



Annual Report and Accounts 2023-24

Registered Charity No: SC036198

Contents

1. Introduction	1
2. Performance Report	2
Foreword from the Chair of the Board of Management	2
Statement from the Principal and Chief Executive	3
Performance Overview	5
Performance Analysis.....	5
3. Accountability Report	20
Corporate Governance Report.....	20
Remuneration and Staff Report	29
4. Independent Auditor's Report to the Board of Management of City of Glasgow College, the Auditor General for Scotland and the Scottish Parliament.....	36
5. Financial Statements.....	41
Statement of Comprehensive Income	41
Statement of Changes in Reserves.....	42
Balance Sheet	43
Statement of Cash Flows.....	44
Notes to the Financial Statements.....	45
6. Appendices.....	76
Appendix 1: Accounts Direction for Scotland's Colleges 2023-24	76

1. Introduction

City of Glasgow College is Scotland's largest professional and technological education and skills college – and we are among the three largest in the UK. Our core purpose is to “Let Learning Flourish”. We pursue this through the City Way of inspiration, excellence and innovation with our staff, our approach to learning and teaching and in collaboration with our extensive network of industry and community partners.

The College's multi-award-winning, state-of-the-art, twin-site campus in the heart of Glasgow offers outstanding resources and opportunities for students to gain essential skills and nationally and internationally recognised qualifications – from entry-level to degree-level study, as well as chartered professional qualifications.

Since our highly successful multi-college merger in 2010, the College has thrived by working in a symbiotic partnership with employers, business, industry and education partners to build a curriculum of over 1,800 flexible-study courses across four faculties. In that time, the College has prepared more than 100,000 graduates of more than 130 different nationalities for the world of work. We work with more than 2,600 companies across 231 industries.

Our commitment to excellence and innovation is recognised at both a national and international level. The College was honoured to receive a Queen's Anniversary Prize for Higher and Further Education for our life-saving research highlighting the dangers of oxygen depletion in enclosed spaces on-board ships – the first Scottish college to receive this award for research. We are proud to be a top-tier ranked WorldSkills institution, as well as to be the first educational institution in the world to secure a seven-diamond accreditation from the prestigious European Framework for Quality Management.

Our reach now extends across 26 countries and six continents. Each year some 4,000 international students study with us. Such is our pioneering approach that 50 government delegations have beat a path to our door to see for themselves a new renaissance in technological education, STEM, specialist education and higher skills.

2. Performance Report

Foreword from the Chair of the Board of Management

It is my privilege to present the City of Glasgow College Annual Report and Accounts for 2023-24 as the newly appointed Chair of the Board of Management. Stepping into this role after serving as a non-executive Board member, I am proud of the College's well-earned reputation as a sector leader and world-class institution and continue to be inspired by the extraordinary work of our staff and students.

The past year has been marked with significant achievements. The College was bestowed with the Queen's Anniversary Prize, a national honour, in recognition of our life-saving research on the dangers of oxygen depletion in enclosed spaces on board ships. One of our HND Jewellery students, Aileen Dickie-Adams, made history by having her work inducted into the permanent collection of the National Museum of Scotland. These achievements, just two of many, highlight the breadth of the College's expertise and talent.

The College, our staff and students, continue to excel despite operating in a challenging environment. Since 2020-21, college sector funding has reduced year-on-year in real terms while the sector's costs have increased significantly. Over the past three years, with a projected deficit of £18 million, the College has progressed a programme of cost-saving and income-generating measures. This required difficult decisions to be taken to safeguard the College's institutional and financial sustainability – ensuring we can continue to serve our students and offer opportunity and security to our staff for years to come.

I am delighted that our financial position has improved markedly, with a small but significant surplus recorded in our accounts for 2023-24, as a result of the decisive leadership and early action taken by the College. This year also saw a positive external effectiveness review of the Board, which underscores the strength of our governance and strategic direction. While the national economic landscape and public finances will continue to be challenging, the College is undoubtedly on a sounder financial footing as we move forward.

Colleges are crucial to the future prosperity of Glasgow and Scotland and hold the key to the many challenges we face. Working with our tertiary partners, we play an invaluable role in widening access to further and higher education. Collaborating with industry and employers, we drive innovation and create a vital pipeline of future talent which delivers a modern, skilled workforce to meet the changing needs of our population, labour market and economy. Alongside colleges across Scotland, we will continue to advocate for a fair and sustainable funding model that ensures long-term success and stability for our colleges.

As we continue to navigate these complex challenges, on behalf of the Board, I offer our profound thanks to our senior, academic and support staff for their tireless dedication and the exceptional contribution they make to the work of the College every day. It would be remiss of me not to also pay tribute to Alisdair Barron MBE who stood down from the Board after 19 years of service, eight of which as Chair, in July 2024. He has made an invaluable contribution to the work of the College and I thank him wholeheartedly for it.

Finally, as the new Chair, I look forward to working with our talented and committed Board members, both seasoned and new, and our exceptional staff to ensure the College continues to strive for excellence in education and serve our students, staff and wider stakeholders.

Dave Anderson

Chair of the Board of Management

Statement from the Principal and Chief Executive

As I reflect on the 2023-24 academic year, I have continued admiration for our outstanding staff – Team City – who went above and beyond each and every day to transform the life-chances and livelihoods of our amazing students. For that unwavering commitment, at the outset of my statement, I offer all of Team City my profound thanks.

I am proud to report that our college, as a vital anchor institution, has continued to uphold an enviable track record of excellence and world-class standards for our diverse student body we serve and extensive stakeholder network we work in partnership with. However, as I highlighted last year, we continue to work in an age of accelerating turbulence and within an operating environment that is increasingly volatile, uncertain, complex and ambiguous. This edition of the Annual Report and Accounts highlights our many and varied achievements and illustrates our innate agility and resilience in adversity.

I am pleased to report that the College achieved the Scottish Government's annual credit target for the volume of learning to be delivered and Education Scotland's positive evaluation of our learning and teaching. This is particularly praiseworthy given the challenging context of significant local and national industrial action, which impacted more than one-third of the 2023-24 academic year. Despite this, we have continued to support high numbers of our students into positive destinations while also ensuring student satisfaction levels have remained high. We have continued to perfect a unique set of City of Glasgow College graduate attributes, known as 'City Attributes', and a bespoke Student Success Framework. This work will ensure that our students are equipped with the skills and qualities to succeed in a rapidly transforming world of work.

The breadth of our excellence was honoured with a Queen's Anniversary Prize for Higher and Further Education, specifically recognising our ground-breaking and globally relevant life-saving applied research into the deadly threat of oxygen depletion in enclosed spaces on the high seas. I was exceptionally proud to accept this prize, the highest of accolades for any UK tertiary institution, on behalf of our pioneering college at Buckingham Palace in February 2024. We are the first college in Scotland, and likely in the UK, to receive this award for research; however, I am confident it will not be our last.

The College, in our flagship convening role, continued to be a place where leaders from Scotland and across the UK gathered to address the pernicious challenges faced by the sector and to collaborate to maximise opportunities within tertiary education. In January 2024, our Learning & Teaching Conference – themed 'The Inclusive College' – drew a record audience, showcasing our collective commitment to diversity and inclusiveness in education. Influential speakers, including Professor John McKendrick and Dr Kevin Merry, ignited deep and meaningful discussions – exploring a range of topics such as trans inclusion, strategies for engaging introverted learners and raising awareness of dyslexia, ADHD and neurodiversity.

In April, we hosted Colleges Scotland's Annual Conference, bringing together representatives from all of Scotland's 24 colleges to explore the transformative impact of education and, especially, our role as civic anchors. Alumni Jamie Genevieve and Chloe Oswald shared their inspiring journeys, exemplifying how our sector fosters talent and entrepreneurial spirit. During a tour of our campus, I discussed the financial and funding challenges facing Scotland's colleges with Cabinet Secretary for Education & Skills, Jenny Gilruth MSP, emphasising the need for a fair funding settlement.

In well over three decades in the college sector, I have rarely known a tougher period. Public finances in Scotland and across the UK are extremely stretched. The combined impact of unprecedented real-term funding cuts, recent high inflation and increased running costs, exacerbated by spiralling pay demands, mean that colleges now must work exponentially harder simply to protect student learning, to support the wellbeing and job security of our staff and to remain pivotal to metropolitan, regional and island economies.

As Scotland's largest college, we are at the epicentre of tackling chronic and acute skill shortages, particularly among struggling small and medium-sized enterprises and those economic sectors still blighted from Brexit and the Covid-19 pandemic. We also play a unique role in safeguarding multiple lifeline pathways for many learners into specialist, technological, craft and higher skills education or onto university. The College continues, against all odds, to provide crucial support for the disadvantaged and marginalised many rather than the enabled few.

However, as the Auditor General for Scotland's recently outlined in his [report](#), the Scottish Government's funding for colleges reduced by 17% in real terms since 2021-22 and the significant financial challenges facing all our institutions in light of these funding decisions is increasing. Colleges, like our own, are having to take difficult decisions as a result – ones we would not have chosen to – to tackle circumstances outwith our control.

Coming out of the Covid-19 pandemic, while nobody could have predicted the scale of the challenges ahead, our far-sighted and proactive College took early action to prepare for financial and funding headwinds. Facing a projected £18 million deficit, and leading from the front, we implemented a programme of cost-saving and income-generating measures to improve our financial position while simultaneously remaining an inspirational, excellent and innovative place of learning. I am delighted to report that, as a result of this necessary and decisive action, the College has quickly returned to financial health, achieving a £130,000 surplus in 2023-24. Though modest in size given our turnover, this surplus represents a crucial progress in safeguarding our financial sustainability and the provision of specialist education and higher skills for Glasgow, Scotland and internationally.

At the end of the 2023-24 academic year, we said farewell to Alisdair Barron MBE, our long-serving Board member and Chair. When he originally appointed me, I was inspired by his bold ambition and vision and benefited greatly from his time and wisdom over the years. I wish him continued good health and happiness in his retirement – and know he will continue to support Team City as one of our esteemed Fellows. I look forward to working closely with our new Chair, Dave Anderson, and Board members in the coming years.

In closing, this has been a year in which the College has continued to excel in the most challenging of circumstances. Despite ongoing pressures on public finances, the College emerges stronger from our efforts over the past three years. No one achieves success alone but, together, we have firmly turned a corner – not with complacency, but with tenacity, teamwork and a profound optimism for the future.

Paul Little CBE
Principal & Chief Executive

Performance Overview

The Performance Overview section of this report, with the statement by the Principal & Chief Executive, provides a high-level overview and understanding of City of Glasgow College, our purpose, objectives, strategies, and the principal risks we face.

The College, as an incorporated college, is a public body and a registered charity (SC036198) in Scotland. The core purpose of the College is to Let Learning Flourish through the provision of further and higher education and training.

The College's strategic direction and priorities, as outlined on p.25, are set by the Board of Management and outlined in the [Strategic Plan 2021-30](#). The operational objectives for Glasgow's three colleges, in relation to the work we undertake for the public funding we receive, are set out annually in the [Regional Outcome Agreement](#) with the Glasgow Colleges' Regional Board (GCRB) and the Scottish Funding Council (SFC).

In 2023-24, the College delivered education and training to more than 18,000 students and achieved 100% of its credit target set by the GCRB and the SFC. Successful outcomes increased across all modes of study compared to 2022-23, early withdrawals have fallen for the second consecutive year and student satisfaction has remained high at 85%. The College also retained all accreditations and quality marks this year, while our staff and students won more than a dozen awards.

However, while continuing to deliver for our students and wider stakeholders, the College operates in a challenging environment, as described in the Principal's statement at the start of the report and detailed in the section on risk in pp.16-17. The Auditor General for Scotland, in his [report](#) published in September 2024, has acknowledged that colleges are vital to learners, communities and the economy but has warned that the financial challenges facing the sector are increasing and, as a result, colleges may not be able to do everything that they have done in the past.

Looking beyond the reporting year and into 2024-25 and beyond, the College and the sector will have to continue to navigate our way through several key risks to our financial sustainability and priorities, including:

- Constraints on public finances that result in flat cash, or less-than-flat cash, core grant funding for the sector
- Inflationary pressures on staff and non-staff costs
- Capital costs that outstrip the level of funding provided by the SFC

Performance Analysis

The Performance Analysis section of this report provides a greater level of detail and information on the work and performance of the College in the 2023-24 academic year.

Volume of Learning Delivered

The Scottish Funding Council (SFC), the body that funds colleges in Scotland, requires each college to deliver a set volume of learning hours each year. This volume is measured in the form of credits, with a credit equivalent to 40 hours of learning.

Each academic year, the SFC agrees a credit target for each college region. In Glasgow, the GCRB – which receives funding on behalf of the three colleges in the Glasgow region – allocates

credits and the associated funding to the individual colleges. If a college fails to deliver its credit target, the SFC can recover the associated funding.

The SFC allocates credits in support of different strategic priorities. In 2023-24, the College was allocated a total of 157,800 credits and delivered a total of 157,916 credits (100%).

Table 1: SFC Credits Allocated to College Programmes AY 2023-24

SFC Credit Priority	Target
Core Teaching	157,800
Total	157,800

The level of funding and number of credits available to the College has continued to decline in recent years, from a high of 192,646 credits in 2021-22 to 157,800 credits in 2023-24.

Number of Learners

The number of applications for courses at the College increased in 2023-24, reversing what had been a declining long-term trend. Applications across the sector have been declining over the last decade. The College received a total of 30,795 applications in 2023-24, an increase of almost 4,000 on the previous year. First-choice applications increased by 1%.

The College achieved its recruitment target and enrolments remained high at 24,751. 39% of learners enrolled on a full-time basis and 34% enrolled in Higher Education (HE) in this academic year. The majority of these learners, around 56%, were enrolled on courses publicly funded by the SFC. The remainder were recruited to courses delivered in partnership with our community, business, industry and overseas partners. The decline in total enrolments from 2022-23 is the result of the reduced credit target and removal of Young Persons Guarantee (YPG) funding.

Overall, using the latest data (2022-23) available, the College accounted for 9% of all students in the college sector and 10% of all college sector enrolments.

Who Were Our Learners?

We continue to support the Scottish Government's widening access agenda, ensuring students from all backgrounds can study at the College and progress into work or onto further study at university. This year, we can report that:

- 50% of our students were male, 48% were female and 2% identified in a different way
- 46% of our students were under 20 years of age but this proportion continues to fall
- 12% of our students declared a disability, an increase from 10% in the previous year
- 11% of our students required a Personal Learning Support Plan (PLSP)
- 20% of students were from the 10% most deprived areas and 33% were from the 20% most deprived areas
- 26% of full-time HE students were from the 20% most deprived areas, which compares to the university sector average of around 16%
- 26% of our students were from Black, Asian and Minority Ethnic (BAME) backgrounds
- 4% of our students were care-experienced

Learner Success in 2022-23

At the time of writing the College's [Annual Report and Accounts 2022-23](#), we were unable to compare ourselves with the rest of the sector. This is now possible and we can see that sustained local industrial action, followed by national industrial action, by lecturers impacted full-time learner outcomes.

Table 2: College and Sector Outcomes for Recognised Qualifications in Further Education (FE) and Higher Education (HE), by Part-Time (PT) and Full-Time (FT) Modes of Study

	2021-22		2022-23	
	Sector	College	Sector	College
FE/FT	59%	52%	64%	52%
FE/PT	76%	84%	77%	76%
HE/FT	62%	63%	65.5%	63%
HE/PT	79%	80%	79%	75%

The figures shown in Table 2, Table 3 and Table 4 for the College in 2022-23 are final audited figures published by the SFC and, therefore, vary from the internal and pre-audited figures published in last the Annual Report and Accounts 2022-23. Due to industrial action, at the time of preparing the Annual Report and Accounts, the College had a large volume of outstanding outcomes within its Final Education Statistics submission. The SFC recorded these outcomes as positive within our performance indicators until such time as the outstanding outcomes could be resolved.

Typically, the College is one of the highest performing in terms of learner completion rates, particularly in relation to HE learner outcomes. In 2020-21, for example, it was second only to Dundee and Angus College in terms of combined FE and HE completion rates, despite working with almost three times the number of HE learners. In 2022-23, the College supported by far the most HE learners in the sector – almost three times that of other large colleges and accounting for 64% of the region's HE learners.

