



FINANCE & RESOURCE COMMITTEE MEETING

17 September 2025 at 1500hrs

via MS Teams

FINANCE & RESOURCES COMMITTEE

NOTICE

There will be a meeting of the Finance & Resources Committee on Wednesday 17 September 2025 at **1500 hours** through the use of Microsoft Office Teams.

AGENDA

| Agenda Item | | Paper |
|-------------|--|-------|
| | Standing Items | |
| 01-25 | Apologies for Absence | |
| 02-25 | Declaration of any Potential Conflicts of Interest in relation to any Agenda Items | |
| 03-25 | Minute of Previous Meeting – 4 June 2025 | x |
| 04-25 | Matters Arising from the Previous Meeting | x |
| | | |
| | Matters for Decision/Approval | |
| 05-25 | Committee Terms of Reference | x |
| 06-25 | Committee Programme of Business (Draft) | x |
| | | |
| | Matters for Discussion | |
| 07-25 | AY2025/26 Budget Update | x |
| 08-25 | Annual Accounts AY2024/25 update | x |
| 09-25 | ASET Update (late paper due to ASET Board Meeting date) | |
| 10-25 | Opportunities Register | x |
| 11-25 | ETSH Financing Update (late paper – requested at recent Project Board meeting) | |
| | | |
| | Matters for Information | |
| 12-25 | Credits and enrolment planning update | x |
| 13-25 | Fixed Term Deposits Report | x |
| 14-25 | SFC FFR (submitted June 2025) | x |
| 15-25 | Estate Project Update | x |
| | | |
| | Any Other Business | x |
| | | |
| 16-25 | Summation of Actions and date of next meeting The Finance and Resources Committee are next due to meet on 26 November 2025 at a joint meeting with the Audit and Risk Committee. | |

* denotes Reserved Item of Business

FINANCE & RESOURCES COMMITTEE

MINUTE OF MEETING

DRAFT Minute of the Meeting of the Finance & Resources Committee held on Wednesday 04 June 2025 at 1:00pm via Microsoft Teams.

Present:

Sheena Ross (Chair)
Ewan Rattray (Vice Chair) until 1:45pm
Neil Cowie
Viktorija Nikitina
Jim Gifford
Iain Watt
David Blackhall

In attendance:

Stuart Thompson, Vice Principal Finance & Resources
Susan Lawrance, Secretary to the Board
Karen Fraser, Minute Secretary

| | Transcription Recording Started at 1:02pm |
|-------------|--|
| Agenda Item | |
| 50-24 | Apologies for Absence Apologies were received in advance of the meeting from S Elston. |
| 51-24 | Declaration of any Potential Conflicts of Interest in relation to any Agenda Items J Gifford declared a potential conflict of interest by virtue of his position with Aberdeenshire Council, specifically Agenda Item 60-24. |
| 52-24 | Minute of Previous Meeting - 19 February 2025 The Minute was approved as a true and accurate record. |
| 53-24 | Matters Arising from the Previous Meeting Members noted the updates to the 4 Matters Arising captured in the shared report. S Thompson clarified his intention to develop the 5-Year Scenario Planning document based on today's discussion of Agenda Item 55-24, for Regional Board decision at the 17/06/25 Regional Board meeting. |
| | |
| | Reserved Matters for Decision |
| 54-24 | SFC 2025-26 Indicative Funding |

*Red text denotes Reserved Item of Business

| | |
|-------|--|
| | |
| 55-24 | DRAFT 2025-26 Budget (Including Capital) |
| | |
| | Reserved Matters for Discussion |
| 56-24 | 2024-25 Budget Update (In conjunction with Agenda Item 57-24) |

*Red text denotes Reserved Item of Business

| | |
|-------|--|
| 57-24 | 2024-25 Capital Budget Update (In conjunction with Agenda Item 56-24) |
| 58-24 | ETSH Update |
| 59-24 | ASET Update |

*Red text denotes Reserved Item of Business

| | |
|-------|--|
| | |
| 60-24 | Opportunities Register |
| | |
| | Reserved Matters for Information |
| 61-24 | |
| | |
| 62-24 | Any Other Business <ul style="list-style-type: none"> Recruitment Progress <p>S Thompson outlined the undertakings with Aspen, the associated timeline, and intended short-term cover to assist with YE and Audit work.</p> |
| | |
| 63-24 | Summation of Actions and Date of Next Meeting <p>The identified actions were summarised and the next meeting of the Finance & Resources Committee noted as due to be scheduled for September 2025.</p> |
| | Meeting ended at 2:55pm |

*Red text denotes Reserved Item of Business

| Actions from the Finance & Resources Committee Meeting – 04 June 2025 | | | |
|---|--------------------------------|-------------------|----------|
| Agenda Item | Action | Responsibility of | Deadline |
| 54-24 | Escalation: | | |
| 54-24 | Chase No Response: | | |
| 58-24 | ETSH: | | |
| 61-24 | Credits and Enrolments Update: | | |

*Red text denotes Reserved Item of Business

FINANCE & RESOURCES COMMITTEE

An update on matters arising from the meeting of the Finance & Resources Committee held on 4 June 2025.

