

Performance and Resources Committee Meeting

Date of Meeting	Monday 1 June 2020
Paper Title	Mid-Year Return – Glasgow College Region
Agenda Item	9
Paper Number	PRC5-E
Responsible Officer	Jim Godfrey, Finance and Resources Director
Status	Disclosable
Action	For Noting

1. Report Purpose

- 1.1. To provide the Committee with the Mid-Year Return for the Glasgow College Region.

2. Recommendations

- 2.1. The Committee is asked to **note** the consolidated Mid-Year Return of the Glasgow region and the emerging issues identified in the report.

3. Background

- 3.1. The Mid-Year Return is an annual return that regions, and colleges, are required to submit to the Scottish Funding Council (SFC). It complements the Financial Forecast Return which was considered by this Committee on 2 October 2019.
- 3.2. The information within these financial returns is used by the Scottish Funding Council to “monitor and assess the financial health of colleges and better understand the resource pressures and challenges that are anticipating”. The Mid-Year Return has an increased importance in 2020 as it seeks to reflect the changes as a result of the Covid-19 pandemic.
- 3.3. Long-term financial planning is wholeheartedly supported in the pursuit of effective financial management and good governance. Enhanced long-term financial planning was also something that was recommended by Audit Scotland in their review of Scotland’s Colleges in 2016. This was re-iterated in their subsequent reviews in 2018 and 2019. The completion of the Mid-Year Return, and Financial Forecast Return, contribute to long-term planning within the college, the region and the sector.
- 3.4. One important difference between the two returns is that the Mid-Year Return provides an updated forecast for the current financial year only. Whereas the Financial Forecast Return provides a forecast for the next 5 years.
- 3.5. The initial Call for Information was issued by SFC on 13 January 2020:
<http://www.sfc.ac.uk/publications-statistics/calls-information/2020/SFCCI012020.aspx>

- 3.6.** The proposed return date was originally the 27 March 2020. However, the date was extended to 20 April 2020 in response to the Covid-19 pandemic. Further guidance was also issued by SFC on 8 April:
http://www.sfc.ac.uk/web/FILES/callsforinformation_sfcci012020/MYR_2020_assumptions_guidance_communication_Apr_2020.pdf

4. Mid-Year Return 2020-21

- 4.1.** The three colleges provided their returns to GCRB and these were consolidated (together with the GCRB running costs) to provide the regional return. The regional return was then submitted to the SFC on 26 April 2020. A short extension to the deadline was required as Glasgow Kelvin College needed a few additional days to compile their information.

5. SFC Evaluation of Mid-Year Returns 2020-21

- 5.1.** Following receipt of the Mid-Year Returns, SFC analysed the information and published a summary of the key matters affecting Colleges and Universities. A copy of the analysis is provided in the link below:
http://www.sfc.ac.uk/web/FILES/covid-19/SFC_briefing_note_-_COVID_19_Further_and_Higher_Education_Financial_Impacts.pdf
- 5.2.** Based upon the analysis; “The 2019-20 sector adjusted operating position is expected to move from a near break-even position to a deficit of £25 million.”

6. Mid-Year Return 2020-21 – Additional Information

- 6.1.** Following analysis of the initial Mid-Year Returns by SFC, a request for additional information was issued on 7 May. Further detail was sought in relation to the UK Coronavirus Job Retention Scheme, the achievement of core and ESF activity, and FWDF and SDS income. The Glasgow Colleges supplied this supplementary information to GCRB and this was consolidated into the regional return and submitted to SFC on 18 May 2020.