In 2022-23, learner success for full-time students plateaued and fell slightly for part-time learners. Partial completion rates at the College were among the highest for both full-time and part-time learners.

With nearly 7,000 HE learners and mindful of the disruption they experienced, the College was pleased to secure positive progression for many of our students. Even those unable to complete their courses due to industrial action were still able, for example, to take up university places. Our partner universities, particularly within our region, were highly supportive, helping to ensure that the impact of industrial action on progression was kept to a minimum.

Learner Success in 2023-24

At the time of writing, we can only review our internal performance data as we await final sector data from the SFC. Local and national industrial action undertaken by lecturers throughout the academic year did, however, impact upon the completion of assessments and the resulting of students. Whilst the percentage of results and outcomes outstanding is small, it still amounts to several thousand. This means that the end-of-year results can only be confirmed when all results have been submitted and processed.

Positively, this year the College saw outcomes improve across all modes of study compared to 2022-23. This, in part, reflects the restoration of core processes and systems, with faculties able to fully re-establish on-campus practical delivery. Persistent national industrial action by lecturers did significantly reduce the number of teaching days and will have had a detrimental impact on retention, the completion of assessments and the resulting of students.

Table 3: College Successful Outcomes for FE and HE on Recognised Qualifications

	2019-20	2020-21	2021-22	2022-23	2023-24	Change ¹
FE/FT	69%	62%	52%	52%	58%	+6pp
FE/PT	83%	84%	84%	76%	77%	+1pp
HE/FT	77%	77%	63%	63%	65%	+2pp
HE/PT	82%	82%	80%	75%	78%	+3pp

Table 4: 10-Year Trend - Successful Outcomes for FE and HE on Recognised Qualifications

	2013 -14	2014 -15	2015 -16	2016 -17	2017 -18	2018 -19	2019 -20	2020 -21	2021 -22	2022 -23	2023 -24
FE/FT	70%	72%	72%	69%	68%	66%	69%	62%	52%	52%	58%
FE/PT	75%	77%	87%	88%	87%	86%	84%	84%	84%	76%	77%
HE/FT	74%	76%	76%	74%	74%	72%	77%	77%	63%	63%	65%
HE/PT	84%	83%	81%	83%	82%	82%	82%	81%	80%	75%	78%

Learner Withdrawal

In 2023-24, early withdrawals declined across full-time provision for the second consecutive year. Early withdrawal means that a student withdraws from a course before the date required to qualify for public funding. A total of 1,106 learners withdrew early from their course this year, which is an improvement on the disruption caused during lockdown when more than 1,500 students left their course early.

Over the course of the year, 2,431 students withdrew before the course finished, an increase of 173 leavers on the previous year. High levels of withdrawals were experienced in those courses most impacted by industrial action.

Learner Destinations

In return for funding from the SFC, every college is required to evidence the destinations of learners. This acts as a measure of success in the College's Outcome Agreement as part of the Regional Outcome Agreement overseen by the GCRB.

Destination data is critical information to a successful college. It helps us judge how well the curricular offer is aligned with employer demand. Additionally, it allows us to see how well our higher education curriculum is planned and aligned, especially in supporting pathways to university.

¹ This is the percentage point change between the figures for the current reporting year and the previous reporting year.

We collect data by tracking previous students and comparing it across the sector as a whole, producing reports on the outcomes of leavers from the previous academic year. In 2021-22, which is the latest data published by the SFC, the College contacted almost 5,000 leavers, of which 85% were able to confirm their destination. Of these, 98% were now in a positive destination. The SFC will publish figures for 2022-23 in February 2025 which can be found [here](#).

Student Satisfaction

Student satisfaction is an important performance indicator. Achieving high satisfaction rates tells us something about the quality of the learning and teaching experience, as well as the effectiveness of the whole College in supporting that student experience. The College undertakes an annual student satisfaction and engagement survey overseen by the SFC. The criteria and questions in the survey are set by the SFC and the results are aggregated and published each year for the sector.

This year the College's response rate increased again to 55%. This is the highest response rate the College has ever achieved and represents a 29-percentage point increase since 2021-22. The actual number of students that responded is higher than for every other college recorded last year.

Table 5: College Student Satisfaction Survey Response Rates 2019-24

	2019-20 ²	2020-21	2021-22	2022-23	2023-24
Surveyed	-	10,246	10,246	9,840	9,218
Responded	-	3,762	2,705	4,482	5,063
Response Rate	-	37%	26%	45%	55%

Table 6: College Student Satisfaction by Mode of Study 2019-2024

	2019-20	2020-21	2021-22	2022-23	2023-24
FE/FT	-	80%	86%	86%	90%
FE/PT	-	84%	85%	94%	95%
HE/FT	-	74%	76%	83%	82%
HE/PT	-	74%	70%	84%	70%
Overall	-	76%	79%	85%	85%

Despite sustained local and national industrial action, the College's satisfaction rate in 2023-24, based on the measure "overall, I am satisfied with my college experience", has remained at the same level (85%) as 2022-23. However, it is worth noting that satisfaction levels fell among HE students, especially those on part-time courses. This section uses internal data which may change when sector performance is collated and published by the SFC later in the calendar year.

² The SFC Student Satisfaction Survey was not undertaken in 2019-20 due to the Covid-19 pandemic.

Complaints

In setting an ambition for a 'student first culture', a measure of the College's effectiveness is the number and nature of complaints received from students. Complaints can be wide-ranging and are managed in accordance with the Scottish Public Services Ombudsman (SPSO).

Positively, we received fewer complaints this year despite the disruption of industrial action. The College investigated 68 complaints in 2023-24, which is 16 fewer than the previous year. This is also below the average of the last few years and continues a falling trend from their peak of 161 in 2018-19. A further 23 complaints were immediately resolved and required no handling, making an overall total of 91 complaints received. Of those complaints investigated, 13% were upheld or partially upheld.

In accordance with the procedure, complaints are assigned a handling timeframe, determining whether they can be resolved within five days (Stage 1) or within 20 days (Stage 2). Handling times for Stage 1 have been maintained; however, handling times for Stage 2 increased, partly reflecting their complexity. As required by the SPSO, the College continues to publish information on complaints. The College's Annual Complaint Report for 2023-24 is available [here](#).

Student Experience and Engagement

As part of our commitment to a high-quality student experience, and working in partnership with the Students' Association, in 2023-24 the College:

- Distributed over £3,750,000 in Discretionary funding to more than 3,000 students
- Delivered more than 10,000 student support interventions in matters related to accommodation, articulation, careers guidance, funding, gender-based violence and other personal support — a 61 % increase on the previous year
- Received almost 3,000 support referrals and ensured an inclusive and accessible experience for all disabled students
- Undertook just under 1,700 Personal Learning Support Plans (PLSPs) and alongside the student and faculty, identified reasonable adjustments, supporting students to engage fully in their learning experience
- Facilitated 131 one-to-one skills development sessions for students with PLSPs
- Supported more than 470 students with wellbeing assessments
- Successfully attained Emily Test Charter status as part of our campaign to raise awareness of gender-based violence
- Delivered 76 Coursework Essentials workshops to more than 900 students and facilitated 59 Expand Your Experience workshops to more than 1,000 students
- Provided a student-led pantry service, where more than 5,000 food and drink items were distributed to students in need
- Continued the 'Fuel your Morning' free student breakfast offer, which resulted in more than 35,000 breakfasts items being served throughout the year
- Became the first Students' Association in Scotland to secure the LGBT Youth Scotland Gold Charter mark for our work on LGB and Trans inclusion work

- Ran another year of successful student representation systems, with our class representative system being shortlisted for an award
- Secured on-site facilities for a sensory safe space on campus to support neurodiverse students
- Established 13 clubs and societies with more than 750 students engaging as active members
- Met a 118% increase in demand for Library services and support, both online and on-campus
- Invested and launched Library Search, a Discovery tool that allows our students and staff seamless search over both print and digital and improved access to content overall

Articulation Agreements

The College maintains a range of agreements with Scottish universities to ensure that our students completing an HNC or HND can progress to a degree-level course without the need to repeat levels of study. This is known as 'articulation'. We have 138 articulation pathways for students with eight universities across the country – creating direct, seamless student pathways from college to university for 1,140 students in 2023-24.

Associate Student Scheme

The term 'Associate Student' describes students on courses jointly delivered by a college and university. In this case, the university acts as the awarding body, students are degree-level students at the outset but complete the first two years of study at the College as part of their HNC/HND.

Associate Student status was created to create a further, and seamless, progression pathway from college to university, enabling students to have access to both college and university facilities and allowing them to become familiar with the university campus, processes and teaching methods while attending college.

In 2023-24, 310 students took part in the Associate Student Scheme – an increase on the previous year – with Glasgow Caledonian University, the University of Strathclyde and the University of the West of Scotland.

Validated Degrees

The College also delivers 10 degree-level courses through Memoranda of Understanding with 4 partner universities to deliver validated degree programmes. These allow students the opportunity to remain at the College and continue their study at a higher Scottish Credit & Qualifications Framework (SCQF) level, and if successful, achieve a degree awarded by the partner university. This year, the College secured the continued delivery of 3 validated degrees for a further 5 academic sessions from 2022-23:

- BA and BA (Hons) Photography (SCQF Level 9-10) (Full-Time)
- BA and BA (Hons) Contemporary Art Practice (SCQF Level 9-10) (Full-Time)
- BA and BA (Hons) Design Practice (SCQF Level 9-10) (Full-Time)
- BA and BA (Hons) Television (SCQF Level 9-10) (Full-Time)

The College, in partnership with partner universities, also offers two Diplomas in Higher Education (DipHE) in Business Studies and Social Science.

Quality of Learning & Teaching

Education Scotland oversees the quality of learning and teaching in Scottish colleges. They review colleges using a quality framework known as 'How Good is Our College'. This year, Education Scotland undertook an annual engagement visit to the College. This type of review takes place when a college has continued to show satisfactory progress for multiple years. The visit explored the College's progress since their last visit and reviewed the progress being made by learners in terms of their satisfaction, retention, completion and progression.

Education Scotland rated the College as once again having achieved 'satisfactory progress'. Effectively, the visit rates institutions on a 'pass' or 'fail' basis, with satisfactory progress representing a pass. Education Scotland recommended one area for future improvement, which focused on overcoming the challenges to successful outcomes for learners. Education Scotland's reports can be found [here](#).

External Assessment

A measure of the College's effectiveness is the assessment of its compliance in meeting the quality standards set by external quality bodies. The College is proud to report that we have retained all external quality marks and standards this year.

This included a successful assessment of the College's Quality Management System by the British Standards Institute (BSI) to the ISO 9001:2015 standard. The BSI audit, held in November 2023, focused on performance evaluation as well as full process audits in relation to IT systems and services, staff training and organisational development, and facilities, equipment and suppliers. The College successfully completed the audit with one minor areas of non-compliance identified and corrected. BSI therefore recommended continued certification to the ISO 9001:2015 standard.

In 2023-24, the College also successfully met the standards of the Customer Service Excellence award and achieved recertification, retaining recognition for all services considered to be achieving 'compliance-plus'.

Customer Service Excellence is a national quality mark that seeks to recognise organisations that have a truly customer-focused culture. It is also designed to promote continuous improvement. The College's most recent audit took place in June and focussed on stakeholder engagement and our business and overseas partners. The assessment report, highlighted:

"City of Glasgow College continues to fully meet the CSE standard requirements. It continues to evidence its commitment to delivering customer-focused services across all service areas. Over time the organisation has achieved and sustained a high level of compliance with the standard including many areas of compliance plus - they continue to achieve these high levels."

Other external accreditations maintained by the College in 2023-24 included:

- Association of Accounting Technicians
- British Council
- Chartered Institute of Marketing

- Chartered Institute of Personnel and Development
- Chartered Institute of Procurement & Supply
- Maritime and Coastguard Agency
- The STEM Foundation

College Awards

Endorsement of the quality of the work of the College, its students and staff, can also be seen in the achievement of external awards. The College, our staff and students, won several awards and recognitions in 2023-24, including:

- Dr Paul Little, Principal & Chief Executive of the College, was awarded a CBE for services to education
- Kenneth Hett, Professional Cookery lecturer, won the Peter Jukes Fellowship Award for Education at the Master Chefs of Great Britain 40th Anniversary Ceremony
- Aileen Dickie-Adams, HND Jewellery student, made history by having her work added to the permanent collection of the National Museum of Scotland
- Sara Akram won the CDN Student of the Year Award
- David Butler won the Outstanding Contribution from a College Student award at the Herald HE Awards
- Jacintha Henderson won the Knorr Student Chef of the Year Award
- Yasmin George won Gold Medal at the World Skills in 3D Digital Game Art
- Aaron Fallon and Faizan Rauf won first and third place at the Level 5 Barbering Awards at the Association of Hairdressers & Therapists Awards
- A team of 60 students across a wide variety of academic courses won the Scottish Student Cup, retaining the cup for the third year in a row
- Chloe Oswald, former student, won the Guild of Good Food Great Taste Award for her handcrafted chocolate
- Megan McClellan, former student and Student President, won the sparqs Outstanding Academic Representative Award

Queen's Anniversary Prize

The College was presented with a Queen's Anniversary Prize for Higher and Further Education at a ceremony at Buckingham Palace in February 2024 in recognition for our life-saving research highlighting the dangers of oxygen depletion in enclosed spaces on-board ships. The Queen's Anniversary Prizes, part of the UK's honours system and regarded as the highest accolade available to colleges and universities in the UK, are awarded every two years to institutions work judged to show excellence, innovation, impact and benefit for the institution itself and for people and society generally in the wider world.

We are the first college in Scotland to receive this award for research. Our success was also subsequently celebrated at a civic reception hosted by the Lord Lieutenant and Lord Provost, Cllr Jacqueline McLaren, at Glasgow City Chambers. To find out more about this project, please visit our [website](#).

City Attributes

A cross-college project team developed the City Attributes framework in 2022-23, showcased it to staff and students in 2023-24 and began implementation into the curriculum in 2024-25. This work was guided by the ambition outlined in our Student Academic Experience Strategy to ensure students develop a whole series of personal skills and attributes in addition to gaining qualifications and technical skills. The four overarching City Attributes will support our students to:

- **Curious:** Develop independent attributes such as critical thinking and being eager and creative
- **Optimistic and Open:** Be open to new experiences and willing to take on challenges with a positive attitude and enhance their ability to learn, grow and adapt to a rapidly changing world
- **Globally Ready:** Understand the effects of globalisation, promote inclusiveness, interact respectfully with others and promote human rights and wellbeing
- **Contributors:** Feel a sense of belonging and connection to their learning and will be empowered to contribute, make choices, measure and reflect on their progress

Delivering for Glasgow: Schools, Access and Inclusion

The College continues to support community-based learning by focusing on lifelong, life-wide and learner-centred education – particularly for those facing barriers to traditional learning.

Collaboration is at the heart of the College's approach and this year we have worked in partnership with more than 15 stakeholders across the city – including local government, schools, tertiary institutions, housing, health and the third sector – to continue to meet the ensure education is accessible to all. Our curriculum remains adaptable, evolving annually to meet the changing and diverse needs of learners – including those affected by homelessness, addiction, mental health issues and social isolation.

The College's commitment is reflected in the scale of its endeavour. Each year, a team of nine staff support around 2,500 learners across a suite of community and college courses. We work with the largest population of people whose second language is English and generate approximately £250,000 in funding for community-based projects.

A new initiative this year was the Multiply project, a partnership with Glasgow City Council. This has successfully integrated applied mathematics into practical subjects such as cooking, money management, and ICT, equipping our community-based learners with essential life skills, while significantly improving their financial and mental well-being.

By collaborating within a Learning Network to provide additional support and clear transition pathways from community programmes to full-time college courses, the College continues to adapt to ensure its programmes remain responsive to community-based learner needs.

Delivering for Business

As part of the College's ongoing work to address regional skills gaps and improve productivity City of Glasgow College delivered over 750 bespoke courses to over 3,900 trainees under residual Flexible Workforce Development Fund (FWDF) monies extended into 2023-24. Alongside our commercial delivery – which included 179 Courses to 1220 delegates, ranging

from workshops to the delivery of accredited courses, including CMI, NEBOSH and IOSH – the College continues to play a key role in skills development within the region.

