs	45	78	68	69	(1)	44	78	
IT Costs	1,196	1,103	674	656	18	797	1,088	
Telecomms Costs	201	180	116	116		133	180	
Equipment	51	33	25	24	1	24	33	
Health & Safety	89	68	39	38	1	53	68	
Travel & Subsistence	523	518	307	237	70	417	418	
Admin Costs	246	224	128	111	17	179	224	
Corporate, Consultancy, Professional	1,146	1,534	823	574	249	629	1,249	
Staff Welfare	16	16	10	10		11	16	
Catering	1,337	1,355	826	710	116	820	1,205	
Training & Development	113	113	68	48	20	47	113	
VAT	1,480	1,480	1,081	1,081		1,202	1,480	
Marketing & PR	215	203	123	111	12	152	203	
Partnership Costs	560	560	357	353	4	430	560	
Overseas Agents Commission	148	148	103	70	33	52	98	
Registration & Exam Fees	1,351	1,361	1,103	1,111	(8)	523	1,361	
Bad Debts	48	48	27	22	5	31	48	
	16,256	16,445	10,967	10,455	512	10,838	15,846	
Depreciation for the year	5,487	5,487	3,648	3,545	103	3,993	5,332	
Debt Interest & Other Finance Costs								
Interest On Bank Loans	623	623	415	415		446	623	
Other Finance Charges	35	35	33	28	5	(51)	35	
	658	658	448	443	5	395	658	
Research & Development	30	30	6		6	15	10	
Exceptional Support Costs		560	560	638	(78)		638	
TOTAL EXPENDITURE (NON-STAFFING)	22,431	23,181	15,629	15,081	548	15,241	22,484	

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



- 5.1 The total expenditure budget for the year stands at £68.7m (unchanged from last month). Total expenditure for the year to date is £44.8m, which is £1m lower than the profiled budget of £45.8m.

Within other operating expenditure, we are currently showing a favourable variance of £512k on the profiled budget of £10.97m, which reflects underspends to date within professional fees of £249k, catering costs (including curriculum) of £116k (which partly off-sets lower catering income to date) and within travel expenditure (£70k – primarily lower ‘homestay’ accommodation travel costs in relation to lower international activity). These favourable variances have been partly offset by small overspends within teaching activities of £54k, and examination fees of £8k. Most other expenditure areas remain broadly within budget.

Following a review of professional fees expenditure for the remainder of the year, savings of £26k have been identified. As a consequence, the full year forecast for non-staffing expenditure (in total) now stands at £22.5m, a net improvement of £26k from last month’s projection and £698k below full year budget. Controlling expenditure remains a priority, whilst overspent areas to date remain under close review.

- 5.2 In the year to date, depreciation charges of £3.5m have been released from our fixed assets to reflect their economic use. The full year forecast for depreciation stands at £5.3m, £155k lower than budget, whilst the full year forecast for deferred capital grant income releases is £3.1m, £75k higher than budget.
- 5.3 We are currently forecasting year-end total expenditure of £67.4m, approximately £1.3m below budget.

6. STAFF COST ANALYSIS

- 6.1 Costs of the first phase of the voluntary severance scheme (VS) were included within the 2015/16 academic year, but those affected by the scheme left the College between August and the end of October 2016. Funding of £650k was received in August, with corresponding costs (including pension strain) of £646k. The balance of grant was used towards supporting the phase 2 VS scheme. Self-funded costs of Senior Management VS (£341k) and strain costs of (£15k) were included within the 2015/16 accounts.

The full year savings associated with the first phase of the scheme (£1.07m) are slightly above the Business Transformation Plan figure (£1.03m). The budget does not include in-year savings relating to phase 2 of the VS scheme; savings attributable to this are £0.5m in the current year offset by £0.1m costs associated with the restructure of curriculum leader posts, and £0.2m in relation to the support staff pay settlement. These factors are all included in the full year forecast, which remains in line with last month's projection.