| Agenda Item | |
|-------------|--|
| 54-24 | Action: Escalation: |
| | Status: |
| 54-24 | Action: Chase No Response. |
| | Status: |
| 58-24 | Action: ETSH: |
| | Status: |
| 61-24 | Action: Credits & Enrolment Update: |
| | Status: |

| FINANCE & RESOURCES COMMITTEE Meeting of 17 September 2025 | |
|--|--|
| Title: Committee Terms of Reference | |
| Author: Susan Lawrance, Secretary to the Board | Contributor(s): Stuart Thompson, Vice Principal Finance and Resource |
| Type of Agenda Item: For Decision <input checked="" type="checkbox"/> For Discussion <input type="checkbox"/> For Information <input type="checkbox"/> Reserved Item of Business <input type="checkbox"/> | |
| Purpose: To enable the Committee to review its Terms of Reference. | |
| Linked to Strategic Theme: 1. Being agile and responsive. | |
| Executive Summary: Attached as Appendix 1 to this paper is the Committee's current Terms of Reference. The Terms were last considered by the Committee in September 2024. Members are asked to review the attached and consider if the Committee's Specific Duties accurately reflect its main areas of focus, noting that some sub-strategies titles will change when these are launched later in the year as part of the new NESCol 2025-2030 Strategic Plan (shared with Regional Board in June 2025). | |
| Recommendation: It is recommended that the Committee review its Terms of Reference. | |
| Previous Committee Recommendation/Approval (if applicable): Finance and Resource Committee | |
| Equality Impact Assessment: Positive Impact <input type="checkbox"/> Negative Impact <input type="checkbox"/> No Impact <input checked="" type="checkbox"/> Evidence: | |

| FINANCE AND RESOURCES COMMITTEE | | |
|--|-------------------|--|
| 1.1 | Membership | <p>A minimum of 6 Members, one of whom shall be appointed as Committee Chair Principal One Staff and one Student Member</p> <p>The Chair of the Finance and Resources Committee is precluded from serving on the Audit and Risk Committee.</p> |
| 1.2 | Quorum | No less than one half of the members entitled to vote. |
| 1.3 | Remit | <p>General The Committee shall make its recommendations to the Regional Board as appropriate. The Committee shall make its decisions and report these to the Regional Board. The Committee shall observe the Standing Orders in all its business.</p> <p>Specific Duties The Committee has overall responsibility (within the Financial Memorandum between the College and the Scottish Funding Council (SFC)) for the direction and oversight of the College's financial affairs. The Finance and Resources Committee shall:</p> <ul style="list-style-type: none"> • Monitor the College's financial position • Review and monitor the Colleges' key financial performance indicators, student funding performance indicators, and student activity performance indicators • Monitor performance against specific targets relating to the generation of commercial income as defined by the College • Consider and recommend the College budget for the following financial year to the Regional Board • Consider the College's annual financial performance through the Annual Financial Statements • In conjunction with the Audit and Risk Committee, consider and approve the College's annual financial statements and the external auditor's report prior to submission to the Regional Board • Consider the proposed SFC Financial Forecast Return (FFR) and make recommendations to the Regional Board • Review, on behalf of the Regional Board, long term financial plans and consider a range of strategic financial scenarios as presented by the College Management • Approve and review the College's Finance Strategy • Maintain a continuous review of the College's Financial Regulations, through the Vice Principal – Finance and Resources, and advise the Regional Board of any additions or changes necessary • Approve annually, all course fees (other than those fixed by statutory regulations) • Approve fee waivers on behalf of the Regional Board • Approve the write-off of individual bad debts in excess of £3,000 • Oversee cash management and the Scottish Government Banking Service • Agree and monitor the College's insurance arrangements • Approve the award of contracts with a value of £150,000 to £299,999 |

| | |
|------------|---|
| | <ul style="list-style-type: none"> • Consider and monitor the College's Estates Strategy (including capital proposals and major capital works) making recommendations to the Regional Board as appropriate • Ensure that the College's existing buildings and estates comply with statutory and regulatory requirements, are maintained to an appropriate standard and remain fit for purpose • Approve any new aspect of business, or proposed establishment of a company or joint venture, which requires an investment in buildings, resources or staff time of more than £100,000. |
| 1.4 | Meetings The Finance and Resources Committee will normally meet four times per year. |

September 2025

FINANCE AND RESOURCES COMMITTEE – PROGRAMME OF BUSINESS AY2025/26

Please note that the Programme of Business will be amended as required to include agenda items that arise throughout the academic year.

| 17 September 2025 |
|---------------------------------------|
| For Decision |
| Committee Terms of Reference |
| Programme of Business AY2025/26 |
| For discussion |
| ASET Update |
| 2025/26 Budget Update |
| Annual Accounts 2024/25 update |
| Opportunities Register |
| ETSH Financing Update |
| Matters for Information |
| Credits and enrolment planning update |
| Fixed Term Deposits Report |

| 26 November 2025 |
|---|
| For Decision |
| Financial Statements for the Year to 31 July 2024 (in junction with Audit & Risk Committee) |
| External Audit Report |
| For Decision |
| Annual Procurement Report |
| Course Fees AY2026/27 |
| For Discussion |
| AY2025/26 Budget update |
| Opportunities Register |
| ASET Update |
| Long Term Financial Planning incl Capital Project |
| Committee Evaluation Feedback |
| Matters for Information |
| Credits and Enrolments Update AY2025/26 |

| 18 February 2026 |
|--|
| For Decision |
| Estates Update, incl. Clinterty update |
| For Discussion |
| AY2025/26 Budget Update |
| Budget Assumptions (next academic Year) |
| Opportunities Register |
| ASET Financial update |
| Environmental & Sustainability Annual Report |
| Matters for Information |
| Credits and Enrolments Update AY2025/26 |
| Sub-strategy Updates, IT, Estates and Sustainability |
| Procurement Update |

| 27 May 2026 |
|--------------|
| For Decision |

| For Discussion |
|--|
| <i>Analysis of Final SFC Funding Allocation 2026/27</i> |
| <i>Draft Budget & Capital Plan (ahead of consideration at June Regional Board Meeting)</i> |
| <i>Capital Plan/Estates (including existing building and estates bullet points).</i> |
| <i>Capital Project AY2025/26 update</i> |
| <i>Long Term Financial Planning (ahead of presentation to June Board Meeting)</i> |
| <i>Opportunities Register</i> |
| <i>AY2025/26 Budget Update</i> |
| For Information |
| <i>Credits and Enrolments Update AY2025/26</i> |