7. Glasgow College Region Mid-Year Returns 2019-20 – Income and Expenditure

- 7.1.** The first Mid-Year Return for the Glasgow Region (submitted on 26 April 2020) forecast an adjusted operating deficit of £7.6m for 2019-20 (compared to a deficit of £0.6m within the original Financial Forecast Return). The increase in the deficit (£7m) accounted for 28% of the figure for Scotland.
- 7.2.** As anticipated, the primary reason for the increase in the deficit is a reduction in expected income. The total income for the region is £10m lower mainly as a result of a reduction in commercial, and other, income for the period March to July 2020. The respective college forecasts are:

Forecast Reduction in Income (at 26 April 2020)	City of Glasgow College	Glasgow Clyde College	Glasgow Kelvin College	GCRB	Total
	£'m	£'m	£'m	£'m	£'m
Tuition Fees	3.3	1.8	0.6	0.0	5.7
SFC/RSB Grants	1.0	0.4	0.6	0.0	2.0
Arms Length Foundation	0.7	-0.6	0.0	0.0	0.1
Other Income	1.8	0.2	0.2	0.0	2.2
Total Income	6.8	1.8	1.4	0.0	10.0

7.3. The forecast reduction in total income was partly offset by a reduction in expenditure. The primary reason is the closure of college campuses from mid-March. The change in expenditure is as follows:

Forecast Reduction in Expenditure (at 26 April 2020)	City of Glasgow College	Glasgow Clyde College	Glasgow Kelvin College	GCRB	Total
	£'m	£'m	£'m	£'m	£'m
Salaries	0.0	0.4	0.5	0.1	1.0
Other Expenditure	1.6	0.2	-1.0	0.0	0.8
Total Expenditure	1.6	0.6	-0.5	0.1	1.8

7.4. The increase in the forecast operating deficit is £8.2m (i.e. £10m change in income offset by £1.8m change in expenditure). The forecast increase in the adjusted operating deficit is £7m.

7.5. The revised Mid-Year return (submitted on 19 May 2020) forecast an adjusted operating deficit of £4.3m for 2019-20 (compared to £7.6m within the original Mid-Year Forecast on 26 April 2020). The principal reason for the improvement is the anticipated additional income arising from the college applications to the Coronavirus Job Retention Scheme.

7.6. The forecast reduction in income (compared to the original Financial Forecast Return) is now:

Forecast Reduction in Income (at 19 May 2020)	City of Glasgow College	Glasgow Clyde College	Glasgow Kelvin College	GCRB	Total
	£'m	£'m	£'m	£'m	£'m
Tuition Fees	1.8	1.8	0.6	0.0	4.2
SFC/RSB Grants	0.4	0.7	0.6	0.0	1.7
Arms Length Foundation	0.7	-0.5	0.0	0.0	0.2
Other Income	0.9	-0.2	0.2	0.0	0.9
Total Income	3.8	1.8	1.4	0.0	7.0

7.7. The forecast reduction in total income has improved by £3m compared to the original Mid-Year Forecast at the end of April 2020.

7.8. The change in expenditure (compared to the original Financial Forecast) is now:

Forecast Reduction in Expenditure (at 19 May 2020)	City of Glasgow College	Glasgow Clyde College	Glasgow Kelvin College	GCRB	Total
	£'m	£'m	£'m	£'m	£'m
Salaries	-0.4	0.0	0.7	0.1	0.4
Other Expenditure	1.6	1.1	-1.0	0.0	1.7
Total Expenditure	1.2	1.1	-0.3	0.1	2.1

7.9. The increase in the forecast operating deficit is £4.9m compared to the original Financial Forecast Return (and the forecast increase in the adjusted operating deficit is £3.8m).

7.10. The latest forecast adjusted operating deficit for each organisation is as follows:

Forecast Adjusted Operating Deficit (at 19 May 2020)	City of Glasgow College	Glasgow Clyde College	Glasgow Kelvin College	GCRB	Total
	£'m	£'m	£'m	£'m	£'m
Total	-1.4	-1.3	-1.7	0.1	-4.3

8. Glasgow College Region Mid-Year Returns 2019-20 – Balance Sheet

8.1. The forecast changes will also impact on the balance sheet of each college and its cash position. The balance of cash held within the region (at 31 July 2020) was forecast to be £9.6m within the Financial Forecast Return. The regional position deteriorated significantly in the original Mid-Year Return (April 20) before improving to £7.2m in the latest Mid-Year Return (May 20). The total position, at the regional level, masks the different situation within each college as shown in the table below:

Cash Position (at 19 May 2020)	City of Glasgow College	Glasgow Clyde College	Glasgow Kelvin College	Total
Cash and Current Assets	5.7	2.3	-0.7	7.3
Days Ratio of Cash to Total Expenditure	25	18	-8	17

8.2. The position within City of Glasgow and Glasgow Clyde Colleges has deteriorated but the forecast position does not present an immediate short-term risk. The increased operating deficit faced by Glasgow Kelvin College has a material impact on the cash position of the college. The latest forecast provided by the College identifies that it will have a cash shortfall at the end of the current financial year. This presents a material risk to the college.

9. Other Factors

9.1. All three colleges have made applications to the Government's Job Retention Scheme. In June 2020, the Glasgow colleges expect to furlough 337.5 full time equivalent staff¹. This number is expected to reduce to 285.5 full time equivalent staff² in July 2020. The amount of income applied for is just over £1.5m and has been included in the latest Mid-Year Returns (19 May 2020) provided by the colleges.

9.2. The percentage of employees (in the Glasgow College Region) who have been furloughed in June 2020 is shown in the table below:

Job Retention Scheme FTEs (June 2020) as a percentage of total College FTEs³	City of Glasgow College	Glasgow Clyde College	Glasgow Kelvin College	Total
Total	18.2%	12.1%	10.4%	14.7%

9.3. The colleges reported⁴ that they expect to achieve the core credit target. This is consistent with the information reported within the ROA Monitoring Report 2019-20 (see separate item on this agenda). However, the colleges are forecasting that they will fall short of the credit target for ESF funded projects. The following table shows this for each college:

ESF Credit Activity	City of Glasgow College	Glasgow Clyde College	Glasgow Kelvin College	Total
Target	9,078	6,208	2,008	17,294
Forecast at 19 May 2020	6,878	4,035	1,208	12,121
Total Variance	2,200	2,173	800	5,173
Financial Value of Variance	£230k	£577k	£222k	£1,029k

9.4. It is worth noting that City of Glasgow College have estimated that the value of each ESF credit is less than half the value assumed by the other two colleges. There is a risk that the financial value could be higher than the figure in the table.

¹ Of the total for June the breakdown by College is; 202 – City of Glasgow College, 85.5 – Glasgow Clyde College and 50 – Glasgow Kelvin College.

² Of the total for July the breakdown by College is; 150 – City of Glasgow College, 85.5 – Glasgow Clyde College and 50 – Glasgow Kelvin College.

³ Baseline total FTEs are those reported by the assigned colleges at 31 July 2019 within the Annual Report and Financial Statements 2018-19

⁴ Mid Year Return Additional Information at 19 May 2020

10. Risk Analysis

10.1. This report helps to inform discussion regarding financial sustainability and address *Risk 008: Financial sustainability is jeopardised by a reduction in funding and/or an increase in costs.*

11. Equalities Implications

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

12. Legal Implications

12.1. There are no specific legal implications associated with this report.

13. Financial Implications

13.1. The financial implications associated with the Mid-Year Return are set out in the body of the report.

14. Strategic Plan Implications

14.1. The ability to deliver the Regional Outcome Agreement and Strategic Plan are directly affected by the future resources. The Financial Forecast, and Mid-Year, Returns contribute to the long-term financial planning and therefore the ability to achieve the regional ambitions.