Staffing Expenditure Account Detail for the 8 Months to 31st March 2017							
For the future you want	Original Annual Budget	Revised Annual Budget	YTD Budget	YTD Actuals	YTD Variance	Previous YTD	Year End Projection
	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Staff Costs							
Senior Management	1,793	1,824	1,235	1,331	(95)	1,304	1,799
Academic Departments	23,036	22,920	15,232	15,048	185	15,222	22,606
Academic Services	4,171	4,314	2,886	2,744	142	2,837	4,257
Admin & Central Services	12,638	12,599	8,424	8,020	404	8,091	12,426
Premises	1,120	1,120	745	796	(51)	784	1,105
Catering & Residences	957	957	634	672	(38)	579	944
Temporary & Agency Staff Costs	1,108	1,123	748	745	3	766	1,108
Other Staffing Expenditure	694	694	303	369	(66)	384	685
	45,517	45,552	30,207	29,724	483	29,967	44,931

- 6.2 Staff costs are currently £0.5m lower than the profiled budget. Actual costs to date include the effects of the support staff pay award (£0.2m), £81k of which relates to April to July in the previous year. The positive overall variance to date includes the favourable effects of lower than projected temporary and agency staff costs, vacancy churn, delayed recruitment, unfilled vacant posts and the benefits associated with the use of our staff bank.
- 6.3 The current positive trend is likely to be dampened once vacant posts are eventually filled and once the effects of the apprenticeship levy and curriculum leader / manager pay uplifts are fully absorbed. However, full year staff expenditure remains on track to end the year at £0.6m lower than budget. All recruitment requests for current staffing vacancies remain under close review and opportunities to increase savings should arise over the coming months, supplemented by agency and temporary staffing costs traditionally reducing through June and July.
- 6.4 Staff numbers show a decrease of 4.1 FTE from last month, and an overall decrease of 64.1 FTE from the start of the year. There were 4 new starters in March and 12 leavers.

7. TRADING DEPARTMENTS

	Catering				Nursery			
	YTD Mar 2017				YTD Mar 2017			
	Full Year Budget (£000)	YTD Revised Budget (£000)	Actuals (£000)	Full Year Forecast (£000)	Full Year Budget (£000)	YTD Revised Budget (£000)	Actuals (£000)	Full Year Forecast (£000)
Income	1,879	1,276	1,127	1,656	1,050	693	626	950
Staffing Expenditure	(1,114)	(738)	(701)	(1,114)	(1,026)	(681)	(680)	(1,026)
Non Staffing Expenditure	(791)	(523)	(422)	(641)	(184)	(111)	(109)	(184)
Net (Deficit) / Surplus								
Contribution Towards Associated Costs	(27)	15	4	(100)	(160)	(98)	(163)	(260)

7.1 As stated in paragraph 4.6, the Catering Department has forecast full year income to settle at £223k below budget (an adverse movement of £73k from last month's projection, which is currently unmitigated, although £150k of cost savings are already included within the above full year forecasts). Bridging the current income gap will prove challenging, but various proposals with regards to increasing sales, and, in particular, tight cost controls have been implemented.

7.2 The nursery currently shows a net operating deficit of £163k, which is due to lower than planned child recruitment, and higher costs than budgets. Following latest reviews of the area, the full year forecast for income remains in line with last month (down £100k). A best value review is being undertaken to establish reasons for the decline in performance. The Head of Estates and Facilities is leading this review supported by the Head of Finance and an external partner with experience in nursery provision. The scope of the review will cover a number of areas, but in particular:

- Achieving target child numbers and scope for improvement;
- Efficiency of staff utilised across rooms;
- Financial performance and how to progress towards a break-even financial position.