Red denotes Reserved Item of Business

| FINANCE & RESOURCES COMMITTEE Meeting of 17 September 2025 | |
|--|------------------------|
| Title: SFC FFR 2025 | |
| Author: Stuart Thompson Vice Principal Finance & Resources | Contributor(s): |
| Type of Agenda Item: For Decision <input type="checkbox"/> For Discussion <input type="checkbox"/> For Information <input checked="" type="checkbox"/> Reserved Item of Business <input type="checkbox"/> | |
| Purpose: To update the Committee on the SFC FFR submission sent 30 th June 2025. | |
| Linked to Strategic Theme: 5. Leading Sustainability | |
| Linked to Strategic Risk(s): 5.2 1.5; 5.1; 5.2; 5.5 | |
| Executive Summary: The full SFC FFR report is attached to the paper. Main Points <ul style="list-style-type: none"> • Return matches the approved budget. • The supporting commentary highlights the ongoing funding challenge. • No feedback has been received from SFC. | |
| Recommendation: It is recommended that the Committee review the future year projects and supporting commentary. | |
| Previous Committee Recommendation/Approval (if applicable): N/A | |
| Equality Impact Assessment: Positive Impact <input type="checkbox"/> Negative Impact <input type="checkbox"/> No Impact <input checked="" type="checkbox"/> Evidence: This report is for information only. | |

Financial Forecast Return June 2025

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 2024-25 to 2027-28. Adequate explanations have been provided where requested on the return. The worksheets and their underpinning assumptions have been reviewed and approved by the Board of Management in accordance with their agreed practices. 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. |
|---------------------|---|

Signed:



Principal/Chief Executive Officer

Date:

ANNUAL STAFFING EFFICIENCIES (savings reflected in FFR)

- 1 FTE Staff reduction - vacancy management
FTE Staff reduction - voluntary severance (related restructuring costs to be set out in section 2 below)
FTE Staff reduction - compulsory redundancy (redundancy costs to be set out in section 2 below)
Staff reduction - total

| Forecast 2024-25 FTE | Forecast 2025-26 FTE | Forecast 2026-27 FTE | Forecast 2027-28 FTE |
|----------------------------|----------------------------|----------------------------|----------------------------|
| 4 | 4 | 4 | 4 |
| 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 |
| 4 | 4 | 4 | 4 |

RESTRUCTURING COSTS

- 2 Voluntary severance costs
Compulsory redundancy costs
Total

| £000 | £000 | £000 | £000 |
|------|------|------|------|
| 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 |

CHECK - Staff restructuring costs per SOCIE

| | | | |
|---|---|---|---|
| 0 | 0 | 0 | 0 |
|---|---|---|---|

- 3 **NON-STAFF COST EFFICIENCIES (savings reflected in FFR)**

| | | | |
|-----|-----|-----|-----|
| 640 | 540 | 440 | 340 |
|-----|-----|-----|-----|

East Scotland College

| ALTERNATIVE FUNDING SCENARIO | Actual 2023-24 £000 | Forecast 2024-25 £000 | Forecast 2025-26 £000 | Forecast 2026-27 £000 | Forecast 2027-28 £000 |
|---|------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Adjusted operating result | | | | | |
| Adjusted operating result per FFR | 515 | 132 | (454) | (641) | (947) |
| Change in assumed SFC grant income | | | | 1,000 | 1,500 |
| Financial impact of additional mitigating/other actions: | | | | | |
| Description - please add | | | 0 | 0 | 0 |
| Description - please add | | | 0 | 0 | 0 |
| Description - please add | | | 0 | 0 | 0 |
| Description - please add | | | 0 | 0 | 0 |
| Description - please add | | | 0 | 0 | 0 |
| Description - please add | | | 0 | 0 | 0 |
| Description - please add | | | 0 | 0 | 0 |
| Description - please add | | | 0 | 0 | 0 |
| Description - please add | | | 0 | 0 | 0 |
| Description - please add | | | 0 | 0 | 0 |
| Description - please add | | | 0 | 0 | 0 |
| Revised adjusted operating result under alternative scenario | 515 | 132 | (454) | 359 | 553 |
| Cash position | | | | | |
| Forecast cash position per FFR | 8,287 | 7,850 | 7,641 | 7,245 | 6,543 |
| Change in forecast AOP | | | 0 | (1,000) | (1,500) |
| Other cash impact - please add description | | | 0 | 0 | 0 |
| Other cash impact - please add description | | | 0 | 0 | 0 |
| Other cash impact - please add description | | | 0 | 0 | 0 |
| Other cash impact - please add description | | | 0 | 0 | 0 |
| Other cash impact - please add description | | | 0 | 0 | 0 |
| Revised forecast cash position under alternative scenario | 8,287 | 7,850 | 7,641 | 6,245 | 5,043 |

| Pension Assumptions | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2024-25 | 2025-26 | 2026-27 | 2027-28 |
|--|---------|---------|---------|---------|--|--|---|--------------------------------------|
| 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 | 3,381 | 3,589 | 3,731 | 3,870 | | Ers contribution increased to 26% April 2025 | | |
| LGPS | 1,372 | 1,398 | 1,603 | 2,275 | Ers contribution reduced to 12.6% April 2024 | | Ers contribution increase to 20% April 2027 | |
| Other pension scheme - please state which scheme | 0 | 0 | 0 | 0 | | | | |
| Other pension scheme - please state which scheme | 0 | 0 | 0 | 0 | | | | |
| Total | 4,753 | 4,987 | 5,334 | 6,145 | | | | |