With the withdrawal of the FWDF by the Scottish Government, the College is working with commercial partners regionally and nationally across priority sectors to provide the upskilling and reskilling needed for economic recovery following the impacts of Brexit, Covid-19, the cost-of-living crisis and the war in Ukraine. This ongoing work means the College continues to be a pivotal economic anchor within the Glasgow region and across Scotland.

To remain competitive, the College continues to forge partnerships that deliver professional and technical education and training solutions tailored to the skills needs of employers. Our extensive portfolio of domestic and international projects, combined with our research and expertise in addressing skills challenges, enhances our understanding of the global skills landscape. This, in turn, provides valuable insights to our local and national stakeholders, reinforcing our commitment to delivering relevant and impactful training solutions.

In 2023-24, for example, the college forged a strategic partnership with ScotRail to deliver bespoke training for their hiring managers. Following a successful pilot, the program has been expanded nationwide, aiming to train over 475 managers. This collaboration demonstrates our commitment to commercial development, offering tailored solutions that meet specific industry needs. Feedback from ScotRail has been highly positive, and discussions are underway for further training opportunities, reflecting the potential for ongoing partnership.

Delivering Industry

The College continues to deliver vocational qualifications in partnership with industry. We provide a range of programmes and qualifications, including Foundation and Modern Apprenticeships, Scottish Vocational Qualifications, Professional Development Awards, National Progression Awards and Maritime Diplomas and Certificates.

This year, we supported 444 new Modern Apprenticeships across 24 frameworks and nine occupational groups, with a further 603 continuing in their apprenticeship training.

Making a significant contribution, the Faculty of Nautical and STEM grew its apprenticeship numbers to 560, as well as increasing the number of programmes offered and employers engaged. In the Engineering department, over 230 apprenticeships were offered in partnership with 16 employers, including Aggreko, BAE Systems, and Chivas Brothers. The Built Environment department provided 329 apprenticeships in collaboration with the Construction Industry Training Board (CITB). Programs included Carpentry and Joinery, Gas Engineering, Painting and Decorating, Stonemasonry, and Wall and Floor Tiling.

Managing our Financial and Funding Challenges

The College, like colleges across Scotland, has faced unprecedented financial and funding challenges. The resultant and cumulative impact of Brexit, the Covid-19 pandemic, inflationary cost pressures and cash-flat funding has presented the College with a significant, multi-year challenge to address.

As highlighted in the Audit General's [Scotland's Colleges 2024](#) report, the Scottish Government's funding for the college sector has reduced by 17% in real terms since 2021-22. Resource funding for the sector was static for three years from 2021-22, amid significant increase in costs, followed by a cash-terms reduction of £32.7 million. The SFC also,

consequently, reduced our credit target by 9.7% from 2021-22 to 2022-23, which was followed by a further reduction of 10% from 2022-23 to 2023-24.

Over the last three years, the College has prioritised work to improve our financial position and has implemented a combination of 19 cost-reducing and income-generating initiatives to progress towards a break-even position. This resulted in £6 million in savings being achieved; however, the College was still required to identify a further £6 million in savings. The College opened a voluntary severance scheme and, having exhausted all other options, commenced a consultation on compulsory redundancies in May 2023. This information can be found on p.33. As a result of the measures implemented, as our financial statements show, the College has achieved a £130,000 surplus against a budgeted £2 million deficit.

Risk

The College continuously scans and evaluates the risk environment we operate in – both to plan to mitigate any negative impact and seize the opportunity to positively impact the College. We track and report these risks throughout our Strategic Risk Register and Management Action Plans (MAPs). The nature of these risks includes our financial sustainability, performance, growth and development, student success and wellbeing, and statutory compliance.

Table 7: High-Scoring Entries on the Strategic Risk Register at 31 July 2024

ID	Risk Title	Net Score
SR19	Failure to achieve an operating surplus	25
SR1	Failure to support successful student progression and outcomes	20
SR17	Negative impact of industrial action	20
SR20	Failure to maximise income via diversification	20
SR10	Failure to attract, engage, and retain suitable staff	16
SR24	Failure to secure sufficient capital investment	16
SR26	Failure to secure a sustainable model/level of funding	16

The highest scoring entry on our Strategic Risk Register, categorised as a critical risk, was the failure to achieve an operating surplus – which is covered in the Principal’s statement on p.3 and the previous section. The College has undertaken necessary work to ensure our financial sustainability. At the time of writing, having achieved a small surplus in 2023-24, this risk has been downgraded early in 2024-25.

The next high-scoring entries pertain to local and national industrial action – both strike action and action short of strike action – undertaken by the lecturers’ trade union EIS-FELA. 38% of the 2023-24 academic year was affected by industrial action, impacting on the College’s students, their studies and progression. The College implemented a series of measures to mitigate the impact of industrial action as far as possible. These measures include re-purposing timetables, class cover, larger classes on-campus and online, extraordinary arrangements for assessment, a no-detriment policy for internal progression and engaging with universities to secure articulation.

Shortly after the year-end, in August 2024, an agreement was reached between College Employers Scotland and EIS-FELA on a four-year pay offer following financial support being made available from the Scottish Government. This is expected to reduce the risk of further industrial action and its potential impact on students.

The risk of a failure to maximise income by the diversification of streams has continued to be rated red since the Covid-19 pandemic. However, the College exceeded the commercial and international income target by 30% in 2023-24 – after exceeding the 2022-23 target by 21%. With the College projecting growth in non-government activity in 2024-25 and setting a target of £9.4 million, it is anticipated that this risk rating will be reduced in 2024-25.

The risk of a failure to attract, engage and retain suitable staff was rated red due to the unprecedented level of organisational change being undertaken by the College in response to the financial and funding challenges the sector faces. With an improved financial position, organisational change at an end and a commitment to no compulsory redundancies in 2024-25, it is also anticipated that this risk score will reduce.

The level of revenue and capital funding made available to the sector continues to present a challenge to colleges and this is reflected on the Strategic Risk Register. Real-terms reductions, coinciding with significant increases in costs, have required the College to implement the cost-saving and income-generating measures outlined in the previous section. The College's capital and maintenance needs outstrip the level of grant provided by the SFC. A four-year plan is in place to phase and prioritise capital expenditure and maintenance and the College continues to supplement SFC grant funding with funds from the City of Glasgow College Foundation; however, the Foundation's balance is diminishing as funds are being withdrawn and no new contributions are being made.

In 2023-24, a risk entry on the failure to prepare for the impact and harness the capabilities of artificial intelligence was added to the Strategic Risk Register. The exponential development in this area could disrupt our curriculum, pose a risk to academic integrity and present ethical concerns. However, the College also acknowledges the benefits AI can have on our work, staff and students and adopts an open attitude. The College has guidance and training in place for staff, has established an approval and reporting process for AI projects and continues to engage with key stakeholders to learn, share and shape best practice.

Beyond the 2023-24 reporting period, the College and the sector must continue to navigate our way through several key risks to our financial sustainability and priorities. These include the likelihood of flat cash – or less-than-flat cash – core grant funding, inflationary pressures and capital costs exceeding SFC funding.

The College's approach to risk management is detailed in the Accountability Report on p.28. The Strategic Risk Register and MAPs, which are regularly reviewed by senior staff and the Board of Management and its committees. Board papers are published on the College's [website](#).

City of Glasgow International (CGI) Ltd

City of Glasgow International Ltd (CGI), the College's wholly-owned subsidiary company, commenced its first year of trading on 1 August 2022. The purpose of CGI is to offer commercial services – including in education, training, retail, research and consultancy – across various local, national and international sectors and markets where the College's presence is limited or infeasible. In doing so, CGI will generate a financial benefit that can be reinvested in the College. This will support the College's efforts to secure a diversity of income and maintain our long-term financial sustainability.

The work of CGI is monitored by the Vice Principal Corporate Development & Innovation and reported to the Development Committee of the Board of Management. In 2023-24, four people were appointed to the CGI Board of Directors on a voluntary basis to progress the development of the company. A new business plan has been prepared, outlining the working relationship between the College and CGI as well as the markets that will be targeted in the first three years of trading. There are also plans to recruit key personnel early in 2024-25.

Given that the turnover and costs of CGI were not material to the College, it was decided that its accounts would not be consolidated into the College's financial statements in 2023-24.

Sustainability

The [Sustainability Strategy](#) outlines the College's commitment to sustainable development and our aims to reduce emissions, minimise our impact on the environment and encourage biodiversity. The College complied with its duties under the Climate Change (Scotland) Act 2009 to report on sustainability to the Scottish Government in 2023-24.

Best Value

The College is committed to delivering Best Value, as outlined in the Scottish Public Finance Manual. This year, we developed a [framework](#), underpinned by our Strategic Plan and Balanced Scorecard, to demonstrate how Best Value is embedded in our approach to enhancing efficiency, effectiveness and sustainability across the College. This ensures that we deliver high-quality services and outcomes for our students and stakeholders.

Adjusted Operating Position

For the financial year 2023-24 the College made an underlying surplus of £0.1m (2022-23 £2.8m deficit). The surplus was achieved despite the government grants not increasing in line with inflation. The College budgeted a deficit of £2.0m which included £5.1m of in year savings and took significant action to achieve a small surplus.

Table 8: Adjusted Operating Position

	2023-24	2022-23
Revenue	£000	£000
(Deficit) before other gains & losses	(827)	(7,509)
<i>Add back:</i>		
Depreciation (net of deferred capital grant release) on both government-funded and privately funded assets including NPD assets – Note 1	5,726	5,602
Non-cash pension adjustment – Net service cost – Note 3	192	1,426
Non-cash pension adjustment – Net interest cost – Note 4	(169)	(726)
Non-cash pension adjustment – Early retirement provision – Note 5	192	(229)
Cost of middle management job evaluation not matched by revenue – Note 6	907	4,716
<i>Deduct:</i>		
NPD income applied to reduce NPD balance sheet debt – Note 7	(5,891)	(6,116)
Adjusted operating surplus/(deficit)	130	(2,836)

The College had net current liabilities of £7.2m (2022-23 £7.0m) at the year end, mainly due to the inclusion of NPD contract liability. The College continues to operate with a healthy cash balance of £12.4m (2022-23 £10.6m) at the year-end; however, the underlying cash is only £5.1 million after taking committed expenditure into account.

Explanations for Adjusting Items

Note 1: Depreciation does not have an immediate cash impact on the institution and, in any case, capital expenditure will largely be funded by government or ALF grants so the charge is taken out.

Note 3: The adjustments to the pensions charge represent the net service cost (i.e. the present value of projected benefits resulting from employee service in the current year less cash contributions paid).

Note 4: The net interest cost is the interest accumulated on the pension liability and this is offset against the current year's interest earned on pension assets.

Note 5: The early retirement provision adjustment relates to the gain/loss arising from the actuarial valuation during the year. This excludes any adjustments to valuations as a result of adding or deleting employees.

Note 6: The accrued/provided costs of middle management/support staff job evaluation not matched by revenue to date.

Note 7: NPD grant income is included in the SOCI but the payment is applied to reduce the balance sheet liability and, as this would overstate the surplus, is therefore adjusted.

Payment Practice

The College seeks to comply with the Prompt Payment Code and has a policy of paying its suppliers within 30 days of the invoice date unless the invoice is contested. All disputes and complaints are handled as quickly as possible. No interest or late payment penalties were paid during the year. The average creditor's payment period throughout 2023-24 was 36 days, compared to 35 days in 2022-23.

For information on the College's commitment to Equality, Diversity and Inclusion, and Fair Work, please see pp34-35.

Approved by order of Board of Management on 11 December 2024 and signed on its behalf by:

Dave Anderson, Chair of the Board of Management

Paul Little CBE, Principal and Chief Executive

3. Accountability Report

The Accountability Report is split into two parts: the Corporate Governance Report and the Remuneration and Staff Report. The information in this section demonstrates the College's accountability to the Scottish Parliament, and other stakeholders, as well as its commitment to best practice with corporate governance norms and codes. The Accountability Report is subject to an independent audit opinion – which can be found on p.36.

Corporate Governance Report

Directors' Report

The College's Board of Management ("the Board") is constituted under the provisions of the Further and Higher Education (Scotland) Act 1992 and complies with the Further and Higher Education (Scotland) Act 2005 and the Post-16 Education (Scotland) Act 2013. The College was assigned to the Glasgow Colleges' Regional Board (GCRB) by the Assigned Colleges (Scotland) Order 2014. The College is a registered charity (SC036198) and, therefore, Board members have duties as trustees under the Charities and Trustee Investment (Scotland) Act 2005.

The Board consists of a maximum of 20 members. The GCRB appoints the Chair. The Board appoints the Principal who serves as an ex officio member of the Board. Elections are held to select two students and two (teaching/support) staff members of the Board. Our support and lecturing staff trade unions each nominate a member. The remainder comprises individuals independent of the College, known as non-executive members, with a range of professional skills and experience. The Board appoints a non-executive member to serve as Vice Chair and Senior Independent Member.

The membership of the Board in 2023-24 is listed in Table 10 on pp.22-23 and includes all members who served for part or the whole of the reporting period. The Board's Standing Orders, Scheme of Delegation, Terms of Reference and Register of Interests are published on the College's [website](#), along with Board and committee reports, papers and minutes.

The Executive Leadership Team (ELT) is responsible for the day-to-day management of the College. ELT members who served during 2023-24 are listed below.

Table 9: Members of the Executive Leadership Team Serving in 2023-24

Name	Role
Paul Little CBE	Principal & Chief Executive
Dr Sheila Lodge	Depute Principal & Chief Operating Officer
Dr Claire Carney	Vice Principal Student Experience
Andrew Dickson	Chief Financial Officer
Roy Gardner	Vice Principal Corporate Development & Innovation
John Gribben	Vice Principal People & Corporate Support

For information on data-related incidents, please see p.28.

Statement of Board of Management Responsibilities

The Board is the governing body of the College and defines its overall responsibilities, in accordance with the Code of Good Governance for Scotland's Colleges, as to:

- Lead the College and set its strategic direction and values
- Ensure effective management and financial controls to support the student experience within a framework of public accountability and transparency
- Deliver high-quality learning and outcomes

For more detail on the Board's responsibilities in regard to internal and financial control, please see pp.26-28.

Table 10: Board of Management Membership and Details 2023-24

Name	Appointment Status and Board Role(s)	Occupation	Appointed/ Reappointed	Current Term Ends	Resigned	Board Attendance ³	Committees Served ⁴
D. Anderson ⁵	Non-Executive Member Convener of DC	Managing Director, Radicalba Ltd	16/06/2023	15/06/2027	31/07/2024	100%	AAC; CC; DC.
D. Baillie	Non-Executive Member Vice Chair & SIM	UK Head of Small Business Banking (Retired)	16/06/2023	15/06/2027	-	60%	CC; DC; FC.
A. Barron	Chair of the Board Convener of PCC	Chief Executive (Retired)	01/08/2016 31/07/2020	31/07/2024	31/07/2024	100%	CC; DC; PCC.
N. Cameron	Non-Executive Member	Director, University of Glasgow	01/07/2021	30/06/2025	-	80%	DC.
R. Gillespie	Non-Executive Member	Managing Director, Evaluate Consulting	16/06/2023	15/06/2027	-	40%	LTSEC; PCC.
L. Hamilton	Non-Executive Member Convener of DC	Quantity Surveyor (Retired)	01/08/2019 01/08/2023	31/07/2026	31/03/2024	75%	AAC; CC; DC.
T. Hands	Teaching Staff Member	Lecturer, City of Glasgow College	07/02/2023	06/02/2027	14/09/2023	-	LTSEC.
P. Hillard	Non-Executive Member Convener of AAC	Director, Paul Hillard Consulting	28/10/2019 28/10/2023	27/10/2027	-	80%	AAC; PCC.
E. Keep	Non-Executive Member	Emeritus Chair, Oxford University	01/07/2021	30/06/2025	-	100%	LTSEC.
P. Little	Principal & CEO	Principal & CEO, City of Glasgow College	01/09/2010	-	-	100%	DC; FC; LTSEC; PCC.
D. Mackeen	Teaching Staff Member	Lecturer, City of Glasgow College	07/11/2023	06/11/2027	-	100%	LTSEC.