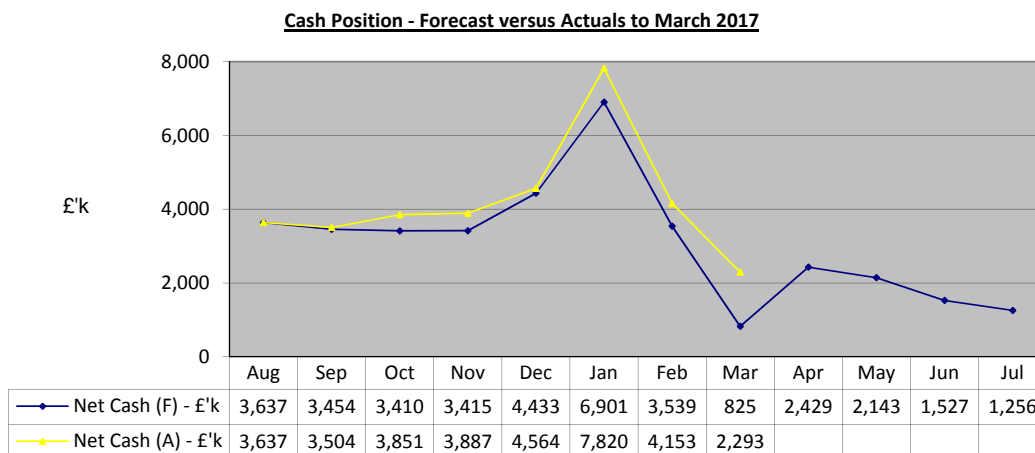
There has already been a positive meeting with nursery staff, who appear supportive of planned changes.

8. CASH-FLOW

8.1 The cash balance at the end of March is £2.3m. This figure includes £0.4m of student support funds and is ahead of our rolling forecast owing to the timing of SFC support receipts and the settlement of tuition fees and commercial contracts. The movement in the total cash balance from February (a decrease of £1.9m) is largely due to capital expenditure outflows of £0.7m and net student funds outflows of £1.1m (both broadly in line with forecast).

8.2 Advanced cash funding is required from the SFC to accelerate progress over the next 3 academic years towards a balanced budgetary position. This includes repayable cash support of £2.9m received in March 2017, which will enable recurring core operational expenditure outflows to be met in advance of securing savings through the release of staff through VS schemes. There will also be a reduction in supplies and services costs through the cancellation or re-tendering of out-sourced goods/services contracts, together with our on-going approach to extract further savings which will have a positive impact on our final cash out-turn.

- 8.3 The forecast net cash position at the year end (£1.3m) consists almost entirely of student support funds. This is as a result of an underspend in the current year. This amount will be recovered by SFC next year in line with the treatment of the 2015/16 underspend (amounting to £1.7m) this year. This will have no effect on next year's allocation of funds.



9. BALANCE SHEET

<u>Balance Sheet as at 31 March 2017</u>		<u>As at 31 Mar 17</u>	<u>As at 31 Jul 16</u>	YTD Mvmt
		<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Fixed Assets	Land and Buildings	140,355	142,547	(2,192)
	Fixtures, fittings and Equipment	7,338	7,633	(295)
		<u>147,693</u>	<u>150,179</u>	<u>(2,486)</u>
Current Assets	Stock	102	122	(20)
	Debtors	2,727	2,645	82
	Cash - Main	1,903	1,287	616
	Cash - Student Support	390	704	(314)
Total		<u>5,121</u>	<u>4,758</u>	<u>363</u>
Creditors		(82,237)	(81,605)	(632)
Provisions		(30,121)	(30,368)	247
		<u>40,456</u>	<u>42,965</u>	<u>(2,509)</u>
Funded by:				
Reserves		40,456	42,965	(2,509)
		<u>40,456</u>	<u>42,965</u>	<u>(2,509)</u>

- 9.1 The movement in Fixed Assets and Cash is reviewed in the sections above. Debtors and Creditors have reduced from February so they are more in line with typically lower year end balances.

10. SFC REPORTING

Summary Resource Return (RDEL)

	Actual 12 mths to 31 Mar 17	Actual 12 mths to 31 Mar 16
SFC Income	55,612	54,092
Other Income	16,106	16,432
Total Income	71,718	70,524
Expenditure	(71,265)	(70,899)
	453	(375)
Less Loan repayment	(1,267)	
Net Overspend	(814)	(375)