Mid-year return 2019-20

College: GCRB
Contact: Jim Godfrey
Telephone: 01413756827
Email: jim.godfrey@gcrb.ac.uk

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

Signed: Martin Boyle
Principal/Chief Executive Officer

Date: 19-May-20

GCRB

Statement of Comprehensive income and expenditure (Consolidated)	FFR	Mid-year	Variance	Variance	Commentary
	2019-20	return			
	£000	£000	%	£000	
INCOME					
Tuition fees and education contracts	32,821	28,648	-13%	-4,173	
Funding council/RSB grants	125,206	123,395	-1%	-1,811	
Research grants and contracts	0	0		0	
Revenue grants from Arms Length Foundation	1,260	1,741	38%	481	
Capital grants from Arms Length Foundation	1,575	890	-43%	-685	
Other non-government capital grants	0	0		0	
Deferred capital grant release (SFC/RSB and non-SFC Government)	7,415	7,358	-1%	-57	
Other income	9,374	8,578	-8%	-796	
Investment income	26	11	-58%	-15	
Total income before donations and endowments	177,677	170,621	-4%	-7,056	
Donations and endowments	0	0		0	
Total income	177,677	170,621	-4%	-7,056	
EXPENDITURE					
Staff costs	113,646	113,554	0%	-92	
Staff costs - exceptional restructuring costs	753	332	-56%	-421	
Exceptional costs - non-staff	0	0		0	
Other operating expenses	49,957	47,946	-4%	-2,011	
Donation to Arms Length Foundation	0	0		0	
Depreciation	15,601	15,990	2%	389	
Interest and other finance costs	0	0		0	
Total expenditure	179,957	177,822	-1%	-2,135	
Surplus/(deficit) before other gains and losses and share of operating surplus/deficit of joint ventures and associates	(2,280)	(7,201)	216%	-4,921	
Gain/(loss) on disposal of fixed assets	0	0		0	
Gain/(loss) on investments	0	0		0	
Share of operating surplus/(deficit) in joint venture(s)	0	0		0	
Share of operating surplus/(deficit) in associate(s)	0	0		0	
Surplus/(deficit) before tax	(2,280)	(7,201)	216%	-4,921	
Other taxation	0	0		0	
Surplus/(deficit) for the year	(2,280)	(7,201)	216%	-4,921	
Unrealised surplus on revaluation of land and buildings	0	0		0	
Actuarial (loss)/gain in respect of pension schemes	0	0		0	
Other comprehensive income	0	0		0	
Total comprehensive income for the year	(2,280)	(7,201)	216%	-4,921	

GCRB

	FFR 2019-20	Mid-year return 2019-20	Variance	Variance	Commentary
	£000	£000	%	£000	
ADJUSTED OPERATING RESULT					
Surplus/(deficit) before other gains and losses and share of operating surplus/deficit of joint ventures and associates	(2,280)	(7,201)	216%	(4,921)	
Add:					
Total depreciation (Government-funded, privately funded and NPD-funded assets) net of deferred capital grant release (<i>incorporated colleges only</i>)	8,186	8,632	5%	446	
Exceptional non-restructuring items (e.g. impairment costs)	0	0		0	
Donation to Arms Length Foundation (<i>incorporated colleges only</i>)	0	0		0	
Non-cash pension adjustment - net service cost	0	0		0	
Non-cash pension adjustment - early retirement provision	0	0		0	
Non-cash pension adjustment - net interest costs	0	0		0	
Deduct:					
Non-Government capital grants (e.g. ALF capital grant)	1,575	890	-43%	(685)	
Exceptional income (if disclosed as exceptional in accounts)	0	0		0	
CBP allocated to loan repayments and other capital items (<i>incorporated colleges only</i>)	181	181	0%	0	
NPD payments to reduce NPD balance sheet debt	4,700	4,700	0%	0	
Adjusted operating result	(550)	(4,340)	689%	(3,790)	
Cash budget for priorities (<i>incorporated colleges</i>) :					
Revenue priorities					
Student support funding	0	0		0	
2015-16 pay award	881	881	0%	0	
Voluntary severance	0	131		131	
Estates costs	686	575	-16%	(111)	
Other - please describe	442	442	0%	0	
Total impact on operating position	2,009	2,029	1%	20	
Capital priorities					
Loan repayments	0	0		0	
NPD / PFI repayments	0	4,700		4,700	
Estates costs	0	0		0	
Provisions pre 1 April 2014	181	181	0%	0	
Total capital	181	4,881	2597%	4,700	
Total cash budget for priorities spend	2,190	6,910	216%	4,720	