³ The attendance percentage for each Board member is based on possible attendances and actual attendances. Where attendance rates are not provided, this is due to a Board member being appointed/elected after the final Board meeting in the reporting period. The same applies where no committees are listed for new Board members. Co-opted committee members are extended an open invitation to attend Board meetings in addition to the committee that they have been co-opted to; however, there is no obligation for them to attend.

⁴ This includes all committees served throughout 2023-24. Please note that members did not necessarily serve on all committees concurrently.

⁵ D. Anderson resigned as a non-executive member on 31 July 2024 and assumed the position of Chair on 1 August 2024.

Name	Appointment Status and Board Role(s)	Occupation	Appointed/ Reappointed	Current Term Ends	Resigned	Board Attendance ³	Committees Served ⁴
S. Mcdowall	Support Staff Member	Head of Innovation & STEM, City of Glasgow College	01/07/2023	30/06/2027	-	100%	PCC.
C. Montgomery	Trade Union Member	Lecturer, City of Glasgow College	16/02/2024	15/02/2028	-	100%	-
S. Patrick	Non-Executive Member	Chief Executive, Glasgow Chamber of Commerce	01/08/2016 31/07/2019	31/07/2024	31/07/2024	80%	FC.
R. Quinn	Non-Executive Member Convener of FPRC	Director, Anchor Rock Consultants	17/06/2019 17/06/2023	16/06/2026	-	60%	CC; FC.
C. Singh	Non-Executive Member	Deputy CEO, Scottish Chambers of Commerce	16/06/2023	15/06/2027	-	80%	AAC; LTSEC.
L. Subido	Student Member	Student President, City of Glasgow College	01/07/2023	30/06/2024	30/06/2024	100%	FC; LTSEC.
A. Sullivan	Non-Executive Member Convener of LTSEC	Senior HE Manager (Retired)	17/06/2019 17/06/2023	16/06/2026	-	80%	CC; LTSEC; PCC.
J. Taylor	Student Member	Student Vice President, City of Glasgow College	03/03/2023 01/07/2023	30/06/2024	30/06/2024	100%	-
S. Breckenridge	Co-opted Committee Member	Business Engagement Manager, Interface	01/08/2023	31/07/2025	-	-	DC.
M. Miller	Co-opted Committee Member	Freelance TV Executive Producer	01/08/2019	31/07/2025	-	-	LTSEC; PCC.
C. McCarthy	Co-opted Committee Member	Student Vice President, City of Glasgow College	04/10/2023	30/06/2024	30/06/2024	-	PCC.

Committee Key

AAC: Audit & Assurance Committee **FC:** Finance Committee

CC: Conveners' Committee **LTSEC:** Learning, Teaching & Student Experience Committee

DC: Development Committee **PCC:** People & Culture Committee

Governance Statement

The Governance Statement, read together with the rest of the Corporate Governance Report, details the Board's framework, structure, operations, responsibilities and compliance.

Statement of Compliance

The College complies with all the principles of the Code of Good Governance for Scotland's Colleges (2022), and it has complied throughout the year ended 31 July 2024.

Governance Framework and Structure

The Board, in accordance with the legislative framework outlined on p.20, regulates its own proceedings, delegates its authority and establishes a committee structure. These arrangements are, respectively, outlined in the Standing Orders, Scheme of Delegation and Terms of Reference – which are available on the College's [website](#).

Meetings of the Board are held at least quarterly, with five meetings being held in 2023-24. The Board has established six committees which meet at least three times per academic year. The membership of the Board and its committees in 2023-24 is listed in Table 10 on pp.22-23. All committees and their remits are outlined below.

- **Audit & Assurance Committee:** Reviews the effectiveness of the College's governance arrangements, financial systems, internal controls and risk management practices.
- **Conveners' Committee:** Manages the recruitment and selection of new Board members and supports the recruitment of candidates to senior positions. Determines the remuneration of the Principal and senior staff, as well as severance arrangements. Ensures the Board's governance structure and arrangements are fit for purpose.
- **Development Committee:** Oversees the College's corporate development, including commercial/international activities and partnerships, as well as brand and reputation. Responsible for new developments to the College's campuses or property.
- **Finance Committee:** Monitors the College's finance and procurement functions, ensuring appropriate budgets, controls, plans and strategies are in place to support financial stability and sustainability.
- **Learning, Teaching & Student Experience Committee:** Oversees learning, teaching and the curriculum across all faculties and ensures that the College remains an inspirational place of learning that enables individuals to excel and realise their full potential.
- **People & Culture Committee:** Oversees the College's human resources, organisational development, estates, facilities and IT functions. Ensure that effective measures are in place to safeguard the health, safety and wellbeing of staff and students and to promote a positive, inclusive culture.

Board and committee papers, minutes and reports are regularly published on the College's [website](#). Committee annual reports for 2023-24 are available [here](#). In June 2023, the Board approved a new committee structure effective from 1 August 2023. The details of the changes to the Board's committees are available [here](#).

Corporate Strategy

The Board has the responsibility of setting the strategic direction of the College. The College's [Strategic Plan 2021-30](#), refreshed in light of the Covid-19 pandemic, outlines our commitment to Let Learning Flourish through the inspiration, excellence and innovation of our leading teaching methods and world-class facilities. Our eight strategic priorities, shown in Figure 1, are mapped across four strategic themes:

- Students
- Growth & Development
- People & Processes
- Finance

Figure 1: Strategic Priorities 2021-30



Five supporting strategies – [Student Academic Experience](#), [People & Culture](#), [Corporate Development](#), [Digital](#) and [Sustainability](#) – have been developed to deliver on the Strategic Plan. Progress is measured and tracked through the College's Balanced Scorecard. By delivering on our strategic priorities, the College will facilitate opportunities for our students, support industry, build communities and, in so doing, affect positive change in people's lives in and beyond the city whose name we are proud to bear.

External Effectiveness Review

The Code of Good Governance for Scotland's Colleges requires the Board to keep its effectiveness under review – consisting of a robust annual self-evaluation process and an externally-facilitated effectiveness review every three to five years. In 2023-24, the Board commissioned the College Development Network (CDN) to undertake the external effectiveness review. The findings outlined in CDN's report, available [here](#), included:

"A highly effective and skilled Board which benefits from strong leadership and clearly determines the vision, strategic direction, and educational character for the College."

"The Board has demonstrated great resilience having faced a number of challenges over the last year. The Board response has been professional and robust based on strong leadership, effective communications, and sound advice from the Governance Professional."

"The Board has effective arrangements in place to ensure compliance with the Code of Good Governance."

Statement on Internal Control

The Board is ultimately responsible for the College's system of internal control and its effectiveness. The Audit & Assurance Committee and the Finance Committee continuously review and oversee this system. The Audit & Assurance Committee undertakes an annual self-evaluation of the College's governance, internal controls, financial reporting and audit arrangements. Additionally, the Board reviews internal controls and wider effectiveness through an annual self-evaluation and an external self-evaluation every three to five years. The day-to-day responsibility for maintaining a sound system of internal control has been delegated by the Board to the Principal & Chief Executive.

The system of internal control, that has been in place in the College for the year ended 31 July 2024 and up to the date of the approval of the Annual Report and Accounts, is based on a framework of regular management information, financial regulations and administrative procedures including the segregation of duties, including:

- Comprehensive budgeting systems with an annual budget approved by the Board
- Regular reviews by the Finance Committee of quarterly and annual financial reports that indicate financial performance against the forecasts
- Setting targets to measure financial and other performance measures
- Procedures for the Board to review and approve budgets
- Clearly defined capital investment control guidelines

Such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide a reasonable, and not absolute, assurance against material misstatement or loss.

The College's Assurance Framework, approved by the Audit & Assurance Committee, outlines the College's approach to governance, risk management, control and assurance, as well as the Three Lines of Defence model:

- **Line 1 (Management Assurance):** Monitoring of the College's day-to-day operations and performance exercised by senior management.
- **Line 2 (Oversight of Management):** Oversight of senior management and the College's activities undertaken regularly by the Board of Management and its committees, as well as internal audit.
- **Line 3 (Independent/Objective Assurance):** Review of the College undertaken by external auditors, as well as other regulators and bodies, to ensure compliance with standards and regulations.

Internal audits are a valuable independent assessment and source of assurance of the College's operational effectiveness. They help identify strengths, weaknesses and risks and these findings support continuous improvement across the College.

The College worked in partnership with Henderson Loggie to plan and conduct a programme of internal audits throughout 2023-24 and reported findings to the Committee. The recommendations are from internal audits graded low, medium or high. Each audit is also graded with one of four overall levels of assurance which, from high to low, are: good, satisfactory, requires improvement, and unacceptable.

Table 11: Internal Audit Assurance and Recommendation Levels 2023-24

Internal Audit Report	Recommendation Level			Assurance Level
	High	Medium	Low	
Procurement and Creditors/Purchasing	0	1	1	Satisfactory
Budgetary Control	0	0	0	Good
Staff/Organisational Development	0	0	1	Good
Cash and Bank/Treasury Management	0	0	1	Satisfactory
Fraud Prevention and Detection	0	0	1	Good
Libraries and Learning Technologies	0	0	1	Good
Quality Assurance and Enhancement	0	0	2	Good
Business Engagement	0	0	0	Good
Severance Schemes	0	0	0	Good
Payroll	0	0	0	Good
IT Network Security	0	1	3	Satisfactory
	0	2	10	

During 2023-24, as shown in Table 11, 11 internal audits were undertaken in areas across the College and reported to the Committee. Of these, eight of the internal audits were graded as “good”, the highest overall level of assurance, and three were graded as satisfactory. 10 low-level and two medium-level recommendations were made throughout the internal audits and accepted by the College’s management. No high-level recommendations were made. Henderson Loggie and the College’s own Compliance Auditor monitor the implementation of recommendations and report on progress to the Committee throughout the year.

In addition, the Board is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the College. This ensures that financial statements are prepared in accordance with the Further and Higher Education (Scotland) Act 1992/2005, the Statement of Recommended Practice for Further and Higher Education, the Government Financial Reporting Manual 2023-24 issued by HM Treasury and other relevant accounting standards.

In considering and approving the Annual Report and Accounts 2023-24, the Board takes personal responsibility confirms that the information contained within it is fair, balanced and understandable. The Board also confirms that, as far as it is aware, there is no relevant information of which the auditors are unaware and that it has taken all reasonable steps to make relevant audit information available and to establish that the auditors are aware of this information.

As the Accountable Officer for the College, supported by members of the Senior Management Team and the Executive Leadership Team with responsibilities across the College, the Principal undertakes a review of internal control arrangements and provides a Certificate of Assurance to the GCRB that confirms that these controls have been, and are, working well. The GCRB then provides a Certificate of Assurance to the SFC to support the SFC Chief Executive, and Accountable Officer for the college sector, to provide a Certificate of Assurance covering all colleges to the Principal Accountable Officer of the Scottish Government.

Risk Management

Risk management is a key component of the College's internal control and governance arrangements. The College has a well-established approach to managing risk through the Strategic Risk Register and Management Action Plans (MAPs), which the Audit & Assurance Committee is responsible for overseeing.

Senior staff, as risk owners, undertake a review of the Strategic Risk Register and MAPs on at least a quarterly basis. Within the MAPs, risk owners evaluate the gross and net impact each risk poses to the College and its probability of occurring, outlines the mitigating actions being undertaken and detail key developments. MAPs also record the College's level of appetite for each risk category. All of the Board's committees consider the Strategic Risk Register and MAPs for those risks within their remits, with the Board reserving final approval.

Strategic risk reporting in a continuous, systematic way ensures that the College, our Board and its committees, remain aware of any changes in the risk environment and that our management plans remain up-to-date and effective. Significant changes to existing risks that occur, or new risks that emerge, between quarterly reviews are reported at the earliest available opportunity. A summary of the College's key risks and developments in 2023-24 is contained in the Performance Report – please see pp.16-17.

Internal Audit Opinion

The Internal Audit Annual Report for 2023-24, prepared by Henderson Loggie and tabled for the consideration of the Audit & Assurance Committee, states:

“In our opinion, the College has adequate and effective arrangements for risk management, control, and governance. Proper arrangements are in place to promote and secure Value for Money. This opinion has been arrived at taking into consideration the work we have undertaken during 2023/24 and since our original appointment.”

Data-Related Incidents

The College maintains a register of all data-related incidents. In the year to 31 July 2024, there were eight reported incidents involving personal data. Each incident is reviewed by the Data Protection Officer, who ensures that appropriate lessons are learned and preventive measures are implemented. Following this review process, in compliance with the College's obligations, one incident was reported to the Information Commissioner's Office.

Going Concern

While acknowledging the unprecedented financial and funding challenges the College and the sector face, as outlined in the Performance Report in pp2-5, the Board is satisfied that the College has adequate resources to continue in operation for the foreseeable future. For this reason, the financial statements have been prepared on a going concern basis.

Remuneration and Staff Report

Remuneration Policy

The Conveners' Committee of the Board reviews the remuneration, performance and terms and conditions of the Principal and senior staff, as well as voluntary severance arrangements.

During 2023-24, the Principal's remuneration was subject to extensive discussion and careful consideration by the Conveners' Committee. Members noted that the Principal is the only member of staff whose salary had not been reviewed in over a decade, resulting in real terms reductions to earnings and the salary not keeping pace with equivalent positions. The Committee acknowledged that this was not a sustainable position, agreed it constituted exceptional circumstances and approved a 3% increase to the Principal's salary for 2023-24.

The Conveners' Committee also considered the position of those other staff employed by the College that are outside the National Recognition and Procedure Agreement (NRPA). Members previously agreed that the same increase as agreed for support staff within the NRPA would apply to non-NRPA staff. It was further agreed that future pay increases for non-NRPA staff would similarly be in line with those agreed under the NRPA, subject to the application of PSPP and assurances of affordability. In June 2024, following the conclusion of national bargaining, members approved a £5,000 consolidated, pro-rata increase over three years (2022-23, 2023-24 and 2024-25) for non-NRPA staff.

Remuneration and Pension Entitlements

The remuneration and pension entitlements of the Principal and members of the Executive Leadership Team who served in 2023-24 are confirmed in Table 12. The figures below have been audited by Audit Scotland, as outlined in p.36. The post titles of members of the ELT can be found in Table 9 on p.20.

Table 12: Remuneration and Pension Entitlement of the Executive Leadership Team (Information Subject to Audit)

	Year Ended 31 July 2024				Year Ended 31 July 2023			
	Salary £000	Pension £000	Benefits in Kind £000	Total £000	Salary £000	Pension £000	Benefits in Kind £000	Total £000
C. Carney	105-110	32	-	140-145	95-100	39	-	130-135
A. Dickson	95-100	23	-	115-120	-	-	-	-
R. Gardner	105-110	17	-	125-130	95-100	59	-	155-160
J. Gribben	100-105	5	-	105-110	85-90	131	-	215-220
P. Little	170-175	24	1.5	195-200	165-170	(39)	1.3	125-130
S. Lodge	115-120	25	-	140-145	105-110	15	-	120-125

Andrew Dickson joined the College on 11 September 2023 – his full year equivalent salary was in the £105,000 - £110,000 banding.

The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights.

The Principal received a salary of £174,674 (2022-23 £166,282) and benefits in kind of £1,456 (2022-23 £1,267) during the year 2023-24 for private health insurance.

The College is required to disclose the relationships between the remuneration of the highest-paid official and the remuneration of our workforce. Total remuneration includes salary, non-consolidated performance-related pay and benefits in kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

While there was a pre-existing requirement around disclosures of median pay ratios, the Government Financial Reporting Manual issued in 2021-22 introduced new requirements around disclosures of 25th and 75th percentile pay ratios, their comparison to the remuneration of the College's highest paid official, percentage changes from the previous year and explanations of any changes.