- 10.1 The College reports to the SFC on our financial performance each quarter during the year (monthly during the final quarter). These returns are submitted in a format prescribed by the SFC and currently relate to the period from April 2016 to March 2017 (i.e. on a financial year basis as opposed to an academic year basis). The final return for the year was submitted on 21 April.
- 10.2 The main part of the return monitors spending against RDEL (Resource Departmental Expenditure Limit) and refers to all income and expenditure other than capital additions, depreciation and deferred grant releases, and certain changes to provisions regarding pensions. This differs to the income and expenditure reported in management accounts, as it includes student support funds received and paid out.
- 10.3 The final resource return shows an over-spend of £0.8m against RDEL. This compares to an initial annual projected over-spend of £3.2m, as reported on the return submitted for the period to June 2016. This improvement is due to the cash advance funding received from SFC (£2.9m), additional capital funding (£1m allocated to revenue maintenance in the income and expenditure account), an under-spend in student support funds, and an improvement in the Income and Expenditure position compared to the original budget for the period from August to March 2017. These positive variances have been offset by a clawback of student funds from 2015/16 (£1.7m due to underspend). The figures also include adjustments made for movements in accruals for untaken annual leave, and for student support funds (total movement £0.6m).
- 10.4 The CDEL (Capital Departmental Expenditure Limit) figure for the year is a breakeven position, such that expenditure on fixed assets aligns with the amount of capital grant funding received from the SFC plus proceeds from disposals. The AME (Annually Managed Expenditure) figure refers to movements in provisions and the revaluation of pension deficits. The figure provided in the March year-end return is the movement from March to July 2016. A revaluation at March 2017 has not been carried out or provided by SFC yet. This treatment is in line with SFC instructions.

11. KEY PERFORMANCE DATA

Financial Performance Monitoring Template							
	2015/16 Annual Target	2015/16 Revised Annual Target		2016/17 Annual Target	2016/17 YTD Actual		2015/16 Annual Out-turn
Credits	195,452	186,258		184,028	184,028		180,144
Credits ESF	4,806	2,000		2,000	1,279		-
	2015/16 Annual Budget	2016/17 Annual Budget	Revised Annual Budget	2016/17 YTD Budget	2016/17 YTD Actuals	YTD Variance	Previous YTD
	£k	£k	£k	£k	£k	£k	£k
Commercial & International Contracts	5,377	5,313	5,313	3,658	3,486	(173)	3,760
Refer sections 2 to 5							
Income	67,216	64,134	64,919	43,123	42,295	(829)	42,301
Expenditure	67,840	67,948	68,733	45,836	44,804	1,031	45,208
Operating Surplus / (Deficit)	(624)	(3,814)	(3,814)	(2,712)	(2,510)	203	(2,907)
Refer sections 6 to 7							
Net Cash Inflow / (Outflow)	941	(452)	(452)	165	302	137	(1,315)
Bank Balance	4,052	1,539	1,539	2,156	2,293	137	1,813
Fixed Assets	150,716	145,409	145,409	147,693	147,693	-	152,172
Net Current assets / (liabilities)	631	(9,417)	(9,417)	(10,090)	(10,090)	-	(5,566)
Creditors and Provisions	(101,215)	(97,538)	(97,538)	(97,147)	(97,147)	-	(98,930)
Net Assets	50,132	38,454	38,454	40,456	40,456	-	47,676
Pay costs % of Income	% 67.2	71	70.2	70.0	70.3	0.3	70.8
Current Ratio	1.1	0.47	0.47	0.34	0.34	-	0.49
Cash Days in Hand	4	(37)	(37)	(59)	(59)	-	(33)
Borrowings as % of reserves	% 10.0	10.6	10.6	11.1	11.1	-	10.2