Balance Sheet		FFR	Mid-year	Variance	Variance	Commentary
		2019-20	return 2019-20			
		£000	£000	%	£000	
1	Non-current assets					
	a) Intangible assets	10	10	0%	0	
	b) Fixed assets	398,297	420,043	5%	21,746	
	c) Investments	4	4	0%	0	
	Total non-current assets	398,311	420,057	5%	21,746	
2	Current assets					
	a) Stock	55	55	0%	0	
	b) Debtors	7,371	8,841	20%	1,470	
	c) Investments	0	0		0	
	d) Cash and cash equivalents	9,594	7,524	-22%	-2,070	
	e) Other (e.g. assets for resale)	0	0		0	
	Total current assets	17,020	16,420	-4%	-600	
3	Creditors: amounts falling due within one year					
	a) Bank loans and external borrowing	0	0		0	
	b) Bank overdrafts	0	0		0	
	c) Lennartz creditor	307	471	53%	164	
	d) Obligations under finance leases and service concessions	9	9	0%	0	
	e) Payments received in advance	190	190	0%	0	
	f) Amounts owed to Funding Council	0	1,443		1,443	
	g) Obligations under PFI/NPD	0	5,011		5,011	
	h) Deferred capital grant	5,449	6,266	15%	817	
	i) Other creditors and accruals	18,441	14,680	-20%	-3,761	
	Total creditors < 1 year	24,396	28,070	15%	3,674	
	Share of net assets/(liabilities) in associate	0	0		0	
	NET CURRENT ASSETS/LIABILITIES	(7,376)	(11,650)	58%	-4,274	
	TOTAL ASSETS LESS CURRENT LIABILITIES	390,935	408,407	4%	17,472	
4	Creditors: amounts falling due after more than one year					
	a) Local authority loans	0	0		0	
	b) Bank loans and external borrowing	0	0		0	
	c) Lennartz creditor	0	0		0	
	d) Finance leases and service concessions	0	0		0	
	e) Obligations under PFI/NPD	134,538	134,538	0%	0	
	f) Deferred capital grant	115,874	122,025	5%	6,151	
	g) Amounts repayable to Funding Council	0	0		0	
	h) Other creditors	5,830	0	-100%	-5,830	
	Total creditors >1 year	256,242	256,563	0%	321	
5	Provisions					
	a) Pension provisions	17,896	17,896	0%	0	
	b) Other	0	0		0	
	Total provisions	17,896	17,896	0%	0	
	TOTAL NET ASSETS	116,797	133,948	15%	17,151	
9	Restricted Reserves					
	a) Endowment Reserve	0	0		0	
	b) Restricted Reserve	436	437	0%	1	
10	Unrestricted reserves					
	a) Income and Expenditure Reserve	10,644	5,406	-49%	-5,238	
	b) Revaluation reserve	105,800	128,129	21%	22,329	
11	Non-controlling interest	0	0		0	
	TOTAL RESERVES	116,880	133,972	15%	17,092	