The banded remuneration of the highest paid official in the College in the financial year 2023-24 was £170,000 to £175,000 (2022-23 £165,000 - £170,000). This was 4.0 times (2022-23 3.8 times) the median remuneration of the workforce which was £43,357 (2022-23 £43,357). These figures have been audited by Audit Scotland. The below also provides the comparators for 25th and 75th percentile:

Table 13: Median & Quartile Remuneration (Information Subject to Audit)

	2023-24	2022-23	Change (%)
Range of workforce remuneration	154,058	147,303	4.6
Highest-paid official remuneration	170-175	165-170	3.0
Median (total pay and benefits)	43,357	43,357	-
Median (salary only)	43,357	43,357	-
Ratio	4.0 : 1	3.8 : 1	5.3
25 th percentile (total pay and benefits)	31,208	29,332	6.4
25 th percentile (salary only)	31,208	29,332	6.4
Ratio	5.6 : 1	5.7 : 1	-1.8
75 th percentile (total pay and benefits)	43,357	43,357	-
75 th percentile (salary only)	43,357	43,357	-
Ratio	4.0 : 1	3.8 : 1	5.3
Average salary	39,017	37,623	3.7

The table above shows the average percentage change from the previous financial year in respect of the College's employees taken as a whole. The median pay ratio for the year 2023-24 is consistent with pay, reward and progression policies for the College's employees taken as a whole.

Accrued Pension Benefits

Pension benefits for employees are provided through the Scottish Teacher's Superannuation Scheme (STSS) a defined benefit scheme, which is notionally funded and contracted out of the State Earnings Related Pension Scheme and the Local Government Pension Scheme (LGPS).

Both STSS and LGPS are final salary pension schemes. This means that pension benefits are based on the final year's pay and the number of years that the person has been a member of the scheme. The scheme's normal retirement age is 65. Contribution rates are set annually

for all employees and can be found in Note 24. There is no automatic entitlement to a lump sum. Members may opt to give up (commute) pension for a lump sum up to the limit set by the Finance Act 2004. The accrual rate guarantees a pension based on the final pensionable salary and years of pensionable service.

Senior Officials Pension

Pension benefits are provided to senior officials on the same basis as all other staff. The accrued pension benefits for senior officials are set out in the table below, together with the pension contributions made by the College. As with other information in the Annual Report & Accounts, the figures shown in Table 14 and Table 15 have been audited by Audit Scotland.

Table 14: ELT Accrued Pension Benefits 2023-24 (Information Subject to Audit)

	Accrued pension at pension age at 31 July 2024	Accrued lump sum at pension age at 31 July 2024	Real increase in pension 1 August 2022 to 31 July 2024	Real increase in lump sum to 31 July 2024
	£000	£000	£000	£000
C. Carney	10-15	0-5	0-2.5	0-2.5
A. Dickson	0-5	0-5	0-2.5	0-2.5
R. Gardner	30-35	15-20	0-2.5	-0-2.5
J. Gribben	40-45	50-55	0-2.5	-0-2.5
P. Little	45-50	0-5	0-2.5	0-2.5
S. Lodge	5-10	0-5	0-2.5	0-2.5

The accrued pension figure for Shelia Lodge now only includes the CARE (Career Average Revalued Earnings) element as she has reached retirement age.

Table 15: ELT Cash Equivalent Transfer Value (CETV) and Real Increase 2023-24 (Information Subject to Audit)

	CETV at 31 July 2024	CETV at 31 July 2023	Real Increase in CETV
	£000	£000	£000
C. Carney	155	100	55
A. Dickson	31	-	31
R. Gardner	563	436	127
J. Gribben	724	576	148
P. Little	917	866	51
S. Lodge	92	57	35

The CETV value for Shelia Lodge has been updated from last year as she is over retirement age.

Cash Equivalent Transfer Value (CETV)

A cash equivalent transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The value of the accrued benefits has been calculated on the basis of the age at which the person will first become entitled to receive a pension on retirement without reduction on account of its payment at that age; without exercising any option to commute pension entitlement into a lump sum; and without any adjustment for the effects of future inflation.

The pension figures shown relate to the benefits that the person has accrued as a consequence of their total Local Government or STSS service and not just their current appointment. In considering the accrued pension benefits figures the following contextual information should be taken into account:

- The figures for pension and lump sum are illustrative only in light of the assumptions set out above and do not necessarily reflect the actual benefits that any individual may receive upon retirement.

Real Increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Staff & Related Costs

During the year to 31 July 2024, the College employed 1,269 people – comprising of 688 (54%) females and 581 (46%) males as at 31 July 2024. At this date, the ELT was comprised of 2 females and 4 males. In the year ended 31 July 2024, staff turnover was 15.2% and during the course of the year sickness absence was 4.2%.

Table 16: Staff Costs for Permanent and Temporary Contracts (Information Subject to Audit)

	31 July 2024	31 July 2023
	£000	£000
Employment costs for staff on permanent contracts	51,340	57,159
Employment costs for staff on short-term and temporary contracts	2,041	3,981
Total Staff Costs	53,381	61,140

Table 17: Number of Staff on Permanent and Temporary Contracts (Information Subject to Audit)

	31 July 2024	31 July 2023
Employee numbers for staff on permanent contracts	921	1,040
Employee numbers for staff on short-term and temporary contracts	42	87
Total Staff FTE	963	1,127

Table 18: Staff and Related Costs 2022-23 and 2023-24 (Information Subject to Audit)

	Directly employed staff on permanent UK contracts	Other staff including short-term contract and seconded and agency staff	2023-24 Total	2022-23 Total
	£000	£000	£000	£000
Wages and salaries	38,553	1,612	40,145	44,641
Social security costs	3,918	160	4,078	4,459
Other pension costs	6,936	269	7,205	8,832
Total	49,387	2,041	51,428	57,932
Average number of FTE	921	42	963	1,127

Compensation for Loss of Office

During academic year 2023-24 there were 63 employees who left under voluntary exit terms (2022-23: 88) and 10 employees who left under compulsory redundancy terms (2022-23: none).

Table 19: Exit Packages by Cost Band 2023-24 (Information Subject to Audit)

Exit package cost band	No. of compulsory redundancies	No. of other departures agreed (including voluntary redundancies)	Total number of exit packages by cost band
£0 - £10,000	3	15	18
£10,000 - £25,000	3	30	33
£25,000 - £50,000	3	16	19
£50,000 - £100,000	1	2	3
£100,000 - £150,000	-	-	-
Total number of exit packages	10	63	73
Total cost	£251,513	£1,317,660	£1,569,173

Consultancies

The College approved consultancy expenditure of £115,000 in 2023-24. Consultancy expenditure in 2022-23 was £187,000.

Trade Union Facility Time

As at 31 July 2024, the College provided 36 hours per week local facility time to representatives of the Educational Institute of Scotland Further Education Lecturers Association (EIS-FELA). Whilst there is no set provision for local facility time for Unison representatives, who represent support staff, any reasonable time requested via line manager is granted.

In addition to local facility time the College has also supported staff, from both unions, to take part in national activities. As at 31 July 2024, the College provided 35 hours per week of national facility time.

Table 20: Trade Union Officials 2023-24

Number of employees who were relevant union officials during the relevant period:	Full-time equivalent employee number:
21	2.7

Table 21: Trade Union Facility Time 2023-24

Percentage of time spent on facility time	Number of employees
0%	-
1-50%	20
51-99%	1
100%	-

Table 22: Cost of Trade Union Facility Time 2023-24

Total cost of facility time	Total pay bill	Percentage of the total pay bill spent on facility time	Time spent on trade union activities as a percentage of total paid facility time hours
£172,946	£53,381,000	0.3%	0.3%

Fair Work

The College is wholly committed to Fair Work and strives to be a workplace that offers our staff an effective voice, opportunity, security, fulfilment and respect. Our current Fair Work practices are outlined in a report published in December 2023 and is available [here](#). The College will continue to work with our staff and trade unions to progress Fair Work practices.

Staff Wellbeing and Engagement Survey

In the latter half of 2023-24, the College partnered once again with Robertson Cooper, the wellbeing specialists, to undertake a new staff wellbeing and engagement survey. Upon completing the survey, staff have been provided with an individual wellbeing snapshot report which includes advice and techniques to improve their wellbeing. In early 2024-25, managers with at least five members of staff will receive a report highlighting key strengths, opportunities and actionable insights for that group. Teams will be supported with planning tools and guidance to facilitate discussion of the results and develop action plans to make improvements in their areas.

Equality, Diversity and Inclusion

The College's Equality, Diversity & Inclusion Policy articulates our mainstreaming vision:

"To nurture an environment in which the equality, diversity and inclusion of students, staff and visitors from all backgrounds are routinely anticipated, expertly accommodated and positively celebrated."

The College is dedicated to a diverse workforce that reflects the communities we serve. We'll hire, develop, and promote based solely on merit, aiming for fairness, equal opportunities, and respect for all. We're committed to fostering an inclusive culture that values people from all backgrounds and their contributions.

In short, the College strives to never discriminate based on protected characteristics. Our policies, procedures, practices, and benefits are designed to be inclusive for all. We'll assess all policies, procedures, and decisions for their impact on equalities.

In April 2023, the College submitted the following statutory reports required to comply with the Public Sector Equality Duty under the Equality Act 2010:

- Equality Mainstreaming Report
- College Equality Outcomes
- Equality Outcomes Progress Report
- Equality Pay Statement and Information

Please visit our [website](#) for more information about EDI at the College.

Approved by order of the Board of Management on 11 December 2024 and signed on its behalf by:

Dave Anderson, Chair of the Board of Management

Paul Little CBE, Principal and Chief Executive

4. Independent Auditor's Report to the Board of Management of City of Glasgow College, the Auditor General for Scotland and the Scottish Parliament

Reporting on the Audit of the Financial Statements

Opinion on Financial Statements

I have audited the financial statements in the annual report and accounts of City of Glasgow College for the year ended 31 July 2024 under the Further and Higher Education (Scotland) Act 1992 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. The financial statements comprise the Statement of Comprehensive Income, Statement of Changes in Reserves, Balance Sheet, and Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion the accompanying financial statements:

- give a true and fair view of the state of the college's affairs as at 31 July 2024 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Further and Higher Education (Scotland) Act 1992 and directions made thereunder by the Scottish Funding Council, the Charities and Trustee Investment (Scotland) Act 2005, and regulation 14 of The Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for Opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the [Code of Audit Practice](#) approved by the Auditor General for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I was appointed by the Auditor General on 5 June 2023. My period of appointment is five years, covering 2022/23 to 2026/27. I am independent of the college in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the college. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions Relating to Going Concern Basis of Accounting

I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the

college's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

These conclusions are not intended to, nor do they, provide assurance on the college's current or future financial sustainability. However, I report on the college's arrangements for financial sustainability in a separate Annual Audit Report available from the [Audit Scotland website](#).

Risks of Material Misstatement

I report in my separate Annual Audit Report, the most significant assessed risks of material misstatement that I identified and my judgements thereon.

Responsibilities of the Board of Management for the Financial Statements

As explained more fully in the Statement of the Board of Management's Responsibilities, the Board of Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Board of Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Management is responsible for assessing the college's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is an intention to discontinue the college's operations.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- using my understanding of the college sector to identify that the Further and Higher Education (Scotland) Act 1992 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 are significant in the context of the college;
- inquiring of the College Principal & Chief Executive as to other laws or regulations that may be expected to have a fundamental effect on the operations of the college;
- inquiring of the College Principal & Chief Executive concerning the college's policies and procedures regarding compliance with the applicable legal and regulatory framework;
- discussion among my team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and

- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the college's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Reporting on Regularity of Expenditure and Income

Opinion on Regularity

In my opinion in all material respects the expenditure and income in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers.

Responsibilities for Regularity

The Board of Management is responsible for ensuring the regularity of expenditure and income. In addition to my responsibilities in respect of irregularities explained in the audit of the financial statements section of my report, I am responsible for expressing an opinion on the regularity of expenditure and income in accordance with the Public Finance and Accountability (Scotland) Act 2000.

Reporting on other requirements

Opinion Prescribed by the Auditor General for Scotland on the Audited Parts of the Remuneration and Staff Report

I have audited the parts of the Remuneration and Staff Report described as audited. In my opinion, the audited parts of the Remuneration and Staff Report have been properly prepared in accordance with the Further and Higher Education (Scotland) Act 1992 and directions made thereunder by the Scottish Funding Council.

Other Information

The Board of Management is responsible for the other information in the annual report and accounts. The other information comprises the Performance Report and the Accountability Report excluding the audited parts of the Remuneration and Staff Report.

My responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If I

identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on the Performance Report and Governance Statement to the extent explicitly stated in the following opinions prescribed by the Auditor General for Scotland.

Opinions Prescribed by the Auditor General for Scotland on the Performance Report and Governance Statement

In my opinion, based on the work undertaken in the course of the audit:

- the information given in the Performance Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Further and Higher Education (Scotland) Act 1992 and directions made thereunder by the Scottish Funding Council; and
- the information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Further and Higher Education (Scotland) Act 1992 and directions made thereunder by the Scottish Funding Council.

Matters on Which I am Required to Report by Exception

I am required by the Auditor General for Scotland to report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited parts of the Remuneration and Staff Report are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit.

I have nothing to report in respect of these matters.

Conclusions on Wider Scope Responsibilities

In addition to my responsibilities for the annual report and accounts, my conclusions on the wider scope responsibilities specified in the Code of Audit Practice are set out in my Annual Audit Report.

Use of My Report

This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and for no other purpose. In accordance with paragraph 108 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Mark Laird
Senior Audit Manager
Audit Scotland
4th Floor, South Suite
The Athenaeum Building
8 Nelson Mandela Place
Glasgow
G2 1BT

Mark Laird is eligible to act as an auditor in terms of section 21 of the Public Finance and Accountability (Scotland) Act 2000.

5 Financial Statements

CITY OF GLASGOW COLLEGE

Statement of Comprehensive Income

For the 12 Months ended 31 July 2024

		12 months ended: 31 July 2024	Restated 31 July 2023
	Notes	£000	£000
Income			
Scottish Funding Council (SFC) grants	5	67,829	66,236
Tuition fees & education contracts	6	18,086	18,375
Other income	7	6,117	5,752
Investment income	8	169	726
Total income before endowments and donations		92,201	91,089
Endowments and donations	9	170	1,270
Total Income		92,371	92,359
Expenditure			
Staff costs	10	51,812	58,985
Exceptional Staff costs	10	1,569	2,155
Other operating expenses	12	21,497	20,119
Depreciation	15,16	6,741	6,506
Interest and other finance costs	14	11,579	12,103
Total expenditure		93,198	99,868
(Deficit) before other gains and losses		(827)	(7,509)
Taxation		-	-
(Deficit) for the year*		(827)	(7,509)

The Statement of Comprehensive Income is in respect of continuing activities.

The Statement of Comprehensive Income is prepared under the FE/HE SORP. The SORP does not permit Colleges to reflect the non-cash budget for depreciation in the statement of Comprehensive Income. Note 31 provides details of the adjusted operating position on a central government accounting basis.

* The deficit for the year of £827,000 includes an amount provided for in relation to job evaluation of £907,000. Further explanation can be found in Note 31 of these accounts. The College recorded an adjusted operating surplus of £130,000 as shown in Table 8 on p.18.