I&E Account for the 8 Months to 31st March 2017

	<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>	<u>Year End Projection £000s</u>
Funding Council Grants	43,374	43,564	28,354	28,156	(198)	28,004	43,572
Deferred Capital Grant Releases	3,065	3,065	2,000	2,050	50	2,181	3,140
Debt Support Grant	800	800	533	533	0	533	800
Tuition Fees and Education Contracts (inc SAAS)	9,464	9,464	6,513	5,989	(524)	6,401	8,792
Commercial and International Contracts	5,313	5,313	3,658	3,486	(173)	3,760	5,063
Other Income	2,118	2,153	1,504	1,496	(9)	1,422	1,990
Exceptional Support Grants	0	560	560	585	25	0	638
Total Income	64,134	64,919	43,123	42,295	(829)	42,301	63,995
Staff Costs	45,517	45,552	30,207	29,724	483	29,967	44,931
Other Operating Expenses	16,256	16,445	10,967	10,455	512	10,838	15,845
Depreciation	5,487	5,487	3,648	3,545	103	3,993	5,332
Debt Interest & Other Finance Costs	658	658	448	443	5	395	658
Research & Development	30	30	6	0	6	15	10
Exceptional Support Costs	0	560	560	638	(78)	0	638
Total Expenditure	67,948	68,733	45,836	44,804	1,031	45,208	67,414
Operating Surplus / (Deficit)	(3,814)	(3,814)	(2,712)	(2,510)	203	(2,907)	(3,420)
<u>Statement of Historical Cost Surpluses and Deficits for the 8 Months to 31st March 2017</u>							
Operating Surplus / (Deficit)	(3,814)	(3,814)	(2,712)	(2,510)	203	(2,907)	(3,420)
Difference between historical cost depreciation and actual revaluation charge for the period	612	612	415	415	0	419	612
Historical Cost Surplus / (Deficit)	(3,202)	(3,202)	(2,297)	(2,095)	203	(2,488)	(2,808)



For the future you want

INCOME

Funding Council Grants

Recurrent Grant Inc Fee Waiver	40,162	40,162	25,725	25,538	(186)	25,638	40,162
Childcare Funds	1,500	1,500	1,123	1,123		1,123	1,540
Deferred Capital Grants	3,065	3,065	2,000	2,050	50	2,181	3,140
Debt Support Grants	800	800	533	533	0	533	800
Other SFC Grants	1,712	1,901	1,507	1,495	(12)	1,242	1,869
	47,239	47,429	30,888	30,740	(148)	30,718	47,512

Tuition Fees & Education Contracts

FE - UK & EU	1,401	140	140	108	(32)	122	110
HE - UK & EU		339	339	360	22	372	409
PT Self Payers		922	793	692	(101)	729	812
Examination Fee Income		0	0	10	9	13	20
SAAS	4,238	4,238	2,825	2,671	(154)	2,555	4,018
Associate Degree Fees	1,198	1,198	799	604	(194)	728	906
Managing Agents	1,362	1,362	892	892	0	904	1,362
Edinburgh Council - Pre Emp Contract	1,265	1,265	725	652	(73)	978	1,155
	9,464	9,464	6,513	5,989	(524)	6,401	8,792

Commercial & International

International	1,350	1,350	807	707	(100)	1,029	1,200
SDS	600	600	494	457	(37)	407	550
EH15 and The Apprentice Restaurants	53	53	45	55	10	81	53
Bliss SPA and Employability Salons	120	120	90	90		82	120
Gym	338	337	212	199	(13)	215	337
Nursery	1,050	1,050	693	626	(67)	674	950
Residences	590	590	385	385		331	590
Access Centre Provision	130	130	110	110	0	95	130
Bespoke Contracts for Employers	1,052	667	409	416	7	427	717
Scheduled Short Courses	30	416	413	440	27	398	416
Other European Income				0	0	22	
	5,313	5,313	3,658	3,486	(173)	3,760	5,063

Other Income

Catering	1,879	1,879	1,276	1,127	(149)	1,201	1,656
Other Income Generating Activities	230	265	222	366	144	212	325
	2,108	2,143	1,498	1,493	(5)	1,413	1,980

Endowment & Investment

Bank Interest	10	10	7	3	(4)	9	10
	10	10	7	3	(4)	9	10

Exceptional Support Grants

		560	560	585	25		638
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TOTAL INCOME	64,134	64,919	43,123	42,295	(829)	42,301	63,995
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EXPENDITURE

Staff Costs

Senior Management	1,793	1,824	1,235	1,331	(95)	1,304	1,799
Academic Departments	23,036	22,920	15,232	15,048	185	15,222	22,606
Academic Services	4,171	4,314	2,886	2,744	142	2,837	4,257
Admin & Central Services	12,638	12,599	8,424	8,020	404	8,091	12,426
Premises	1,120	1,120	745	796	(51)	784	1,105
Catering & Residences	957	957	634	672	(38)	579	944
Temporary & Agency Staff Costs	1,108	1,123	748	745	3	766	1,108
Other Staffing Expenditure	694	694	303	369	(66)	384	685
	45,517	45,552	30,207	29,724	483	29,967	44,931