GCRB

Cashflow	Mid-year return		£000	%	Commentary
	FFR 2019-20 £000	2019-20 £000			
1 Cash flow from operating activities					
a) Surplus / (deficit) for the year	(2,280)	(7,201)	4,921	(68%)	
2 Adjustment for non-cash items					
a) Depreciation	15,601	15,990	(389)	(2%)	
b) Amortisation of intangibles	0	0	0		
c) Benefit on acquisition	0	0	0		
d) Amortisation of goodwill	0	0	0		
e) Loss / (gain) on investments	0	0	0		
f) Decrease / (increase) in stock	0	0	0		
g) Decrease / (increase) in debtors	1,758	275	1,483	539%	
h) Increase / (decrease) in creditors	(9,892)	(2,254)	(7,638)	339%	
i) Increase / (decrease) in pension provision	0	0	0		
j) Increase / (decrease) in other provisions	0	(608)	608	(100%)	
k) Receipt of donated equipment	(608)	0	(608)		
l) Share of operating surplus / (deficit) in joint venture	0	0	0		
m) Share of operating surplus / (deficit) in associate	0	0	0		
n) Other	(25)	0	(25)		
Total adjustment for non-cash items	6,834	13,403	(6,569)	(49%)	
3 Adjustment for investing or financing activities					
a) Investment income	(1)	(1)	0	0%	
b) Interest payable	13,751	0	13,751		
c) Endowment income	0	0	0		
d) Loss / (gain) on the sale of assets	0	0	0		
e) Capital grant income	(3,850)	(4,359)	509	(12%)	
Total adjustment for investing or financing activities	9,900	(4,360)	14,260	(327%)	
4 Net cash inflow from operating activities	14,454	1,842	12,612	685%	
5 Cash flow from investing activities					
a) Proceeds from sales of fixed assets	0	0	0		
b) Proceeds from sales of intangible assets	0	0	0		
c) Capital grants receipts	1,898	1,964	(66)	(3%)	
d) Disposal of non-current asset investments	0	0	0		
e) Withdrawal of deposits	0	0	0		
f) Investment income	1	1	0	0%	
g) Payments made to acquire fixed assets	(698)	(1,964)	1,266	(64%)	
h) Payments made to acquire intangible assets	0	0	0		
i) New non-current asset investments	0	0	0		
j) New deposits	0	0	0		
Total cash flows from investing activities	1,201	1	1,200	120000%	
6 Cash flows from financing activities					
a) Interest paid	0	0	0		
b) Interest element of finance lease and service concession	(13,751)	0	(13,751)		
c) Endowment cash received	0	0	0		
d) New secured loans	0	0	0		
e) New unsecured loans	0	0	0		
f) Repayments of amounts borrowed	(181)	(181)	0	0%	
g) Capital element of finance lease and service concession payments	(4,700)	(4,700)	0	0%	
Total cash flows from financing activities	(18,632)	(4,881)	(13,751)	282%	
7 (Decrease) / increase in cash and cash equivalents in the year	(2,977)	(3,038)	61	(2%)	
8 Cash and cash equivalents at beginning of the year	12,490	12,490	0	0%	
9 Cash and cash equivalents at the end of the year	9,594	7,524	2,070	28%	

GCRB

Capital Expenditure Projects and Forecast Methods of Financing	FFR	Mid-year	Variance	Variance	Commentary
	2019-20	return			
	£000	£000	%	£000	
Expenditure:					
Land & Buildings	1,398	1,398	0%	0	
Equipment & Others	2,300	566	-75%	-1,734	
	3,698	1,964	-47%	-1,734	
Financed by:					
Cash reserves	0	0		0	
Arms Length Foundation	1,575	890	-43%	-685	
Leasing	0	0		0	
SFC grant	2,123	1,783	-16%	-340	
Re-investment of proceeds from disposal of assets *	0	0		0	
Non-SFC grants	0	0		0	
PFI/NPD	0	0		0	
Other - please specify if material	0	0		0	
	3,698	2,673	-28%	-1,025	

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

Capital disposals

Disposal proceeds:

Asset description	0	0		0
Asset description	0	0		0
Asset description	0	0		0
Asset description	0	0		0
	0	0		0

Gain/(loss) on disposal:

Asset description	0	0		0
Asset description	0	0		0
Asset description	0	0		0
Asset description	0	0		0
	0	0		0

GCRB

FINANCIAL SUMMARY

FFR 2019-20	Mid-year return 2019-20
£000	£000

Income ratios		
Total Income	177,677	170,621
Total Funding Council Grant (excluding release of deferred capital grant) as % of Total Income	70%	72%
Total non-Funding Council Grant (including SFC release of DCG) as % of Total Income	30%	28%
Total Education Contracts and Tuition Fees as % of Total Income	18%	17%
Total Research Grants and Contracts as % of Total Income	0%	0%
Total Other Income as % of Total Income	5%	5%

