



Scottish Funding Council
Comhairle Maoineachaidh na h-Alba

**College mid-year Financial
Forecast Return 2020-21**

SFC Call for Information

Issue Date: 15 January 2021

Mid-year financial forecast return (MYR) for further education institutions 2020-21

Issue date: 15 January 2021

Deadline: 31 March 2021

Reference: SFC/CI/02/2021

Summary: This Call for Information requests colleges / Regional Strategic Bodies to provide an updated financial forecast return for the academic year 2020-21.

FAO: Principals / Executive Directors, Finance Directors and Board Secretaries of Scotland's Regional Colleges, Regional Strategic Bodies, non-assigned non-incorporated colleges

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Mid-year financial forecast return (MYR) for further education institutions 2020-21

Purpose

1. This Call for Information requests institutions to provide an updated financial forecast return for the academic year 2020-21.
2. Regional colleges, Regional Strategic Bodies (RSBs), and non-assigned non-incorporated colleges should send their returns to the Scottish Funding Council (SFC) **no later than 31 March 2021**. Earlier returns are encouraged where this is possible. RSBs should provide SFC with a return for each assigned college.

Mid-year return

3. The financial forecast return (FFR) is already an established part of SFC's financial health monitoring framework. Institutions submitted their 2020 FFRs in June 2020, showing the forecast outturn for 2019-20 and a medium-term financial outlook up to 2022-23.
4. The mid-year return (MYR) enables SFC to obtain a meaningful revised forecast of institutions' financial position in terms of income and expenditure, adjusted operating position, balance sheet and liquidity part way through the current academic year and draws comparisons with the original forecasts (FFR) provided at the end of June 2020.

Guidance and format of the mid-year financial forecast update

5. Guidance for completion of the return can be found in **Annex A**. A blank copy of the spreadsheet is published along with this Call for Information on our website. The return follows the same format as the June 2020 FFR.
6. A pre-populated spreadsheet return will be emailed to each institution when this Call for Information is published. SFC has pre-populated the 2020 FFR figures for 2020-21 and institutions are required to complete the updated MYR figures for 2020-21.
7. Where a variance between the FFR and the revised forecast (MYR) is significant, explanations must be included on the spreadsheet. As with previous forecast exercises, we may come back to institutions with queries and requests for further details following our analysis of the forecast information.

Information requested

8. Please email an electronic copy of the return in Excel format to SFC by 31 March 2021.
9. Electronic copies of the return should be sent to isg-returns@sfc.ac.uk.

Further information

10. Please contact Wilma MacDonald, Senior Financial Analyst, Finance, tel: 0131 313 6565, email: wmacdonald@sfc.ac.uk or Ann Robertson, Senior Financial Analyst, Finance, tel: 0131 313 6689; email arobertson@sfc.ac.uk to discuss any aspect of this letter.

A handwritten signature in black ink that reads "L. MacDonald". The signature is written in a cursive style.

Lorna MacDonald
Director of Finance

Guidance for completion

Structure of the MYR

11. The MYR takes the form of an excel spreadsheet which has nine sheets. A copy of the spreadsheet is published on our website along with this Call for Information.
12. Eight of the sheets require input by the institution. We suggest the order of completion is:
 - (i) 'Capital expenditure'.
 - (ii) 'Income'.
 - (iii) 'Expenditure'.
 - (iv) 'SoCIE'.
 - (v) 'Adjusted operating result' (all institutions) & 'Cash budget for priorities' (incorporated colleges only).
 - (vi) 'Balance Sheet'.
 - (vii) 'Cashflow'.
 - (viii) 'Declaration'.

Completion of the MYR

Input of financial forecast figures and comparatives

13. The sheets in the spreadsheet contain blue highlighted boxes for the input of the updated forecast figures.
14. Please note that only whole numbers can be input into the return. Please do not link the spreadsheet to another document or change the formatting in the spreadsheet.
15. Please enter explanations in the commentary column for any significant variances.
16. Institutions should also provide details in the commentary column to enable a proper understanding of key aspects of the financial forecast and any changes to the assumptions made in the FFR.

Sheets not requiring completion

17. The Summary sheet does not require to be completed. This summarises various key figures from the spreadsheet and is calculated automatically.