Other Operating Expenses

Premises	5,081	5,067	3,332	3,302	30	3,454	5,027
Teaching Activity & Support	912	856	634	688	(54)	717	856
Childcare Costs	1,500	1,500	1,123	1,123		1,123	1,540
Transport Costs	45	78	68	69	(1)	44	78
IT Costs	1,196	1,103	674	656	18	797	1,088
Telecomms Costs	201	180	116	116		133	180
Equipment	51	33	25	24	1	24	33
Health & Safety	89	68	39	38	1	53	68
Travel & Subsistence	523	518	307	237	70	417	418
Admin Costs	246	224	128	111	17	179	224
Corporate, Consultancy, Professional	1,146	1,534	823	574	249	629	1,249
Staff Welfare	16	16	10	10		11	16
Catering	1,337	1,355	826	710	116	820	1,205
Training & Development	113	113	68	48	20	47	113
VAT	1,480	1,480	1,081	1,081		1,202	1,480
Marketing & PR	215	203	123	111	12	152	203
Partnership Costs	560	560	357	353	4	430	560
Overseas Agents Commission	148	148	103	70	33	52	98
Registration & Exam Fees	1,351	1,361	1,103	1,111	(8)	523	1,361
Bad Debts	48	48	27	22	5	31	48
	16,256	16,445	10,967	10,455	512	10,838	15,846

Depreciation for the year

	5,487	5,487	3,648	3,545	103	3,993	5,332
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Debt Interest & Other Finance Costs

Interest On Bank Loans	623	623	415	415		446	623
Other Finance Charges	35	35	33	28	5	(51)	35
	658	658	448	443	5	395	658

Research & Development

	30	30	6		6	15	10
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Exceptional Support Costs

		560	560	638	(78)		638
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TOTAL EXPENDITURE	67,948	68,733	45,836	44,804	1,031	45,208	67,414
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Operating Surplus / (Deficit)	(3,814)	(3,814)	(2,712)	(2,510)	203	(2,907)	(3,420)
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I&E Account Detail for the 8 Months to 31st March 2017

<u>Original</u> <u>Annual</u> <u>Budget</u> <u>£000s</u>	<u>Revised</u> <u>Annual</u> <u>Budget</u> <u>£000s</u>	<u>YTD Budget</u> <u>£000s</u>	<u>YTD Actuals</u> <u>£000s</u>	<u>YTD</u> <u>Variance</u> <u>£000s</u>	<u>Previous</u> <u>YTD</u> <u>£000s</u>	<u>Year End</u> <u>Projection</u> <u>£000s</u>
40,162	40,162	25,725	25,538	(186)	25,638	40,162
1,500	1,500	1,123	1,123		1,123	1,540
3,065	3,065	2,000	2,050	50	2,181	3,140
800	800	533	533	0	533	800
1,712	1,901	1,507	1,495	(12)	1,242	1,869
47,239	47,429	30,888	30,740	(148)	30,718	47,512
1,401	140	140	108	(32)	122	110
	339	339	360	22	372	409
	922	793	692	(101)	729	812
	0	0	10	9	13	20
4,238	4,238	2,825	2,671	(154)	2,555	4,018
1,198	1,198	799	604	(194)	728	906
1,362	1,362	892	892	0	904	1,362
1,265	1,265	725	652	(73)	978	1,155
9,464	9,464	6,513	5,989	(524)	6,401	8,792
1,350	1,350	807	707	(100)	1,029	1,200
600	600	494	457	(37)	407	550
53	53	45	55	10	81	53
120	120	90	90		82	120
338	337	212	199	(13)	215	337
1,050	1,050	693	626	(67)	674	950
590	590	385	385		331	590
130	130	110	110	0	95	130
1,052	667	409	416	7	427	717
30	416	413	440	27	398	416
			0	0	22	
5,313	5,313	3,658	3,486	(173)	3,760	5,063
1,879	1,879	1,276	1,127	(149)	1,201	1,656
230	265	222	366	144	212	325
2,108	2,143	1,498	1,493	(5)	1,413	1,980
10	10	7	3	(4)	9	10
10	10	7	3	(4)	9	10
	560	560	585	25		638
64,134	64,919	43,123	42,295	(829)	42,301	63,995
1,793	1,824	1,235	1,331	(95)	1,304	1,799
23,036	22,920	15,232	15,048	185	15,222	22,606
4,171	4,314	2,886	2,744	142	2,837	4,257
12,638	12,599	8,424	8,020	404	8,091	12,426
1,120	1,120	745	796	(51)	784	1,105
957	957	634	672	(38)	579	944
1,108	1,123	748	745	3	766	1,108
694	694	303	369	(66)	384	685
45,517	45,552	30,207	29,724	483	29,967	44,931
5,081	5,067	3,332	3,302	30	3,454	5,027
912	856	634	688	(54)	717	856
1,500	1,500	1,123	1,123		1,123	1,540
45	78	68	69	(1)	44	78
1,196	1,103	674	656	18	797	1,088
201	180	116	116		133	180
51	33	25	24	1	24	33
89	68	39	38	1	53	68
523	518	307	237	70	417	418
246	224	128	111	17	179	224
1,146	1,534	823	574	249	629	1,249
16	16	10	10		11	16
1,337	1,355	826	710	116	820	1,205
113	113	68	48	20	47	113
1,480	1,480	1,081	1,081		1,202	1,480
215	203	123	111	12	152	203
560	560	357	353	4	430	560
148	148	103	70	33	52	98
1,351	1,361	1,103	1,111	(8)	523	1,361
48	48	27	22	5	31	48
16,256	16,445	10,967	10,455	512	10,838	15,846
5,487	5,487	3,648	3,545	103	3,993	5,332
623	623	415	415		446	623
35	35	33	28	5	(51)	35
658	658	448	443	5	395	658
30	30	6		6	15	10
	560	560	638	(78)		638
67,948	68,733	45,836	44,804	1,031	45,208	67,414
(3,814)	(3,814)	(2,712)	(2,510)	203	(2,907)	(3,420)

Balance Sheet

For the 8 Months to 31st March 2017

	<u>2016/2017</u> <u>YTD Actuals</u> <u>£000s</u>	<u>2015/16</u> <u>Year End</u> <u>£000s</u>	<u>2015/2016</u> <u>Previous YTD</u> <u>£000s</u>
Fixed Assets			
L&B	140,355	142,547	143,642
FFE	7,338	7,633	8,530
	147,693	150,179	152,172
Current Assets			
Stock	102	122	114
Debtors	2,727	2,645	3,500
Cash	2,293	1,991	1,813
	5,121	4,758	5,427
Creditors < 1yr			
Loans	(408)	(408)	(386)
Payments received in advance	(575)	(241)	(736)
Trade creditors	(1,024)	(1,198)	(633)
Taxes & social sec	(917)	(1,141)	(1,747)
Accruals, Def Inc & Other Creditors	(4,810)	(5,970)	(3,385)
Amounts owed to SFC	(4,413)	(75)	(1,040)
Deferred Capital Grants - Government	(3,065)	(3,065)	(3,065)
	(15,211)	(12,097)	(10,993)
Net current assets / (liabilities)	(10,090)	(7,339)	(5,566)
Total assets less current liabilities	137,604	142,840	146,606
Creditors > 1yr			
Bank loans	(10,339)	(10,575)	(10,757)
Lennartz VAT	(285)	(866)	(1,156)
Deferred Capital Grants - Government	(56,402)	(58,066)	(58,986)
	(67,027)	(69,507)	(70,898)
Provisions			
Early retirement	(4,846)	(5,037)	(4,779)
Other	20	(37)	(37)
	(4,827)	(5,074)	(4,816)
Net pension asset / (liability)	(25,294)	(25,294)	(23,216)
NET ASSETS	40,456	42,965	47,676
Reserves			
I&E account	38,027	40,118	42,546
Pension reserve	(25,294)	(25,294)	(23,216)
Revaluation reserve	27,723	28,141	28,345
RESERVES	40,456	42,965	47,676