CITY OF GLASGOW COLLEGE**Statement of Comprehensive Income****For the 12 Months ended 31 July 2024****12 months ended:
31 July 2024****Restated
31 July 2023**

	Notes	£000	£000
(Deficit) for the year		(827)	(7,509)
Actuarial (Losses)/Gains in respect of pension scheme	24	(3,329)	16,108
Remeasurement of net pension asset	23	-	(29,580)
Total Comprehensive Income for the year		(4,156)	(20,981)

CITY OF GLASGOW COLLEGE**STATEMENT OF CHANGES IN RESERVES****Restated****For the 12 Months ended 31 July 2024****12 months ended:
31 July 2024****12 months ended:
31 July 2023**

	Notes	£000	£000
Income and Expenditure Reserve			
Opening Balance as at 1 August		9,672	28,639
Total Comprehensive Income for the year		(4,156)	(20,981)
Transfer from the Revaluation Reserve	23	2,198	2,014
Closing balance at year end		7,714	9,672
Restricted Reserve		372	398
Revaluation Reserve			
Opening Balance as at 1 August		96,040	90,301
Transfer between revaluation and income and expenditure reserve		(2,198)	(2,014)
Revaluation	16	7,329	7,753
Closing balance at year end		101,171	96,040
Total Reserves		109,257	106,110

CITY OF GLASGOW COLLEGE

Balance Sheet

As at 31 JULY 2024

		<i>As At</i> 31 July 2024	<i>Restated</i> <i>As At</i> 31 July 2023
	<i>Notes</i>	<i>£000</i>	<i>£000</i>
Fixed assets			
Intangible assets	15	354	133
Tangible assets	16	242,370	241,274
Investments	17	4	4
Total Fixed assets		242,728	241,411
Current assets			
Stock		173	227
Debtors	18	3,103	4,519
Cash at bank and in hand	25	12,363	10,559
Total Current assets		15,639	15,305
Creditors - amounts falling due within one year	19	(22,840)	(22,265)
Net current liabilities		(7,201)	(6,960)
Total assets less current liabilities		235,527	234,451
Creditors - amounts falling due after one year	20	(6,997)	(7,185)
Provisions	21	(5,623)	(4,716)
Finance Liability	16	(111,206)	(117,283)
Net assets before pension asset		111,701	105,267
Funded Pension Asset	24	-	3,352
Unfunded Pension provision	21	(2,444)	(2,509)
Net assets after pension asset		109,257	106,110
Income and Expenditure Reserve	23	7,714	9,672
Restricted reserves	23	372	398
Revaluation reserve	23	101,171	96,040
Total Reserves		109,257	106,110

The financial statements on pages 41 to 75 were authorised for issue by the Board of Management on 11th December 2024 and signed on its behalf by:

Dave Anderson
Chairman

Paul Little
Principal & Chief Executive

CITY OF GLASGOW COLLEGE

Statement of Cash Flows

For the Year Ended 31 July 2024

12 months ended

31 July 2024

Restated

As At

31 July 2023

Notes

£000

£000

Cash inflow from operating activities

(Deficit) for the year

(827)

(7,509)

Adjusting for Non cash items

Depreciation

15,16

6,741

6,500

Disposals

71

-

Decrease/(Increase) in stock

54

(185)

Decrease in debtors

18

6,138

4,172

(Decrease) in creditors

19

(4,294)

(640)

Increase/(Decrease) in provisions

21

842

(473)

(Decrease) in Restricted Reserve

23

(26)

-

Net return on pension liability

24

23

700

Adjusting for Investing or Financing

Capital Grants Income

(1,015)

(904)

Interest payable

14

11,579

12,103

Net cash inflow from operating activities

19,286

13,764

Cash flows from investing activities

Cash payments made to acquire fixed assets

16

(799)

(573)

Capital grants received

787

600

Cash flows from financing activities

Interest element of finance lease and services concession payments

(11,579)

(12,103)

Capital element of finance lease and services concession payments

16

(5,891)

(6,116)

Net cash (Outflow) from investments & financing activities

(17,482)

(18,192)

Increase/(Decrease) in cash and cash equivalents for the year

1,804

(4,428)

Cash and cash equivalents at start of year

25

10,559

14,987

Cash and cash equivalents at end of year

25

12,363

10,559

CITY OF GLASGOW COLLEGE

Notes to the Financial Statements

For the 12 Months ended 31 July 2024

1 GENERAL INFORMATION

City of Glasgow College is a registered charity (SC036198), incorporated in the United Kingdom. The principal place of business is 190 Cathedral Street Glasgow.

These financial statements are presented in pounds sterling (GBP) as that is the currency in which the College's transactions are denominated.

2 STATEMENT OF COMPLIANCE

The financial statements are prepared in accordance with Financial Reporting Standard 102 'the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' issued by the Financial Reporting Council and the Companies Act 2006.

City of Glasgow College meets the definition of a public benefit entity under FRS 102.

3 STATEMENT OF ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of preparation

These financial statements have been prepared in accordance with the Further and Higher Education (Scotland) Act 1992 and the Accounts Direction issued thereunder by the Scottish Funding Council which requires compliance with the Statement Of Recommended Practice: Accounting for Further and Higher Education (2019). They conform to guidance published by the Scottish Funding Council.

3 STATEMENT OF ACCOUNTING POLICIES

Basis of Accounting

The financial statements are prepared in accordance with the historical cost convention modified by the revaluation of certain fixed assets.

Going Concern

Although the current economic and funding environment has had a significant impact on the College's finances the Board of Management is satisfied that it has adequate resources to continue in operation for the foreseeable future, for this reason the going concern basis continues to be adopted in the preparation of the financial statements.

Recognition of Income

Income from tuition fees and from short-term deposits are credited to the Statement of Comprehensive Income in the period in which they are earned. Income from specific endowments and donations is included to the extent of the relevant expenditure incurred during the period, together with any related contributions towards overhead costs.

Income from contracts and other services rendered is included to the extent of completion of the contract or service concerned. This is generally equivalent to the sum of the relevant expenditure incurred during the period and any related contributions towards overhead costs.

Grant Funding

Government revenue grants including the Scottish Funding Council (SFC) block grant are recognised in income over the periods in which the College recognises the related costs for which the grant is intended to compensate. Where part of a government grant is deferred it is recognised as deferred income within creditors and allocated between creditors due within one year and more than one year as appropriate.

Grants from non government sources are recognised in income when the College is entitled to the income and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the balance sheet and released to income as the conditions are met.

CITY OF GLASGOW COLLEGE

Notes to the Financial Statements

For the 12 Months ended 31 July 2024

Maintenance of Premises

The cost of planned and routine corrective maintenance of the College estate is charged to the Statement of Comprehensive Income as incurred.

Tangible Fixed Assets

a. Land and buildings

The College's land & buildings are valued on the most appropriate basis depending on their planned future use. The basis of valuation was Depreciated Replacement Cost for the City and Riverside buildings as these sites are not planned to be sold. The Charles Oakley building has been valued on an operational use basis. Where the College has undertaken specific capital improvement works on its buildings exceeding £10,000, these have been added to Land and depreciated over a useful economic life equivalent to the remaining life of the whole building. These works are included within the periodic valuations obtained by the College.

Finance costs which are directly attributable to the construction of land and buildings are not capitalised as part of the cost of those assets.

Freehold land is not depreciated. Freehold buildings are depreciated over their expected useful economic life to the College of between 20 and 84 years, as identified by the valuer, except where the valuer has identified that they should be depreciated over a useful economic life equivalent to the remaining life of the whole building. Building improvements are depreciated over a useful economic life equivalent to the remaining life of the whole building.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable. In the event an impairment adjustment is required the College would recalculate the useful economic life of the asset, charge accelerated depreciation and deferred grant to the Statement of Comprehensive Income.

Where land and buildings are acquired with the aid of specific grants they are capitalised and depreciated as above.

Where land and buildings are funded by government grants, the grants are recognised as income over the period in which the College recognises the related costs for which the grant is intended to compensate. Where part of a government grant is deferred it is recognised as deferred income with creditors and allocated between creditors due within one year and due after more than one year as appropriate.

CITY OF GLASGOW COLLEGE

Notes to the Financial Statements

For the 12 Months ended 31 July 2024

a. Land and buildings

Where land and buildings are funded by grants from non government sources, the grants are recognised in income when the College is entitled to the income and performance related conditions have been met. Income received in advance of performance conditions being met is recognised as deferred income with creditors on the balance sheet and released to income when performance conditions have been met.

b. Equipment

Equipment costing less than £10,000 is written off to the Statement of Comprehensive Income in the period of acquisition. All other equipment is capitalised at cost. Capitalised equipment is depreciated over its useful economic life of four or eight years; except for specialised Engineering and Nautical equipment which is depreciated over twenty years.

Where equipment is acquired with the aid of specific grants it is capitalised and depreciated in accordance with the above policy.

Where equipment is funded by government grants, the grants are recognised as income over the period in which the College recognises the related costs for which the grant is intended to compensate. Where part of a government grant is deferred it is recognised as deferred income within creditors and allocated between creditors due within one year and due after more than one year as appropriate.

Where equipment is funded by grants from non government sources, the grants are recognised in income when the College is entitled to the income and performance related conditions have been met. Income received in advance of performance conditions being met is recognised as deferred income with creditors on the balance sheet and released to income when performance conditions have been met.

Intangible Fixed Assets

When expenditure meets the recognition criteria for capitalisation as set out in FRS 102 18.4 and 18.8H, the asset will be amortised on a straight line basis over its useful economic life.

Finance Leases

Assets which are held under finance leases which have the characteristics of finance leases are depreciated over their useful lives.

Operating Leases

Costs in respect of operating leases are charged on a straight-line basis over the lease term. Any lease premiums or incentives are spread over the minimum lease term.

Investments

Fixed asset investments that are not listed on a recognised stock exchange are carried at historical cost less any provision for impairment in their value.

Current asset investments are included at the lower of their cost and net realisable value.

CITY OF GLASGOW COLLEGE

Notes to the Financial Statements

For the 12 Months ended 31 July 2024

Stocks

Stocks are stated at the lower of their cost and net realisable value. Where necessary, provision is made for obsolete, slow moving and defective stocks.

Taxation

The College is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the College is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The College is partially exempt in respect of Value Added Tax (VAT), so that it can only recover a minor element of VAT charged on its inputs. Irrecoverable VAT on inputs is included in the costs of such inputs and added to the cost of tangible fixed assets as appropriate, where the inputs themselves are tangible fixed assets by nature.

Provisions

Provisions are recognised when the College has a present legal or constructive obligation as a result of a past event, it is probable that a transfer of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Agency arrangements

The College acts as an agent in the collection and payment of certain Student Support Funds. These funds are excluded from the Statement of Comprehensive Income, and movements have been disclosed in the notes to the accounts. Where the College has more discretion in the manner in which specific funds are disbursed, and those funds do not meet the definition of agency funds, the income and expenditure relating to those funds are shown in the College Income and Expenditure Account.

Pension Schemes

The College participates in two multi-employer defined benefit pension schemes. Teaching staff may join the Scottish Teachers' Superannuation Scheme (STSS), which is administered by the Scottish Public Pensions Agency. The College is unable to identify its share of the underlying assets and liabilities of the STSS on a consistent and reasonable basis and therefore, as required by FRS 102, accounts for its participation in the STSS as if it were a defined contribution scheme. As a result, contributions are charged to the Statement of Comprehensive Income as they arise. This is expected to result in the pension cost being a similar percentage of current and future pensionable payroll. The contributions are determined by qualified actuaries on the basis of periodic valuations using the projected unit basis.

Administrative and support staff may join the Strathclyde Pension Fund, which is administered by Glasgow City Council and which requires contributions to be made to its number 1 fund ("The Fund"). The Fund is a defined benefit pension scheme, providing benefits based on career average revalued earnings, which is contracted out of the State Earnings-Related Pension Fund. Assets and liabilities of the Fund are held separately from those of the College. Fund assets are measured using market values. For quoted securities the current bid price is taken as market value. Fund liabilities are measured using a projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability.

CITY OF GLASGOW COLLEGE

Notes to the Financial Statements

For the 12 Months ended 31 July 2024

Pension Schemes

Contributions to the Strathclyde Pension Fund are calculated so as to spread the cost of pensions over employees' working lives with the College. The contributions are determined by an actuary on the basis of triennial valuations using the Age Attained Method. The actuaries also review the progress of the scheme in each of the intervening years. Variations from regular cost are spread over the expected average remaining working lifetime of members of the Fund, after making allowances for future withdrawals. The expected cost of providing staff pensions to employees contributing to the Fund is recognised in the income and expenditure account on a systematic basis over the expected average remaining lives of members of the funds in accordance with FRS102 and recognises retirement benefits as the benefits are earned and not when they are due to be paid.

Full provision is made in these financial statements for future pension contributions in respect of employees who have been permitted to take early retirement without any reduction in their pension entitlements.

Employee Benefits

Short term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employee render service to the College. Any unused benefits are accrued and measured as the additional amount the College expects to pay as a result of the unused entitlement.

Employee termination benefits must be in accordance with the Glasgow Colleges Regional Board policy. Costs are recognised as an expense when the liability is contractually incurred.

Liquid resources

Liquid resources included sums on short term deposits with recognised banks.

Financial Instruments

The College does not hold any complex financial instruments. The only financial instruments included in the financial statements are financial assets in the form of cash and cash equivalents as well as trade payables and other current assets and financial liabilities in the form of trade receivables and other current liabilities.

All material amounts of trade receivables and other current assets due at 31 July 2024 have been brought into the Statement of Comprehensive Income irrespective of when actual payments were received.

All material amounts of trade payables and other current liabilities outstanding at 31 July 2024 have been brought into the Statement of Comprehensive Income irrespective of when actual payments were made.

4 CRITICAL JUDGEMENTS AND ESTIMATES

In preparing the financial statements, the Board of Management make estimates and assumptions which affect reported results, financial position and disclosure of contingencies. Use of available information and application of judgement are inherent in the formation of the estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future may differ from such estimates.

Revaluation of Land and Buildings - Estimate

The College carries its land and buildings at fair value, with changes in fair value being recognised in profit and loss. The College engaged independent valuation specialists to determine fair value at 31 July 2022 for the City, Riverside and Charles Oakley campus. The valuer used a valuation technique based on a depreciated replacement cost for the City and Riverside campus and operational use for the Charles Oakley campus. The key assumptions used to determine the fair value and useful life of land and buildings are further explained in note 16. The College undertakes a full valuation of land and buildings every 5 years with interim desktop valuations/indexation in intervening years.

The current carrying value combined is £237.8m. The College land has been valued on an existing use basis. For each 1% variance in the indexation rate the net book value (actual rate used 3.75%) of Land & buildings would change by £2.4m.

Pension and other employment costs - Estimate

The present value of the defined benefit pension and other post-employment benefit obligations depends on a number of assumptions. The assumptions used in determining net cost (income) for pension and other post employment benefits include the discount rate. Any changes in these assumptions will have an effect on the carrying amount of pension and other post employment benefits.

After taking appropriate professional advice, the Board of Management determines the appropriate discount rate at the end of each reporting period. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations.

In determining the appropriate discount rate, consideration is given to the interest rates of high quality corporate bonds that are denominated in the currency in which the benefits are to be paid and that have terms to maturity approximating the terms of related pension liability. Market derived CPI inflation has fallen over the period, which has led to a 0.25% reduction in this assumption. This has served to reduce the Employer's obligations and led to a gain of around £3.2m on the balance sheet.

Future salary and pension rate increases are based on professional advice from the actuary. An inflation assumption based on market conditions at the time of the actuary's pension scheme valuation informs future pension and salary increase assumptions.

Where the SPF pension calculation results in a net asset, recognition of the asset is limited to the extent to which the College is able to recover the surplus either through reduced contributions in the future or through refunds from the scheme per IFRIC 14 requirements. The College assessed the recoverability of the asset on this basis and determined that it was appropriate that the plan surplus was reduced in line with the asset ceiling calculation.

Other key assumptions relevant to the defined benefit pension and other post employment benefit obligations are based on current market conditions. Additional disclosures concerning these obligations are given in note 24.

CITY OF GLASGOW COLLEGE**Notes to the Financial Statements**

For the 12 Months ended 31 July 2024	12 months ended:	Restated
	31 July 2024	31 July 2023
	£000	£000
5 SFC GRANTS		
Recurrent grant (includes fee waiver grant)	43,661	44,460
Specific grants:		
YPG/NTTF	717	1,281
Childcare Funds	555	619
ESF	-	(16)
New Campus Glasgow	20,874	20,758
Flexible Workforce Development Fund	626	1,362
Other	381	(3,132)
Release of deferred capital grants:	-	-
Buildings	117	115
Equipment	898	789
Total SFC Grant Income	67,829	66,236
6 TUITION FEES AND EDUCATION CONTRACTS		
Higher Education - Home and EU	7,541	8,002
Further Education - Home and EU	1,135	920
Commercial income generating activities	4,609	5,132
Non EU students	2,323	1,955
Total Tuition Fee Income	15,608	16,009
Education contracts	2,478	2,366
Total Tuition Fee and Education Contracts Income	18,086	18,375
7 OTHER INCOME		
Residences & Catering	3,750	3,938
Other Income	2,367	1,016
Grants for Student trips	-	798
Total Other Income	6,117	5,752
8 INVESTMENT INCOME		
Investment Income	-	-
Net return on pension asset	169	726
Total Investment Income	169	726
9 DONATIONS AND ENDOWMENTS		
College Foundation	170	1,270
Total Donations and Endowments	170	1,270

CITY OF GLASGOW COLLEGE**Notes to the Financial Statements****For the 12 Months ended 31 July 2024****12 months ended:****31 July 2024****£000****Restated****31 July 2023****£000****10 STAFF COSTS****Recurring Staff Costs:**

Wages and Salaries	40,145	44,497
Social Security Costs	4,078	4,459
Other Pension Costs	7,205	8,832
Pension fund adjustment (Note 24)	192	1,426
Pension Provision (Note 21)	192	(229)

Total Recurring Staff Costs**51,812****58,985****Exceptional Staff Costs:**

Severance	1,569	2,155
-----------	-------	-------

Total Staff Costs**53,381****61,140**

All severance costs would be approved by the Executive Leadership Team; there were 73 during this reporting period.

Split of staff costs by Function as follows:

Academic Teaching departments	34,820	42,075
Academic Teaching services	4,317	4,112
Administration and central services	9,751	10,293
Premises	1,295	1,420
Other expenditure	1,863	1,953
Catering & Residencies	1,335	1,287

Total Staff Costs**53,381****61,140****Staff Numbers:**

The average number of persons (including senior post holders) employed by the College during the period, as expressed as a full-time equivalent, was:

	FTE	FTE
Academic Teaching departments	611	739
Academic Teaching services	84	86
Administration and central services	159	177
Premises	32	38
Other	40	49
Residencies & Catering	37	38

Total Staff FTE**963****1,127**

CITY OF GLASGOW COLLEGE

Notes to the Financial Statements

For the 12 Months ended 31 July 2024

12 months ended:

31 July 2024

£000

Restated

31 July 2023

£000

10 STAFF COSTS (cont.)

Employment costs for staff:

on permanent contracts	51,340	57,159
on short term and temporary contracts	2,041	3,981

Total Staff Costs

53,381 61,140

Employee numbers for staff:

on permanent contracts	FTE 921	FTE 1,040
on short term and temporary contracts	42	87

Total Staff FTE

963 1,127

The Staff pay award from 1 September 2022 was £2,000 consolidated and from 1 September 2023 £1,500 consolidated

The number of higher paid staff, including the Principal, who received emoluments including benefits in kind and excluding pension contributions in the following range.

	No. Of Higher Paid Staff Inc Severance	No. Of Higher Paid Staff	No. Of Higher Paid Staff
£60,000 to £69,999	25	20	6
£70,000 to £79,999	6	5	9
£80,000 to £89,999	5	2	3
£90,000 to £99,999	5	3	2
£100,000 to £109,999	3	3	1
£110,000 to £119,999	1	1	-
£120,000 to £129,999	1	-	-
£160,000 to £169,999	-	-	1
£170,000 to £179,999	1	1	-

The number of senior management staff who received emoluments including benefits in kind and excluding pension contributions in the following range.

	No. Of Higher Paid Staff	No. Of Higher Paid Staff
£60,000 to £69,999	-	-
£70,000 to £79,999	-	1
£80,000 to £89,999	-	1
£90,000 to £99,999	1	2
£100,000 to £109,999	3	1
£110,000 to £119,999	1	-
£160,000 to £169,999	-	1
£170,000 to £179,999	1	-

CITY OF GLASGOW COLLEGE**Notes to the Financial Statements****For the 12 Months ended 31 July 2024****12 months ended:
31 July 2024****Restated
31 July 2023****11 SENIOR POST- HOLDERS' EMOLUMENTS**

	<i>Number</i>	<i>Number</i>
The number of senior post-holders including the Principal:	6	7
Senior post-holders' emoluments are made up are follows:	<i>£000</i>	<i>£000</i>
Salaries	707	643
Benefits in kind	1	1
Pension contributions	130	133
Total emoluments (senior post-holders)	838	777

The total compensation for loss of office paid to senior post holders, higher paid staff or employees where all the elements of the arrangement amount to more than £75,000 is £0 (2023: £0). The number of senior post holders, higher paid staff or employees that received compensation of more than £75,000 was 0 (2023: 0).

Emoluments of the Principal:	<i>£000</i>	<i>£000</i>
Salary	175	166
Bonus	-	-
Benefits in kind	1	1
Total emoluments (Principal)	176	167

Pension contributions	42	38
-----------------------	-----------	----

The members of the Board of Management other than the Principal and the staff members did not receive any payments from the institution other than travel and subsistence expenses incurred in the course of their duties.

CITY OF GLASGOW COLLEGE

Notes to the Financial Statements

For the 12 Months ended 31 July 2024

12 months ended:
31 July 2024

Restated
31 July
2023

12 ANALYSIS OF EXPENDITURE

	Staff Costs £000	Other Operating Expenses £000	Depr'n £000	Interest & Finance £000	£000	£000
Academic Teaching departments	34,820	2,446	1,195	-	38,461	45,626
services	4,317	1,215	-	-	5,532	5,549
Administration and central services	9,751	3,631	-	-	13,382	13,415
Premises	1,295	10,622	5,546	11,579	29,042	27,289
Other expenses	1,863	659	-	-	2,522	3,751
Residences & Catering	1,335	2,328	-	-	3,663	3,619
Childcare	-	596	-	-	596	619
Total	53,381	21,497	6,741	11,579	93,198	99,868

Other Operating Expenses include:

Auditor's Remuneration (including irrecoverable VAT)

	£000	£000
internal audit	33	36
external audit	73	52
other services - internal auditors	-	4
Agency staff costs	76	57

13 EXCEPTIONAL COSTS

There are exceptional staff costs this academic year of £1,569,000 (2023: £2,155,000).

CITY OF GLASGOW COLLEGE

Notes to the Financial Statements

<u>For the 12 Months ended 31 July 2024</u>		<i>12 months ended: 31 July 2024 £000</i>	<i>Restated 31 July 2023 £000</i>
14	INTEREST AND OTHER FINANCE COSTS		
	NPD contract	11,579	12,103
	Total Interest and Other Finance Costs	11,579	12,103
15	INTANGIBLE FIXED ASSETS		
	Cost or Valuation		
	At 1 August 2023	377	230
	Additions	305	147
	Disposals	(113)	-
	At 31 July 2024	569	377
	Amortisation		
	At 1 August 2023	244	230
	Charge for period	84	14
	Disposals	(113)	-
	At 31 July 2024	215	244
	Net book value at 31 July 2024	354	133
	Net book value at 1 August 2023	133	-
	Represented by:		
	Financed by capital grant	354	133
	At 31 July 2024	354	133

CITY OF GLASGOW COLLEGE**Notes to the Financial Statements****For the 12 Months ended 31 July 2024****16 TANGIBLE FIXED ASSETS**

	Land and Buildings £000	Equipment £000	Total £000
Cost or Valuation			
At 1 August 2023	241,376	32,308	273,684
Additions	-	494	494
Disposals	-	(877)	(877)
Revaluation	1,972	-	1,972
At 31 July 2024	243,348	31,925	275,273
Depreciation			
At 1 August 2023	5,358	27,052	32,410
Charge for period	5,546	1,111	6,657
Disposals	-	(806)	(806)
Write back on revaluation	(5,358)	-	(5,358)
At 31 July 2024	5,546	27,357	32,903
Net book value at 31 July 2024	237,802	4,568	242,370
Net book value at 1 August 2023	236,018	5,256	241,274
Represented by:			
Inherited	9,667	-	9,667
Financed by capital grant	4,791	2,776	7,567
Other	223,344	1,792	225,136
At 31 July 2024	237,802	4,568	242,370

The College's land and buildings were subject to an independent valuation performed by Avison Young, Chartered Surveyors at 31 July 2024. Following an update from Audit Scotland, the previous valuations, which were inclusive of Finance Costs, were deemed to be inappropriate. The impact of this change required the July 2022 valuation report to be recalculated excluding finance costs, which called for the amounts for the prior year 2022/23 to be restated. The amount of this impact was £17,768,000.

There was no other change to the basis of valuation identified as being the Depreciated Replacement Cost (as defined by the Statements of Asset Valuation Practice and Guidance notes issued by the Royal Institution of Chartered Surveyors) for the Riverside and City campus. For the Charles Oakley campus the valuation was prepared on the basis of operational use but recognising the significant investment which would be required to bring the building back into use. The College land has been valued on an existing use basis. For each 1% variance in the indexation rate the net book value (actual rate used 3.5%) of Land & buildings would change by £2,433,000.

CITY OF GLASGOW COLLEGE

Notes to the Financial Statements

<u>For the 12 Months ended 31 July 2024</u>		<i>12 months ended:</i> <i>31 July 2024</i> £000	<i>Restated</i> <i>31 July 2023</i> £000
16	TANGIBLE FIXED ASSETS (cont.)		
	Depreciation based on cost	4,459	4,056
	Depreciation based on valuation	2,198	2,436
Total depreciation charge for period		6,657	6,492

If inherited land and buildings had not been valued they would have been included at £NIL (2023: £NIL).

Land and buildings with a net book value of £9,667,000 have been funded from local authority sources. These assets may not be disposed of without the prior approval of the Scottish Funding Council (SFC) and the College would have to use the sale proceeds with the instructions of the SFC.

Included within land and buildings is £36,000 of leasehold land, the remainder is classed as freehold land and buildings.

New Campus

The College procured its new campus buildings (Riverside & City campus) using the Scottish Futures Trust's Non-Profit Distributing (NPD) model. The buildings were handed over to the College in August 2015 and August 2016 in time for the start of the academic sessions.

These NPD assets have been capitalised and are included as fixed assets under land and buildings. The buildings will be depreciated over their expected useful lives of 50 years on a straight line basis. As required by FRS102 the NPD assets are stated at fair value; they were valued by Avison Young, Chartered Surveyors using the UKGN2 Depreciated Replacement Cost method of valuation as at 31st July 2024.

The related debt is included in the balance sheet as a creditor and is repaid over a 25 year term. The College makes monthly unitary charge payments which include the capital element of the loan together with interest, facilities management and building lifecycle costs which are reported in the Statement of Comprehensive Income. The Scottish Funding Council provides the College with grants to fund the unitary charge payments with the exception of the facilities management costs and 50% of the building lifecycle costs.

Gain on sale of Asset

There was no asset sale this year (2023: £0).

CITY OF GLASGOW COLLEGE

Notes to the Financial Statements

For the 12 Months ended 31 July 2024	12 months ended: 31 July 2024 £000	Restated 31 July 2023 £000
---	---	---

16 TANGIBLE FIXED ASSETS (cont.)

The New campus was completed in August 2016, the element of the building and equipment held under a service concession arrangement at the balance sheet date is as follows :

Initial Cost	156,318	156,318
Cumulative Depreciation	(14,553)	(14,391)
Revaluation	82,994	80,521
Net Book Value as at 31 July 2024	224,759	222,448

The value of the liabilities resulting from the service concession arrangement at the balance sheet date is as follows:

Liability at the start of the year	123,174	129,290
Addition during year	-	-
Repayments in year	(5,891)	(6,116)
Net Book Value as at 31 July 2024	117,283	123,174

Amount repayable within year 1	6,077	5,891
Amount repayable in more than 1 year	111,206	117,283

Net Book Value as at 31 July 2024	117,283	123,174
--	----------------	----------------

The following table analyses the College's future payments in relation to the service concession arrangement:

Payable in:	1 year £000	2-5 years £000	more than 5 years £000	Total £000
Liability repayments	6,077	22,672	88,534	117,283
Finance charge	11,025	38,444	60,412	109,881
Service arrangements	4,791	26,456	114,725	145,972
	21,893	87,572	263,671	373,136

17 INVESTMENTS

INVESTMENTS	£000	£000
Government stock at cost	4	4

CITY OF GLASGOW COLLEGE**Notes to the Financial Statements**

For the 12 Months ended 31 July 2024	12 months ended: 31 July 2024 £000	Restated 31 July 2023 £000
---	---	---

18 DEBTORS		
Trade Debtors	1,531	2,736
Accrued income	846	1,049
Prepayments	726	734
Total Debtors	3,103	4,519

Trade Debtors are shown after the deduction of a bad debt provision.

19 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Trade creditors	1,925	2,841
Other taxation and social security	2,713	1,831
Deferred Income - Government Capital Grants	924	964
Accruals	5,545	4,214
Deferred Income	3,441	3,444
Finance liability	6,077	5,891
Amounts owed to Scottish Funding Council	2,215	3,080
Total Creditors (< 1 year)	22,840	22,265

20 CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

Deferred Income - Government Capital Grants	6,997	7,185
Total Creditors (> 1 year)	6,997	7,185

CITY OF GLASGOW COLLEGE**Notes to the Financial Statements****12 months ended:****Restated at****31 July 2024****31 July 2023****For the 12 Months ended 31 July 2024****£000****£000****21 PROVISION FOR LIABILITIES AND CHARGES**

The provision is for future pension liabilities arising from staff early retirements and the equalisation of pension contributions under the Strathclyde Pension Fund (SPF) and Scottish Teachers Superannuation Scheme (STSS) pension schemes.

The value of the provision has been calculated by Hymans Robertson.

Pension Provision

Balance at 1 August 2023	2,509	2,982
Expenditure in the period	(257)	(244)
Transferred from income and expenditure account	192	(229)
Balance at 31 July 2024	2,444	2,509

Job Evaluation Provision

Balance at 1 August 2023	4,716	3,809
Provided for in the period	907	907
Balance at 31 July 2024	5,623	4,716

22 OPERATING LEASES

Due within one year	991	957
Due within two to five years	4,281	3,978
Total	5,272	4,935

CITY OF GLASGOW COLLEGE**Notes to the Financial Statements**

	12 months ended: 31 July 2024	Restated 31 July 2023
For the 12 Months ended 31 July 2024	£000	£000
23 RESERVES		
General Reserves		
Opening balance at 1 August 2023	9,672	28,639
(Deficit) on continuing operations after depreciation of assets at valuation	(827)	(7,509)
Transfer from revaluation reserve	2,198	2,014
Actuarial gain in pension scheme	(3,329)	16,108
Remeasurement of net pension asset	-	(29,580)
General Reserves balance at 31 July 2024	7,714	9,672
Represented by:		
Income & Expenditure Account		
Balance at 1 August	6,320	11,115
(Deficit) on continuing operations after depreciation of assets at valuation	(827)	(7,509)
Transfer from pension account	23	700
Transfer from revaluation reserve	2,198	2,014
Income & Expenditure Account balance at 31 July 2024	7,714	6,320
Pension Account		
Balance at 1 August 2023	3,352	17,524
Current service cost	(2,515)	(4,225)
Curtailments	-	-
Employer contributions	2,323	2,799
Net return on (liabilities)/assets	169	726
Transfer (to) income & expenditure account	(23)	(700)
Actuarial (Loss)/ Gain	(3,329)	16,108
Remeasurement of net pension asset	-	(29,580)
Pension Account balance at 31 July 2024	-	3,352
Reconciliation		
Income & Expenditure Account	7,714	6,320
Pension Account	-	3,352
At 31 July 2024	7,714	9,672

CITY OF GLASGOW COLLEGE**Notes to the Financial Statements**

<u>For the 12 Months ended 31 July 2024</u>		<i>12 months ended:</i>	
		<i>31 July 2024</i>	<i>31 July 2023</i>
		<i>£000</i>	<i>£000</i>
23	RESERVES (cont.)		
Restricted Reserves			
Balance at 1 August 2023		398	398
Movement on restricted funds		(26)	-
Restricted Reserve balance at 31 July 2024		372	398
Revaluation Reserve			
Balance at 1 August 2023		96,040	90,301
Transfer to income & expenditure account		(2,198)	(2,014)
Revaluation in year		7,329	7,753
Revaluation Reserve balance at 31 July 2024		101,171	96,040

CITY OF GLASGOW COLLEGE

Notes to the Financial Statements

For the 12 Months ended 31 July 2024

12 months ended:

31 July 2024

£000

Restated

31 July 2023

£000

24 PENSION COMMITMENTS

The College's employees belong to one of the two principal pension schemes, the Scottish Teachers Superannuation Scheme (STSS) and the Strathclyde Pension Fund (SPF).

College Pension Costs

SPF	2,020	2,856
STSS	5,185	5,976
Unfunded Pensions	192	(229)
Pension Charge	192	1,426

Total Pension Costs

7,589

10,029

Scottish Teachers' Superannuation Scheme (STSS)

The STSS is a multi-employer pension scheme and the Scottish Public Pensions Agency have indicated that at the moment they are not able to identify the net share of underlying assets and liabilities for each employer on a "consistent and reasonable basis". Therefore in accordance with FRS 102, contributions to the scheme are accounted for as if it were a defined contribution scheme.

The Scottish Teachers' Superannuation Scheme is an unfunded defined benefit scheme. Contributions on a pay as you go basis are credited to the Exchequer under arrangements governed by the Superannuation Act 1972. A notional asset value is ascribed to the Scheme for the purpose of determining contribution rates.

The pension cost is assessed every four years in accordance with the advice of the government.

Valuation date	31 March 2020
Valuation method	Project Unit
Value of notional assets	£24,100 million
Rate of Return (Discount rate)	4.5%
Salary scale increases per annum	CPI inflation plus 2.2%
Pension increases per annum	2.0%

A valuation of the STSS scheme was carried out as at 31st March 2020. Employer contribution rates are reviewed every four years following a scheme valuation from the Government actuary, with further changes made as a result of interim reviews. The employer's contribution rate was 23% of pensionable pay from 1 September 2019 but has risen to 26% from 1 April 2024.

For the period 1 August 2023 to 31 July 2024, the employee contribution rate was 7.35% to 12.14% dependant on salary.

The pension costs are assessed in accordance with the advice of independent qualified actuaries.

CITY OF GLASGOW COLLEGE

Notes to the Financial Statements

For the 12 Months ended 31 July 2024

24 PENSION COMMITMENTS (cont.)

Strathclyde Pension Fund (SPF)

The Strathclyde Pension Fund (SPF) is a funded defined benefit scheme and has its assets held in separate trustee administered funds.

The pension cost is assessed every three years in accordance with the advice of a qualified independent actuary. The assumptions and other data that have the most significant effect on the determination of the contribution levels are as follows:

Valuation date	31-Mar-20
Valuation method	Projected Unit
Market value of assets	£20,941 million
Actuarial assumptions	
- pre-retirement discount rate	3.0%
- post retirement discount rate	3.0%
- salary increase rate	2.6%
- pension increase rate	1.9%

For the purposes of FRS 102 an actuarial valuation was calculated by the actuary as at 31 July 2024.

The major assumptions used by the actuary and agreed by the College were:

Financial Assumptions	31-Jul-24	31-Jul-23
Pension Increase Rate	2.75%	3.00%
Salary Increase Rate	3.45%	3.70%
Discount Rate	5.00%	5.05%

Mortality

Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI 2021 model, with a 0% weighting of 2021 (and 2020) data, standard smoothing (sk7), initial adjustments of 0.25% and a long term rate of improvement of 1.5% p.a. for both males and females. Based on these assumptions, the average life expectancy at age 65 are summarised below:

	Male	Female
Current Pensioners	19.5	22.1
Future Pensioners	20.1	23.8

Sensitivity Analysis

Estimated Value

£000

0.1% decrease in Real Discount Rate	1,412
1 year increase in member life expectancy	2,949
0.1% increase in the Salary Increase Rate	86
0.1% increase in the Pension Increase Rate (CPI)	1,353

Notes to the Financial StatementsFor the 12 Months ended 31 July 2024

	<i>Value at</i>	<i>Restated</i>
	<i>31 July 2024</i>	<i>31 July 2023</i>
	<i>£000</i>	<i>£000</i>

24 PENSION COMMITMENTS (cont.)**Strathclyde Pension Fund (SPF)**

The assets in the scheme and the expected rate of return at the last actuarial review date were:

Equities	69,648	61,798
Bonds	28,084	27,353
Property	10,110	10,131
Cash	4,494	2,026

Total	112,336	101,308
--------------	----------------	----------------

Commutation

An allowance is included for future retirements to elect to take 50% of the maximum additional tax-free cash up to HMRC limits for pre-April 2009 service and 75% of the maximum tax-free cash for post-April 2009 service.

The following amounts represent the College's share of the scheme at 31 July 2024 and were measured in accordance with the requirements of IFRIC 14:

Fair value of employer assets	112,336	101,308
Present value of defined benefit obligations (liabilities)	(71,285)	(64,457)
Net (under) funding in Funded Plans	41,051	36,851
Impact of asset ceiling	(41,051)	(33,499)
Net pension asset	-	3,352

Amount charged to staff costs (Note 10)

Current service cost	2,515	4,225
Curtailments and settlements	-	-
Less: contributions paid	(2,323)	(2,799)
	192	1,426

Amount (credited) to investment income (Note 8)

Interest cost	4,978	2,733
Expected return on pension scheme assets	(5,147)	(3,459)
	(169)	(726)
Net revenue account income	23	700

CITY OF GLASGOW COLLEGE**Notes to the Financial Statements****For the 12 Months ended 31 July 2024****12 months ended:****31 July 2024****£000****Restated****31 July 2023****£000****24 PENSION COMMITMENTS (cont.)****Strathclyde Pension Fund (SPF)****Movement in (deficit) during the year**

Surplus/(Deficit) in scheme at beginning of the year	3,352	21,443
Movement in year:		
Total Service cost	(2,515)	(4,225)
Total net interest	169	726
Employer Contributions	2,323	2,799
Actuarial Gains in respect of pension scheme	(3,329)	(17,391) *
Surplus in scheme at end of the year	-	3,352

* This is inclusive of the asset ceiling of £33.4m

Reconciliation of defined benefit obligations (liabilities)

Opening defined benefit obligation (liabilities)	64,457	76,542
Current service cost	2,515	4,225
Interest cost	3,286	2,733
Contributions by members	923	898
Remeasurements	2,562	(18,068)
Benefits paid	(2,458)	(1,873)
	71,285	64,457

CITY OF GLASGOW COLLEGE**Notes to the Financial Statements****For the 12 Months ended 31 July 2024**

12 months ended: **Restated**
31 July 2024 31 July 2023
£000 £000

24 PENSION COMMITMENTS (cont.)**Strathclyde Pension Fund (SPF)****Reconciliation of fair value of employer assets**

Opening fair value of employer assets	101,308	97,985
Interest on plan assets	5,147	3,459
Contributions by members	923	898
Contributions by employer	2,323	2,799
Return on assets	5,093	(1,960)
Benefits paid	(2,458)	(1,873)

Closing fair value of employer assets	112,336	101,308
--	----------------	----------------

Analysis of the amount shown in the Balance Sheet for SPF defined benefit obligation

Scheme Assets	112,336	101,308
Impact of asset ceiling	(41,051)	(33,499)
Scheme Liabilities	(71,285)	(64,457)

Surplus in the scheme - defined benefit assets	-	3,352
---	----------	--------------

Where the SPF pension calculation results in a net asset, recognition of the asset is limited to the extent to which the College is able to recover the surplus either through reduced contributions in the future or through refunds from the scheme. The College assessed the recoverability of the asset on this basis and determined that it was appropriate that the plan surplus was reduced in line with the requirements of FRS 102.

The contribution rates are set by the scheme actuaries.

	Employer contribution rates	Employee contribution rates (based on employee pensionable pay)
1st August 2022 to 31st July 2023	19.30%	5.5% - 12%
1st August 2023 to 31st July 2024	19.30%	5.5% - 12%

The actuary of the SPF scheme has set higher employer contribution rates to recover the scheme net liability. The fund has sufficient assets to cover all of the benefits that had accrued to members after allowing for future increases in earnings.

The employer contributions for the year to 31 July 2024 will be approximately £924,000

An amount of £2,444,000 is included in provisions (note 21), which represents future pension costs arising from early retirements.

CITY OF GLASGOW COLLEGE**Notes to the Financial Statements****For the 12 Months ended 31 July 2024****25 ANALYSIS OF CHANGES IN NET DEBT**

	<i>At 1 Aug 2023</i>	<i>Cash Flow</i>	<i>Other Non-Cash Changes</i>	<i>At 31 July 2024</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
Cash and cash equivalents:				
Short Term Investments	-	-	-	-
Cash	10,559	1,804	-	12,363
	10,559	1,804	-	12,363
Borrowings:				
Debt Due within one year	(5,891)	5,891	(6,077)	(6,077)
Debt after one year	(117,283)		6,077	(111,206)
	(123,174)	5,891	-	(117,283)
Net of Cash and Borrowings	(112,615)	7,695	-	(104,920)

26 CAPITAL COMMITMENTS

	<i>12 months ended: 31 July 2024</i>	<i>31 July 2023</i>
	<i>£000</i>	<i>£000</i>
Authorised and contracted for at the year end	1,162	750

CITY OF GLASGOW COLLEGE**Notes to the Financial Statements****For the 12 Months ended 31 July 2024****27 STUDENT SUPPORT FUNDS**

	<i>12 months ended: 31 July 2024</i>				<i>31 July 2023</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
	Bursary Funds	EMA	Other	Total	Total
Balance at 1 August 2023	-	-	167	167	609
Allocation received in year	6,167	419	3,952	10,538	12,077
Expenditure	(6,167)	(419)	(3,786)	(10,372)	(11,920)
Repaid as clawback	-	-	(167)	(167)	(599)
Virements	-	-	-	-	-
Balance at 31 July 2024	-	-	166	166	167

Represented by:

Repayable to Funding Council as clawback	-	-	120	120	149
Repayable to SAAS as clawback	-	-	46	46	18
Balance at 31 July 2024	-	-	166	166	167

These grants are available solely for student support payments and therefore are excluded from the Statement of Comprehensive Income.

	<i>12 months ended:</i>		<i>31 July 2023</i>
	<i>31 July 2024</i>		
	<i>£000</i>		<i>£000</i>
FE and HE Childcare Fund			
Balance at 1 August 2023	-		-
Allocation received in year	555		619
Expenditure	(555)		(619)
Balance at 31 July 2024	-		-

CITY OF GLASGOW COLLEGE

Notes to the Financial Statements

For the 12 Months ended 31 July 2024

28 POST BALANCE SHEET EVENTS

No events have been highlighted.

29 RELATED PARTY TRANSACTIONS

The Board of Management of the College is a body incorporated under the Further and Higher Educational (Scotland) Act 1992 and is largely funded by the Scottish Government via the Scottish Funding Council (SFC) and the Glasgow Colleges' Regional Board (GCRB). The SFC, GCRB and the Scottish Government are regarded as related parties. During the year the College had various material transactions with SFC and with other entities for which the Scottish Government is regarded as the sponsor Department such as the Student Awards Agency for Scotland. In addition the College has had a number of material transactions with other Government Departments and other government bodies such as Local Authorities, Local Community Planning Partnerships and other Colleges and Universities.. Colleges Scotland is the collective voice of the college sector. They support and champion the sector by leading and influencing policy, enhancing and maintaining strong partnerships, and demonstrating the positive impacts of the sector. The College is one of twenty five educational college members in Scotland.

		£000
Colleges Scotland	Sales	41
Colleges Scotland	Purchases	18

At the year end £41,000 is due to the College and £18,000 payable by the College to the above organisation at 31 July 2024.

29 RELATED PARTY TRANSACTIONS

Because of the nature of the College's operations and composition of its Board of Management (being drawn from local public and private sector organisations), it is inevitable that transactions may take place with organisations in which a member of the College's Board of Management may have an interest. All transactions involving organisations in which a member of the Board of Management may have a material interest are conducted at arm's length and in accordance with normal project and procurement procedures. Board members are required to declare an interest in relevant items on the agenda of meetings of the Board and its standing committees. The College had transactions which in aggregate exceeded £20,000 during the year or worked in partnership with the following bodies in which members of the Board of Management hold or held official positions as listed below. Under FRS 102, members of senior management are classed as key management personnel as they have authority and responsibility for the planning, directing and control of the organisation. Detail of the remuneration paid to senior managers is within the Remuneration and Staff Report.

The College has one subsidiary company called City of Glasgow International Ltd. The company is wholly owned by the College. At the year end the College was owed £96,000 by its subsidiary company which is included within debtors in Note 18.

The College had no transactions which in aggregate exceeded £20,000 during the year or worked in partnership with bodies in which members of the Board of Management hold or held official positions.

30 NON CASH BUDGET FOR DEPRECIATION

Following reclassification, incorporated Colleges received a non cash budget to cover depreciation but this additional budget is not recognised by the FE/HE SORP accounting rules. Colleges may show a deficit equivalent to net depreciation as a result of having to meet Government accounting rules and the requirement to spend the entire cash allocation.

Under the FE/HE SORP the College recorded an operating surplus of £80,000 for the academic year ended 31 July 2024. After adjusting for the non cash allocation provided under government rules, the College shows an 'adjusted' surplus of £4,899,000 on a central government accounting basis.

The deficit is attributable to other factors as reflected in the adjusted operating table on page 19 in the annual report.

Deficit before other gains & losses (FE/HE SORP)	(827)	(7,509)
Add Depreciation budget for government funded assets (net of deferred government grants)	5,726	5,043
Operating Surplus on central government accounting basis	4,899	(2,466)

31 PRIOR YEAR RESTATEMENT**Job Evaluation**

In previous years the amount to be paid for job evaluation was accounted for both as a debtor and creditor as the funds were due to be paid by SFC, however towards the end of 2023 the responsibility to fund job evaluation transferred from SFC to the Scottish Government .

Due to the continuation of the process, a provision of £5.6m remains as at 31 July 2024. However, it is deemed inappropriate to accrue the funding from Scottish Government, due to insufficient evidence to support this, despite them stating that the responsibility for job evaluation funding commitments rests with them .

The amount provided for as at 31 July 2024 is £5.6m (2023: £4.7m) as detailed in Note 21.

Land & Buildings Valuation

The College's land and buildings were subject to an independent valuation performed by Avison Young , Chartered Surveyors at 31 July 2024. Following an update from Audit Scotland, the previous valuations, which were inclusive of Finance Costs, were deemed to be inappropriate. The impact of this change required the July 2022 valuation report to be recalculated excluding finance costs, which called for the amounts for the prior year 2022/23 to be restated. The amount of this impact was £17.8m.

	£'000
Revaluation Reserve	18,011
Building Cost	(18,433)
Accumulated Depreciation	426
Retained Earnings	(4)

6. Appendices

Appendix 1: Accounts Direction for Scotland's Colleges 2023-24

1. It is the Scottish Funding Council's direction that institutions⁶ comply with the 2019 Statement of Recommended Practice: Accounting for Further and Higher Education (SORP) in preparing their annual report and accounts⁷.
2. Institutions must comply with the accounts direction in the preparation of their annual report and accounts in accordance with the Financial Memorandum with the Scottish Funding Council (SFC) or the Regional Strategic Body (RSB) (for assigned colleges).
3. Incorporated colleges and Glasgow Colleges' Regional Board are also required to comply with the Government Financial Reporting Manual 2023-24 (FReM) where applicable. In cases where there is a conflict between the FReM and the SORP, the latter will take precedence.
4. Incorporated colleges and Glasgow Colleges' Regional Board must send two copies of their annual report and accounts to the Auditor General for Scotland by 31 December 2024.
5. The annual report and accounts should be signed by the chief executive officer / Executive Director and by the chair, or one other member of the governing body.
6. Incorporated colleges and Glasgow Colleges' Regional Board should reproduce this Direction as an appendix to the annual report and accounts.

Scottish Funding Council

18 September 2024

The Scottish Funding Council's full accounts direction for Scotland's colleges in 2023-24 can be found [here](#).

⁶ The term "institutions" includes colleges and Glasgow Colleges' Regional Board.

⁷ Glasgow Colleges' Regional Board's accounts are prepared on a consolidated basis, incorporating the results of City of Glasgow College, Glasgow Clyde College and Glasgow Kelvin College. New College Lanarkshire's accounts are also prepared on a consolidated basis, incorporating the results of South Lanarkshire College.



190 Cathedral Street
Glasgow G4 0RF
tel: 0141 375 5555

www.cityofglasgowcollege.ac.uk

Scottish Charity No SC036198