| | Actual 2023-24 | Forecast 2024-25 | Forecast 2025-26 | Forecast 2026-27 | Forecast 2027-28 | 2023-24 - 2024-25 | 2024-25- 2025-26 | 2025-26 - 2026-27 | 2026-27 - 2027-28 |
|--|-------------------|---------------------|---------------------|---------------------|---------------------|----------------------|---------------------|----------------------|----------------------|
| Statement of Comprehensive income and expenditure (Consolidated) | £000 | £000 | £000 | £000 | £000 | % | % | % | % |
| INCOME | | | | | | | | | |
| Tuition fees and education contracts | 8,898 | 10,008 | 12,747 | 13,863 | 15,102 | 12.5% | 27.4% | 8.8% | 8.9% |
| Funding council/RSB grants | 40,025 | 40,492 | 40,871 | 42,113 | 42,856 | 1.2% | 0.9% | 3.0% | 1.8% |
| Research grants and contracts | 0 | 0 | 0 | 0 | 0 | | | | |
| Other income | 2,826 | 2,712 | 2,453 | 2,529 | 2,605 | -4.0% | -9.6% | 3.1% | 3.0% |
| Investment income | 1,610 | 150 | 170 | 160 | 150 | -90.7% | 13.3% | -5.9% | -6.3% |
| Total income before donations and endowments | 53,359 | 53,362 | 56,241 | 58,665 | 60,713 | 0.0% | 5.4% | 4.3% | 3.5% |
| Donations and endowments | 0 | 0 | 0 | 0 | 0 | | | | |
| Total income | 53,359 | 53,362 | 56,241 | 58,665 | 60,713 | 0.0% | 5.4% | 4.3% | 3.5% |
| EXPENDITURE | | | | | | | | | |
| Staff costs | 33,804 | 32,713 | 35,299 | 36,863 | 38,497 | -3.2% | 7.9% | 4.4% | 4.4% |
| Staff costs - exceptional restructuring costs | 866 | 0 | 0 | 0 | 0 | -100.0% | | | |
| Exceptional costs - non-staff | 190 | 0 | 0 | 0 | 0 | -100.0% | | | |
| Other operating expenses | 18,910 | 19,323 | 20,166 | 20,749 | 21,469 | 2.2% | 4.4% | 2.9% | 3.5% |
| Donation to Arms Length Foundation | 0 | 0 | 0 | 0 | 0 | | | | |
| Depreciation | 2,439 | 2,669 | 2,705 | 3,169 | 3,169 | 9.4% | 1.3% | 17.2% | 0.0% |
| Interest and other finance costs | 0 | 0 | 0 | 0 | 0 | | | | |
| Total expenditure | 56,209 | 54,705 | 58,170 | 60,781 | 63,135 | -2.7% | 6.3% | 4.5% | 3.9% |
| Surplus/(deficit) before other gains and losses and share of operating surplus/deficit of joint ventures and associates | (2,850) | (1,343) | (1,929) | (2,116) | (2,422) | -52.9% | 43.6% | 9.7% | 14.5% |
| 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 | (2,850) | (1,343) | (1,929) | (2,116) | (2,422) | -52.9% | 43.6% | 9.7% | 14.5% |
| Other taxation | 0 | 0 | 0 | 0 | 0 | | | | |
| Surplus/(deficit) for the year | (2,850) | (1,343) | (1,929) | (2,116) | (2,422) | -52.9% | 43.6% | 9.7% | 14.5% |
| Unrealised surplus on revaluation of land and buildings | (1,851) | 0 | 0 | 0 | 0 | -100.0% | | | |
| Actuarial (loss)/gain in respect of pension schemes | (1,603) | 0 | 0 | 0 | 0 | -100.0% | | | |
| Other comprehensive income | 0 | 0 | 0 | 0 | 0 | | | | |
| Total comprehensive income for the year | (6,304) | (1,343) | (1,929) | (2,116) | (2,422) | -78.7% | 43.6% | 9.7% | 14.5% |

North East Scotland College

| INCOME | | Actual 2023-24 | Forecast 2024-25 | Forecast 2025-26 | 2023-24 - 2024 25 | 2024-25- 2025-26 |
|---|--|-------------------|---------------------|---------------------|----------------------|---------------------|
| | | £000 | £000 | £000 | % | % |
| Tuition fees and education contracts | | | | | | |
| a) | FE - UK | 2,477 | 2,704 | 4,267 | 9% | 58% |
| b) | FE - EU | 0 | 0 | 0 | | |
| c) | HE | 2,450 | 2,622 | 2,736 | 7% | 4% |
| d) | Non-EU | 346 | 317 | 317 | (8%) | 0% |
| e) | SDS contracts | 1,116 | 1,356 | 1,600 | 22% | 18% |
| f) | Education contracts | 2,509 | 3,009 | 3,827 | 20% | 27% |
| g) | Other | 0 | 0 | 0 | | |
| Total tuition fees and education contracts | | 8,898 | 10,008 | 12,747 | 12% | 27% |
| SFC / RSB Grants | | | | | | |
| a) | SFC / RSB FE recurrent grant (including fee waiver) | 37,430 | 36,438 | 36,407 | (3%) | (0%) |
| b) | UHI recurrent grant - HE provision | 0 | 0 | 0 | | |
| c) | FE Childcare funds | 465 | 457 | 500 | (2%) | 9% |
| d) | Release of SFC / RSB deferred capital grants | 1,478 | 1,739 | 1,775 | 18% | 2% |
| e) | SFC capital grant | 0 | 1,744 | 1,829 | | 5% |
| f) | SFC grant for NPD | 0 | 0 | 0 | | |
| g) | Other SFC / RSB grants - FE provision | 652 | 114 | 360 | (83%) | 216% |
| h) | Other UHI grants - HE provision | 0 | 0 | 0 | | |
| Total SFC / RSB Grants | | 40,025 | 40,492 | 40,871 | 1% | 1% |
| 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 | | |
| Other Income | | | | | | |
| a) | Catering and residences | 1,212 | 1,324 | 1,390 | 9% | 5% |
| b) | Other European Income | 0 | 0 | 0 | | |
| c) | Other income generating activities | 0 | 0 | 0 | | |
| d) | Grants from ALF | 0 | 360 | 210 | | (42%) |
| i) | Revenue | 0 | 360 | 210 | | (42%) |
| II) | Capital | 0 | 0 | 0 | | |
| e) | Non-government capital grant | 0 | 0 | 0 | | |
| f) | Other grant income | 0 | 0 | 0 | | |
| g) | Release of non-SFC government deferred capital grant | 0 | 0 | 0 | | |
| h) | Other income | 1,614 | 1,028 | 853 | (36%) | (17%) |
| Total other income | | 2,826 | 2,712 | 2,453 | (4%) | (10%) |
| Investment income | | | | | | |
| a) | Investment income on endowments | 0 | 0 | 0 | | |
| b) | Investment income on restricted reserves | 0 | 0 | 0 | | |
| c) | Other investment income | 252 | 150 | 170 | (40%) | 13% |
| d) | Other interest receivable | 0 | 0 | 0 | | |
| e) | Net return on pension scheme | 1,358 | | | (100%) | |
| Total investment income | | 1,610 | 150 | 170 | (91%) | 13% |
| 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 | | |

North East Scotland College
EXPENDITURE

| | | Actual 2023-24 | Forecast 2024-25 | Forecast 2025-26 | 2023-24 - 2024-25 | 2024-25- 2025-26 |
|---|--|-------------------|---------------------|---------------------|----------------------|---------------------|
| STAFF COSTS | | £000 | £000 | £000 | % | % |
| 1 | Teaching departments | 17,764 | 18,179 | 19,641 | 2% | 8% |
| 2 | Teaching support services | 1,226 | 1,164 | 1,243 | (5%) | 7% |
| 3 | Other support services | 0 | 0 | 0 | | |
| 4 | Administration and central services | 14,737 | 13,290 | 14,330 | (10%) | 8% |
| 5 | Premises | 77 | 80 | 85 | 4% | 6% |
| 6 | Catering and residences | 0 | 0 | 0 | | |
| 7 | Other income generating activities | 0 | 0 | 0 | | |
| 8 | Other staff costs including Job Evaluation costs | 0 | 0 | 0 | | |
| 9 | Impact of FRS 102 pensions reported costs (less contributions paid included above) | 0 | | | | |
| Normal staff costs | | 33,804 | 32,713 | 35,299 | (3%) | 8% |
| 10 | Exceptional restructuring costs | 866 | 0 | 0 | (100%) | |
| Total staff costs | | 34,670 | 32,713 | 35,299 | (6%) | 8% |
| Additional breakdown of staff costs | | | | | | |
| Salaries | | 26,007 | 24,986 | 26,783 | (4%) | 7% |
| Social security costs | | 2,765 | 2,974 | 3,529 | 8% | 19% |
| Pension contributions | | 5,277 | 4,753 | 4,987 | (10%) | 5% |
| Non-cash pension adjustments - net service cost | | (245) | | | | |
| Non-cash pension adjustments - early retirement provision | | 0 | | | | |
| Severance payments | | 866 | 0 | 0 | | |
| Total staff costs | | 34,670 | 32,713 | 35,299 | (6%) | 8% |
| NON-STAFF COSTS | | | | | | |
| 1 | Exceptional costs - non-staff | 190 | 0 | 0 | (100%) | |
| 2 | Other operating expenses | | | | | |
| | a) Teaching departments | 3,988 | 4,156 | 4,415 | 4% | 6% |
| | b) Teaching support services | 2,758 | 2,821 | 2,903 | 2% | 3% |
| | c) Other support services | 0 | 0 | 0 | | |
| | d) Administration and central services | 2,555 | 2,629 | 2,712 | 3% | 3% |
| | e) General education | 0 | 0 | 0 | | |
| | f) Premises | 8,402 | 8,432 | 8,800 | 0% | 4% |
| | (i) Maintenance | 4,488 | 4,398 | 4,547 | (2%) | 3% |
| | (ii) Utilities | 2,608 | 2,711 | 2,892 | 4% | 7% |
| | (iii) Other | 1,306 | 1,323 | 1,361 | 1% | 3% |
| | g) Catering and residences | 1,207 | 1,285 | 1,336 | 6% | 4% |
| | h) Other income generating activities | 0 | 0 | 0 | | |
| | i) Overspend on student support funds * | 0 | 0 | 0 | | |
| | j) Planned maintenance | 0 | 0 | 0 | | |
| | k) Movement on early retirement pension provision | 0 | 0 | 0 | | |
| | l) NPD | 0 | 0 | 0 | | |
| | m) Other | 0 | 0 | 0 | | |
| Total other operating expenses | | 18,910 | 19,323 | 20,166 | 2% | 4% |
| 3 | Depreciation | | | | | |
| | a) Government funded assets | 2,139 | 2,369 | 2,405 | 11% | 2% |
| | b) Non-government funded assets | 300 | 300 | 300 | 0% | 0% |
| | c) NPD funded assets | 0 | 0 | 0 | | |
| Total depreciation | | 2,439 | 2,669 | 2,705 | 9% | 1% |
| 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 | 0 | | | | |
| | e) NPD interest | 0 | 0 | 0 | | |
| Total interest | | 0 | 0 | 0 | | |

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

North East Scotland College

| ADJUSTED OPERATING RESULT | Actual 2023-24 £000 | Forecast 2024-25 £000 | Forecast 2025-26 £000 | Forecast 2026-27 £000 | Forecast 2027-28 £000 | 2023-24 - 2024-25 % | 2024-25- 2025-26 % | 2025-26 - 2026-27 % | 2026-27 - 2027-28 % |
|--|---------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|---------------------------|--------------------------|---------------------------|---------------------------|
| Surplus/(deficit) before other gains and losses and share of operating surplus/deficit of joint ventures and associates | (2,850) | (1,343) | (1,929) | (2,116) | (2,422) | | | | |
| Add: | | | | | | | | | |
| Total depreciation (Government-funded, privately funded and NPD-funded assets) net of deferred capital grant release (<i>incorporated colleges only</i>) | 961 | 930 | 930 | 930 | 930 | -3.2% | 0.0% | 0.0% | 0.0% |
| Exceptional non-restructuring items (e.g. impairment costs) | 190 | 0 | 0 | 0 | 0 | -100.0% | | | |
| Donation to Arms-Length Foundation (incorporated colleges only) | 0 | 0 | 0 | 0 | 0 | | | | |
| Non-cash pension adjustment - net service cost | (245) | | | | | | | | |
| Non-cash pension adjustment - ERP | 0 | | | | | | | | |
| Non-cash pension adjustment -net interest costs | (1,358) | | | | | | | | |
| Costs of support staff and middle management job evaluation exercise not matched by revenue | 3,817 | 545 | 545 | 545 | 545 | | | | |
| Deduct: | | | | | | | | | |
| Non-Government capital grants (e.g. ALF capital grant) | 0 | 0 | 0 | 0 | 0 | | | | |
| Exceptional income (if disclosed as exceptional in accounts) | 0 | 0 | 0 | 0 | 0 | | | | |
| Revenue budget 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 | 0 | 0 | 0 | 0 | 0 | | | | |
| Adjusted operating result | 515 | 132 | (454) | (641) | (947) | -74.4% | -443.9% | 41.2% | 47.7% |
| Revenue budget allocated to non-revenue expenditure (<i>incorporated colleges</i>) : | | | | | | | | | |
| 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 | | | | |
| | 0 | 0 | 0 | 0 | 0 | | | | |

Balance Sheet

| | | Actual 2023-24 | Forecast 2024-25 | Forecast 2025-26 | Forecast 2026-27 | Forecast 2027-28 | 2023-24 - 2024-25 | 2024-25- 2025-26 | 2025-26 - 2026-27 | 2026-27 - 2027-28 |
|---|---|-------------------|---------------------|---------------------|---------------------|---------------------|----------------------|---------------------|----------------------|----------------------|
| | | £000 | £000 | £000 | £000 | £000 | % | % | % | % |
| 1 Non-current assets | a) Intangible assets | 0 | 0 | 0 | 0 | 0 | | | | |
| | b) Fixed assets | 106,586 | 105,664 | 104,759 | 103,390 | 102,021 | -0.9% | -0.9% | -1.3% | -1.3% |
| | c) Investments | 2,260 | 2,260 | 2,260 | 2,260 | 2,260 | 0.0% | 0.0% | 0.0% | 0.0% |
| | Total non-current assets | 108,846 | 107,924 | 107,019 | 105,650 | 104,281 | -0.8% | -0.8% | -1.3% | -1.3% |
| 2 Current assets | a) Stock | 10 | 10 | 10 | 10 | 10 | 0.0% | 0.0% | 0.0% | 0.0% |
| | b) Debtors | 2,195 | 1,823 | 1,823 | 1,823 | 1,823 | -16.9% | 0.0% | 0.0% | 0.0% |
| | c) Investments | 0 | 0 | 0 | 0 | 0 | | | | |
| | d) Cash and cash equivalents | 8,287 | 7,850 | 7,641 | 7,245 | 6,543 | -5.3% | -2.7% | -5.2% | -9.7% |
| | e) Other (e.g. assets for resale) | 0 | 0 | 0 | 0 | 0 | | | | |
| Total current assets | | 10,492 | 9,683 | 9,474 | 9,078 | 8,376 | -7.7% | -2.2% | -4.2% | -7.7% |
| 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 | 0 | 0 | 0 | 0 | 0 | | | | |
| | g) Obligations under PFI/NPD | 0 | 0 | 0 | 0 | 0 | | | | |
| | h) Deferred capital grant | 0 | 0 | 0 | 0 | 0 | | | | |
| | i) Other creditors and accruals | 8,845 | 8,204 | 8,749 | 9,294 | 9,839 | -7.2% | 6.6% | 6.2% | 5.9% |
| | Total creditors < 1year | 8,845 | 8,204 | 8,749 | 9,294 | 9,839 | -7.2% | 6.6% | 6.2% | 5.9% |
| Share of net assets/(liabilities) in associate | | 0 | 0 | 0 | 0 | 0 | | | | |
| NET CURRENT ASSETS/LIABILITIES | | 1,647 | 1,479 | 725 | (216) | (1,463) | -10.2% | -51.0% | -129.8% | 577.3% |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 110,493 | 109,403 | 107,744 | 105,434 | 102,818 | -1.0% | -1.5% | -2.1% | -2.5% |
| 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 | 0 | 0 | 0 | 0 | 0 | | | | |
| | f) Deferred capital grant | 43,660 | 43,668 | 43,693 | 43,254 | 42,815 | | | | |
| | g) Amounts repayable to Funding Council | 0 | 0 | 0 | 0 | 0 | | | | |
| | h) Other creditors | 0 | 0 | 0 | 0 | 0 | | | | |
| Total creditors >1 year | | 43,660 | 43,668 | 43,693 | 43,254 | 42,815 | 0.0% | 0.1% | -1.0% | -1.0% |
| 5 Provisions | a) Pension provisions | 3,982 | 3,682 | 3,382 | 3,082 | 2,782 | -7.5% | -8.1% | -8.9% | -9.7% |
| | b) Other | 3,817 | 4,362 | 4,907 | 5,452 | 5,997 | 14.3% | 12.5% | 11.1% | 10.0% |
| Total provisions | | 7,799 | 8,044 | 8,289 | 8,534 | 8,779 | 3.1% | 3.0% | 3.0% | 2.9% |
| TOTAL NET ASSETS | | 59,034 | 57,691 | 55,762 | 53,646 | 51,224 | -2.3% | -3.3% | -3.8% | -4.5% |
| 9 Restricted Reserves | a) Endowment Reserve | 0 | 0 | 0 | 0 | 0 | | | | |
| | b) Restricted Reserve | 306 | 306 | 306 | 306 | 306 | 0.0% | 0.0% | 0.0% | 0.0% |
| 10 Unrestricted reserves | a) Income and Expenditure Reserve | 14,014 | 12,671 | 10,742 | 8,626 | 6,204 | -9.6% | -15.2% | -19.7% | -28.1% |
| | b) Revaluation reserve | 44,714 | 44,714 | 44,714 | 44,714 | 44,714 | 0.0% | 0.0% | 0.0% | 0.0% |
| 11 Non-controlling interest | | 0 | 0 | 0 | 0 | 0 | | | | |
| TOTAL RESERVES | | 59,034 | 57,691 | 55,762 | 53,646 | 51,224 | -2.3% | -3.3% | -3.8% | -4.5% |

Liquidity Analysis

| | | Actual 2023-24 | Forecast 2024-25 | Forecast 2025-26 | Forecast 2026-27 | Forecast 2027-28 | 2023-24 - 2024-25 | 2024-25- 2025-26 | 2025-26 - 2026-27 | 2026-27 - 2027-28 |
|--|---|-------------------|---------------------|---------------------|---------------------|---------------------|----------------------|---------------------|----------------------|----------------------|
| | | £000 | £000 | £000 | £000 | £000 | % | % | % | % |
| Current assets | a) Stock | 10 | 10 | 10 | 10 | 10 | 0.0% | 0.0% | 0.0% | 0.0% |
| | b) Debtors | 2,195 | 1,823 | 1,823 | 1,823 | 1,823 | -16.9% | 0.0% | 0.0% | 0.0% |
| | c) Investments | 0 | 0 | 0 | 0 | 0 | | | | |
| | d) Cash and cash equivalents | 8,287 | 7,850 | 7,641 | 7,245 | 6,543 | -5.3% | -2.7% | -5.2% | -9.7% |
| Total current assets | | 10,492 | 9,683 | 9,474 | 9,078 | 8,376 | -7.7% | -2.2% | -4.2% | -7.7% |
| 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 | 0 | 0 | 0 | 0 | 0 | | | | |
| | g) Obligations under PFI/NPD (unfunded only) | 0 | 0 | 0 | 0 | 0 | | | | |
| | h) Other creditors and accruals | 8,845 | 8,204 | 8,749 | 9,294 | 9,839 | -7.2% | 6.6% | 6.2% | 5.9% |
| Total creditors < 1year excl Deferred Capital Grants | | 8,845 | 8,204 | 8,749 | 9,294 | 9,839 | -7.2% | 6.6% | 6.2% | 5.9% |
| Liquidity position (baseline cash) | | 1,647 | 1,479 | 725 | (216) | (1,463) | -10.2% | -51.0% | -129.8% | 577.3% |
| Liquidity ratio | | 1.19 | 1 | 1 | 1 | 1 | | | | |

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 | 1,647 | 1,479 | 725 | (216) | (1,463) | | -10.2% | -51.0% | -129.8% | 577.3% |

| Cashflow | Actual 2023 24 £000 | Forecast 2024-25 £000 | Forecast 2025-26 £000 | Forecast 2026-27 £000 | Forecast 2027-28 £000 | 2023-24 - 2024-25 % | 2024-25- 2025-26 % | 2025-26 - 2026-27 % | 2026-27 - 2027-28 % |
|---|---------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|---------------------------|--------------------------|---------------------------|---------------------------|
| 1 Cash flow from operating activities | | | | | | | | | |
| a) Surplus / (deficit) for the year | -2850 | -1343 | -1929 | -2116 | -2422 | (53%) | 44% | 10% | 14% |
| 2 Adjustment for non-cash items | | | | | | | | | |
| a) Depreciation | 2,439 | 2,669 | 2,705 | 3,169 | 3,169 | 9% | 1% | 17% | 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 | 4 | 0 | 0 | 0 | 0 | (100%) | | | |
| g) Decrease / (increase) in debtors | 2,283 | 372 | 0 | 0 | 0 | (84%) | (100%) | | |
| h) Increase / (decrease) in creditors | (3,208) | (641) | 545 | 545 | 545 | (80%) | (185%) | 0% | 0% |
| i) Increase / (decrease) in pension provision | (1,603) | (300) | (300) | (300) | (300) | (81%) | 0% | 0% | 0% |
| j) Increase / (decrease) in other provisions | 0 | 0 | 0 | 0 | 0 | | | | |
| 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 | 2,798 | (1,194) | (1,230) | (1,694) | (1,694) | (143%) | 3% | 38% | 0% |
| Total adjustment for non-cash items | 2,713 | 906 | 1,720 | 1,720 | 1,720 | (67%) | 90% | 0% | 0% |
| 3 Adjustment for investing or financing activities | | | | | | | | | |
| a) Investment income | (251) | 0 | 0 | 0 | 0 | (100%) | | | |
| b) Interest payable | 0 | 0 | 0 | 0 | 0 | | | | |
| c) Endowment income | 0 | 0 | 0 | 0 | 0 | | | | |
| d) Loss / (gain) on the sale of assets | 0 | 0 | 0 | 0 | 0 | | | | |
| e) Capital grant income | 0 | 0 | 0 | 0 | 0 | | | | |
| Total adjustment for investing or financing activities | (251) | 0 | 0 | 0 | 0 | (100%) | | | |
| 4 Net cash inflow from operating activities | (388) | (437) | (209) | (396) | (702) | 13% | (52%) | 89% | 77% |
| 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 | 4,231 | 1,747 | 1,800 | 1,800 | 1,800 | (59%) | 3% | 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 | (4,231) | (1,747) | (1,800) | (1,800) | (1,800) | (59%) | 3% | 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 | 0 | 0 | 0 | 0 | 0 | | | | |
| 6 Cash flows from financing activities | | | | | | | | | |
| a) Interest paid | 0 | 0 | 0 | 0 | 0 | | | | |
| b) Interest element of finance lease and service concession | 0 | 0 | 0 | 0 | 0 | | | | |
| 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 | 0 | 0 | 0 | 0 | 0 | | | | |
| Total cash flows from financing activities | 0 | 0 | 0 | 0 | 0 | | | | |
| 7 (Decrease) / increase in cash and cash equivalents in the year | (388) | (437) | (209) | (396) | (702) | 13% | (52%) | 89% | 77% |
| 8 Cash and cash equivalents at beginning of the year | 8,675 | 8,287 | 7,850 | 7,641 | 7,245 | (4%) | (5%) | (3%) | (5%) |
| 9 Cash and cash equivalents at the end of the year | 8,287 | 7,850 | 7,641 | 7,245 | 6,543 | (5%) | (3%) | (5%) | (10%) |

North East Scotland College

Capital Expenditure Projects and Forecast Methods of Financing

Expenditure:

Land & Buildings

Equipment & Others

Financed by:

Cash reserves

ALF grants

Leasing

SFC/RSB grant

Re-investment of proceeds from disposal of assets *

Non-SFC/RSB grants

PFI/NPD

Other - please specify if material

| Actual 2023-24 £000 | Forecast 2024-25 £000 | Forecast 2025-26 £000 | Forecast 2026-27 £000 | Forecast 2027-28 £000 | 2023-24 - 2024-25 % | 2024-25- 2025-26 % | 2025-26 - 2026-27 % | 2026-27 - 2027-28 % |
|---------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|---------------------------|--------------------------|---------------------------|---------------------------|
| 0 | 1563 | 1600 | 1600 | 1600 | | 2.4% | 0.0% | 0.0% |
| 4231 | 184 | 200 | 200 | 200 | -95.7% | 8.7% | 0.0% | 0.0% |
| 4,231 | 1,747 | 1,800 | 1,800 | 1,800 | -58.7% | 3.0% | 0.0% | 0.0% |
| 0 | 0 | 0 | 0 | 0 | | | | |
| 0 | 0 | 0 | 0 | 0 | | | | |
| 0 | 0 | 0 | 0 | 0 | | | | |
| 728 | 1747 | 1800 | 1800 | 1800 | 140.0% | 3.0% | 0.0% | 0.0% |
| 0 | 0 | 0 | 0 | 0 | | | | |
| 3503 | 0 | 0 | 0 | 0 | -100.0% | | | |
| 0 | 0 | 0 | 0 | 0 | | | | |
| 0 | 0 | 0 | 0 | 0 | | | | |
| 4,231 | 1,747 | 1,800 | 1,800 | 1,800 | -58.7% | 3.0% | 0.0% | 0.0% |

North East Scotland College

ALF Funding

| | Actual 2023 24 £000 | Forecast 2024-25 £000 | Forecast 2025-26 £000 | Forecast 2026-27 £000 | Forecast 2027-28 £000 |
|---|---------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Estimated balance of cash in ALF as at 1 August | 1,200 | 1,200 | 840 | 630 | 630 |
| 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 | (360) | (210) | 0 | 0 |
| Estimated balance of cash in ALF as at 31 July | 1,200 | 840 | 630 | 630 | 630 |

Note:

For most foundations, the most recent accounts available are for periods ending in 2024. Colleges' forecast movements will not include governance costs, donations from third parties, payments to third parties or investment income.

| | Actual 2023 24 £000 | Forecast 2024-25 £000 | Forecast 2025-26 £000 | Forecast 2026-27 £000 | Forecast 2027-28 £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

| | | | | | |
|--|----------|------------|------------|----------|----------|
| Replacement student information system | 0 | 300 | 150 | 0 | 0 |
| Market insight / analysis | 0 | 60 | 60 | 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 | 360 | 210 | 0 | 0 |

FINANCIAL SUMMARY

| Actual 2023-24 | Forecast 2024-25 | Forecast 2025-26 | Forecast 2026-27 | Forecast 2027-28 |
|----------------|------------------|------------------|------------------|------------------|
| £000 | £000 | £000 | £000 | £000 |

| Income ratios | | | | | |
|---|--------|--------|--------|--------|--------|
| Total Income | 53,359 | 53,362 | 56,241 | 58,665 | 60,713 |
| Total Funding Council Grant as % of Total Income | 75% | 76% | 73% | 72% | 71% |
| Total non-Funding Council Grant as % of Total Income | 25% | 24% | 27% | 28% | 29% |
| Total Education Contracts and Tuition Fees as % of Total Income | 17% | 19% | 23% | 24% | 25% |
| Total Research Grants and Contracts as % of Total Income | 0% | 0% | 0% | 0% | 0% |
| Total Other Income as % of Total Income | 5% | 5% | 4% | 4% | 4% |

| Expenditure ratios | | | | | |
|---|--------|--------|--------|--------|--------|
| Total Expenditure | 56,209 | 54,705 | 58,170 | 60,781 | 63,135 |
| Salaries as % of Total Expenditure | 60% | 60% | 61% | 61% | 61% |
| Other operating costs as % of Total Expenditure | 34% | 35% | 35% | 34% | 34% |
| Depreciation/amortisation as % of Total Expenditure | 4% | 5% | 5% | 5% | 5% |

| Operating position | | | | | |
|---|---------|---------|---------|---------|---------|
| Operating Surplus/(deficit) | (2,850) | (1,343) | (1,929) | (2,116) | (2,422) |
| Operating Surplus/(deficit) as % of Total Income | -5% | -3% | -3% | -4% | -4% |
| Adjusted operating surplus/(deficit) | 515 | 132 | -454 | -641 | -947 |
| Adjusted operating surplus/(deficit) as % of Total Income | 1.0% | 0.2% | -0.8% | -1.1% | -1.6% |

| Cash Position | | | | | |
|--|-------|-------|-------|-------|-------|
| Cash and Current Asset Investments | 8,287 | 7,850 | 7,641 | 7,245 | 6,543 |
| Overdrafts | 0 | 0 | 0 | 0 | 0 |
| Days Ratio of Cash to Total Expenditure | 56 | 55 | 50 | 46 | 40 |
| Net cash inflow/(outflow) from operating activities | -388 | -437 | -209 | -396 | -702 |
| Net cash inflow/(outflow) from operating activities as % of Total Income | -0.7% | -0.8% | -0.4% | -0.7% | -1.2% |

| Balance Sheet strength | | | | | |
|--|---------|---------|---------|---------|---------|
| Unrestricted reserves | 14,014 | 12,671 | 10,742 | 8,626 | 6,204 |
| Liquidity ratio | 1.19 | 1.18 | 1.08 | 0.98 | 0.85 |
| Unrestricted reserves as % of Total Income | 26% | 24% | 19% | 15% | 10% |
| Total borrowing (Overdrafts, Loans, Finance Leases, PFI/NPD) | 0 | 0 | 0 | 0 | 0 |
| Interest cover | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! |