Expenditure ratios		
Total Expenditure	179,957	177,822
Salaries as % of Total Expenditure	63%	64%
Other operating costs as % of Total Expenditure	28%	27%
Depreciation/amortisation as % of Total Expenditure	9%	9%

Operating position		
Operating Surplus/(deficit)	-2,280	-7,201
Operating Surplus/(deficit) as % of Total Income	-1.3%	-4.2%
Adjusted operating surplus/(deficit)	-550	-4,340
Adjusted operating surplus/(deficit) as % of Total Income	-0.3%	-2.5%

Cash Position		
Cash and Current Asset Investments	9,594	7,524
Overdrafts	0	0
Days Ratio of Cash to Total Expenditure	21	17

Balance Sheet strength		
Unrestricted reserves	10,644	5,406
Current Ratio	0.70	0.58
Unrestricted reserves as % of Total Income	6%	3%
Total borrowing (Overdrafts, Loans, Finance Leases, PFI/NPD)	134,854	140,029
Interest cover	#DIV/0!	#DIV/0!

FINANCIAL SUMMARY

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

Expenditure ratios
Total Expenditure
Salaries as % of Total Expenditure
Other operating costs as % of Total Expenditure
Depreciation/amortisation as % of Total Expenditure

Operating position
Operating Surplus/(deficit)
Operating Surplus/(deficit) as % of Total Income
Adjusted operating surplus/(deficit)
Adjusted operating surplus/(deficit) as % of Total Income

Cash Position
Cash and Current Asset Investments
Overdrafts
Days Ratio of Cash to Total Expenditure

Balance Sheet strength
Unrestricted reserves
Current Ratio
Unrestricted reserves as % of Total Income
Total borrowing (Overdrafts, Loans, Finance Leases, PFI/NPD)
Interest cover

FFR 2019-20	Original MYR Apr 20	Revised MYR May 20
£000	£000	£000

177,677	167,681	170,621
70%	73%	72%
30%	27%	28%
18%	16%	17%
0%	0%	0%
5%	4%	5%

179,957	178,140	177,822
63%	63%	64%
28%	27%	27%
9%	9%	9%

-2,280	-10,459	-7,201
-1.3%	-6.2%	-4.2%
-550	-7,598	-4,340
-0.3%	-4.5%	-2.5%

9,594	3,963	7,524
0	0	0
21	9	17

10,644	2,148	5,406
0.70	0.43	0.58
6%	1%	3%
134,854	139,865	140,029
#DIV/0!	#DIV/0!	#DIV/0!

Core Teaching and ESF activity	Core teaching activity target	Expected core teaching activity	Core variance	Variance due to COVID-19	Variance due to Other Reasons	ESF activity target	Expected ESF activity	ESF variance	Variance due to COVID-19	Variance due to Other Reasons
Credits	368,925	368,925	0	0	0	17,294	12,121	-5,173	-5,173	0
SFC Grant (£'000)	89,494	89,494	0	0	0	4,583	3,554	-1,029	-1,029	0

Notes:

Flexible Workforce Development Fund	FWDF allocation	FWDF drawn down	FWDF activity delivered to date	Additional FWDF activity delivered by 31 July 2020*	Total FWDF activity 2019-20
	£'000	£'000	£'000	£'000	£'000
SFC Grant	1,920	837	586	1,097	1,683

*Including activity contractually agreed by end July 2020 and due to start before end August 2020.

Notes:

Skills Development Scotland	SDS allocation	Funding received to date	Additional funding expected prior to 31 July 2020	Total 2019-20 funding
	£'000	£'000	£'000	£'000
SDS Funding	2,337	1,477	0	1,477

Notes:

UK Job Retention Scheme	Income	No. of staff furloughed	Date staff furloughed
	£'000	FTEs	
Period to 30 June 2020	1,088	337.5	Mar/Apr/May 20
Period to 31 July 2020	450	285.5	Mar/Apr/May 20

Notes: