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**GLASGOW CLYDE EDUCATION FOUNDATION**

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2016**

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**GLASGOW CLYDE EDUCATION FOUNDATION**

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## GLASGOW CLYDE EDUCATION FOUNDATION

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### REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2016

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#### **Trustees**

Stephanie Pauline Young  
Stephen Curran  
George Chalmers (appointment terminated 17 November 2015)  
Richard Wadsworth (resigned 17 May 2016)  
Alex Muirhead (appointed 17 November 2015)  
Gillian Troup (appointed 17 November 2015)  
Joe Wilson (appointed 16 February 2016, resigned 26 May 2016)

#### **Charity registered number**

SC044616

#### **Principal office**

690 Mosspark Drive  
Glasgow  
G52 3AY

#### **Director**

Pauline Cameron

#### **Independent auditors**

French Duncan LLP  
Chartered Accountants  
Statutory Auditors  
133 Finnieston Street  
Glasgow  
G3 8HB

#### **Bankers**

Barclays Bank plc  
120 Bothwell Street  
Glasgow  
G2 7JT

CAF Bank Limited  
25 Kings Hill Avenue  
Kings Hill  
West Malling  
Kent  
ME19 4JQ

#### **Solicitors**

Brodies  
2 Blythswood Square  
Glasgow  
G2 4AD

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**GLASGOW CLYDE EDUCATION FOUNDATION**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 MARCH 2016**

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**Administrative details (continued)**

**Investment Managers**

Brewin Dolphin  
48 St Vincent Street  
Glasgow  
G2 5TS

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## GLASGOW CLYDE EDUCATION FOUNDATION

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2016

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The Trustees present their annual report together with the audited financial statements of Glasgow Clyde Education Foundation (the charity) for the ended 31 March 2016. The Trustees confirm that the Annual Report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

#### **Structure, governance and management**

##### **● CONSTITUTION**

The organisation is a Scottish Charitable Incorporated Organisation (SCIO) incorporated on 29 January 2014.

The SCIO's objects are to advance education and in particular, to enhance the learning experience for students, potential students and the communities served by Glasgow Clyde College (a registered Scottish charity SCO21182). The organisation achieves this by supporting (a) the delivery of improved teaching accommodation, facilities and infrastructure and/or equipment; (b) the development of teaching and curriculum resources and opportunities; and (c) staff development for the staff of the Glasgow Clyde College to assist and develop the student learning experience.

##### **● METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES**

The management of the charity is the responsibility of the trustees who are appointed under the terms of the Constitution. A minimum of three and a maximum of seven trustees may be appointed: two 'College trustees' may be appointed by Glasgow Clyde College and up to five 'Independent trustees' appointed by the Board. Trustees are appointed for a term of 3 years. During the reporting period the total number of trustees rose to six (two of which were appointed by the College).

##### **● POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES**

Trustees are inducted into the Foundation with a briefing from the part time Director, together with a Trustee Handbook which includes details of the Constitution, Memorandum of Understanding, Scheme of Delegation, key policies and strategies of the Board and information on the Foundation's two grant programmes. A trustees' Code of Conduct is provided which each is required to agree to and sign and a Register of trustee interests is maintained. In 2015 the trustees attended a training and development day to strengthen their understanding of charity governance and trustees' development of their knowledge and role. A further development day is planned following the induction of new trustees in 2016.

##### **● ORGANISATIONAL STRUCTURE AND DECISION MAKING**

The Foundation is a membership organisation with membership being open to any individual appointed as a charity trustee, any individual appointed by the College as a charity trustee and to also to the College as a corporate member. Members have important voting powers relating to the Constitution, including the power to amend the Constitution.

The charity's trustees take responsibility for the overall strategic direction and management of the Foundation, including making decisions on all grant making proposals. The Constitution was amended by the resolution of members on 17 November 2015 to increase the number of trustees from a maximum of five to seven. This was in order to improve business continuity and strengthen decision making.

Daily management and operational matters have been delegated to the Foundation's (part time) Director as the sole employee of the organisation.

The Foundation has two sub committees: a Liaison committee, which meets quarterly, on which two independent

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## GLASGOW CLYDE EDUCATION FOUNDATION

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2016

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Trustees and one College Trustee sit to hear draft proposals for grant funding from Glasgow Clyde College presented by the Principal/ Vice Principal of the College. The committee provides feedback on applications to the Foundation prior to the decision making of the Board of Trustees at its next meeting (that follows within 3 weeks of these meetings). This takes place in addition to support offered by the Director to the College in developing its applications, including the provision of published application guidance to ensure consistency in the quality and outcomes of applications for funding. .

Oversight of financial management and internal controls, including Investment performance and Treasury Management, is undertaken by an Investment and Audit sub committee of the Board. The committee also makes recommendations to the Board for any necessary amendments to the Foundation's Scheme of Delegation, Investment Policy, Cash management Strategy and Risk Register. Brewin Dolphin provides quarterly management reports and attend at least one meeting per year of the committee, as do the External Auditor to the Foundation, currently French Duncan LLP.

#### ● RELATED PARTY RELATIONSHIPS

The Foundation receives its income through a Donation Agreement with Glasgow Clyde College whereby all income must be used exclusively for the purposes of achieving the Foundation's charitable purposes. Events of default are specified within the Donation Agreement.

#### ● RISK MANAGEMENT

The trustees have examined the major risks to which the charity is exposed, in particular those related to its operations and finances, and review its Risk Register twice yearly which has been produced to ensure systems and procedures are in place to mitigate the charity's exposure to major risks identified.

#### Objectives and Activities

#### ● POLICIES AND OBJECTIVES

The Foundation aims to support the development of Glasgow Clyde College as a world class teaching and learning facility. It aims to fund projects that will make a significant impact on the educational outcomes of students and the wider community which the College serves. Funding is focused on enabling success that would otherwise not be possible through:

- Supporting Students and the life of the College
- Supporting College staff, courses and programmes
- Supporting estates development and sustainable infrastructure.

For each of these three priorities Trustees have agreed specific, more detailed priorities as well as ensuring that any funding supports the delivery of the Glasgow College Region's four key outcome themes.

#### ● STRATEGIES FOR ACHIEVING OBJECTIVES

During the financial year the Foundation has reviewed its existing funding strategy (relating to Glasgow Clyde College applications) which forms the basis of grant programme application criteria. Improvements have been made to the application process in order to focus the applicant on the intended outcomes of the funding intervention. The Investment Policy of the Foundation for the management of medium and long term investments and Cash Management Strategy for the management of short term investments have been implemented, in order to grow the funds for which the Foundation is responsible and thus generate further income for its beneficiaries and will be reviewed during 2016.

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## GLASGOW CLYDE EDUCATION FOUNDATION

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2016

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#### ● ACTIVITIES FOR ACHIEVING OBJECTIVES

Trustees have worked to achieve the charity's objectives through implementation of robust governance arrangements, systems and procedures which ensure that the charity can manage, grow and disperse its funds in a consistent and responsible manner that supports the Foundation's charitable purposes. The charity has improved its grant making and monitoring processes in order to strengthen scrutiny of funded project outcomes, ensuring that these are appropriate to the charity's purpose. It has also communicated with relevant external stakeholders in the wider community such as local adult learning partnerships, delivered presentations to the Glasgow Clyde College Management Team and operated an online web presence to which applicants are directed.

#### ● GRANT MAKING POLICIES

The Foundation has developed two grant programmes for the disbursement of funds:

- A grant programme for project proposals that meet the Trustees' stated priorities coming from the College's own directorates and Students' Association. Its online application form and guidance note has been amended and further guidance provided to the College directorates in order to strengthen the quality and impact of project funded under the programme.
- A Community Partnerships programme that encourages partnership projects between external not for profit organisations and the College, seeking to achieve significant educational outcomes for the groups with which they work. The criteria for this partnership scheme is available online and the Director works with potential partners and their sponsor directorates within the College to advise on application development. In its first year of operation, one major grant was awarded to the Workers' Educational Association for its 'Science for a Successful Scotland' adult learning resource. The programme has provided a positive opportunity to encourage the College to engage in new areas of external collaboration.

#### ● PROGRAMME RELATED INVESTMENTS

Brewin Dolphin act as the charity's investment managers, operating two investment portfolio amounting to £10 million (£4 million Medium term and £6 million Long term) using unrestricted income of the Foundation. In addition to the investment portfolio held with Brewin Dolphin, the Foundation holds two current bank accounts, with Barclays and CAF Bank. All current, short term access and term deposit accounts are governed by the Foundation's Cash Management Strategy through the Investment and Audit sub committee. The Barclays account holds restricted (project related) funds whilst the CAF accounts hold monies for ongoing running costs. Additional term deposit accounts and notice accounts, which maximise returns on funds held as cashflow, are held with Nationwide Building Society, Triodos Bank, CAF Bank, Bank of Scotland and Barclays Bank.

#### Achievements and performance

#### ● GOING CONCERN

Following liaison with Glasgow Clyde College, from which the charity receives its income, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

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## GLASGOW CLYDE EDUCATION FOUNDATION

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2016

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#### ● REVIEW OF ACTIVITIES

During the Foundation's second year of operation the 'Learning and Life Chances' grant making programme for applications coming from the College resulted in a total of £5,815,690 being approved for grant funding to sixteen projects across four grant making committees of the Foundation in April 2015, September 2015, November 2015 and February 2016. A further £79,200 was awarded to the Workers Educational Association in November 2015 under the Community Partnerships grant programme.

A total of £574,272 has been successfully claimed by projects (including those awarded in the previous financial year) by the end of the year. The Foundation has now established three grant claim deadlines per year and requires that each application provides a forecast of its anticipated drawn down of funds for each claim deadline in order to aid cash management. The projects approved are detailed in the table below.

Projects approved funding from 1 April 2015 to 31 March 2016 Total approved

#### **Capital Projects**

Student Services Infrastructure improvements	£150,000
Major capital works upgrade, Cardonald Campus	£2,750,000
Landscaping and Horticultural Teaching facilities (restricted funding)	£1,540,000
Cardonald Tower block roof replacement (part restricted funding)	£350,000
College IT Finance System	£150,000
College Website: replacement	£162,000
<b>Total capital grants awarded</b>	<b>£5,102,000</b>

#### **Revenue Projects**

Personal Learning Support Plans development	£17,392
More Choices More Chances Student Support Assistant	£48,004
Employment Support Officer (extension of funding)	£39,000
Participation in Worldskills	£18,600
Foundation Apprenticeships in IT	£30,000
Professional development for academic staff	£446,880
Three feasibility studies scoping development of Careers education Service, Mental Health services for students and a Centre for Educational Research	£23,813
WEA Science for a Successful Scotland adult learning resource	£79,180
<b>Total revenue grants awarded</b>	<b>£702,869</b>

#### ● INVESTMENT POLICY AND PERFORMANCE

The gross yield of the medium term portfolio of investments at 31 March 2016 was 3.1% and of the long term portfolio was 3.7%. The Audit and Investment sub committee, comprising up to three Trustees with relevant financial management experience and the Director (in attendance) provides detailed oversight of investment performance detailed in quarterly reports provided by Brewin Dolphin, monitoring against benchmarks. The committee meets with the investment fund managers at least once a year to review performance, with the Director providing oversight more regularly.

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## GLASGOW CLYDE EDUCATION FOUNDATION

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2016

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#### ● FACTORS RELEVANT TO ACHIEVE OBJECTIVES

The Foundation is reliant on its income from an annual donation from Glasgow Clyde College and growth of its investments. Over the financial year, trustees were required to review the Foundation's forecast of grant commitments and annual drawdown of expenditure due to an increased number and value of grant requests coming from the College. Having reviewed the forecast demands on the Foundation's grant making programmes, Trustees have established a robust budget and cash flow for the next 3 years of the Foundation's operation, leaving the charity in a strong financial position for the next 5 years.

#### Financial review

#### ● RESERVES POLICY

Reserves held by the Foundation are based on its Investment Policy. A total of £1,705,508 constituting restricted funding was committed in grant awards during the year. The remainder of funds are unrestricted. It is anticipated that not more than £100,000 in grant expenditure will be made to not for profit external organisations or community groups in any one financial year and future revenue applications coming from the College will be capped at a maximum of £200,000 per annum.

#### ● PRINCIPAL FUNDING

Funding for the Foundation came through a single Donation, governed by a Donation Agreement between the charity and the College, of £14.4 million in March 2014 and a further £600,000 received in March 2015. No further income was received from the College in the financial year. A further £270,000 was received in investment income from medium and long term portfolio, with nearly £7,000 being received through short term deposit interest.

The £5,895 million approved during the period will deliver five projects focused on supporting students and the life of the College; four projects which aim to develop staff, employer collaboration and research to improve teaching and learning outcomes five projects are funding capital investment in Glasgow Clyde College campus and ICT infrastructure. The first Community Partnerships Grant was also awarded in the year to the Workers' Educational Association in Scotland, to develop an adult e-learning resource with the College. Monitoring and evaluations mechanisms, established in the Terms and Conditions of Grant which specify reporting against key project milestones, will provide further indicators on key improvements to learning and the life of the College.

#### ● MATERIAL INVESTMENTS POLICY

The Foundation's Investment Policy was approved by Trustees on 25 September 2014.

The investment objective (for long term investments) is to generate a return of inflation plus 3.5% per annum over the long term, after expenses. This should allow the Foundation to at least maintain the real value of assets and should ensure that all running costs and fees associated with the Foundation are covered by the return.

The key risk to the long term sustainability of the Foundation is inflation and the assets should be invested to mitigate this risk over the long term, with a diverse portfolio of investments. Assets can be invested widely and underlying investments may include assets such as equities and trustees understand that in the short-term the capital value may fluctuate. The Trustees agree a suitable asset allocation strategy with Brewin Dolphin which is set with the aim to achieve the overall Fund's investment objectives. The performance of the assets will be measured against a composite benchmark, to be agreed with the investment manager. Performance will be calculated against the benchmark on a quarterly basis and assessed over the long-term.

The Trustees are able to tolerate volatility of the capital value of the Foundation, as long as it is able to meet its

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## GLASGOW CLYDE EDUCATION FOUNDATION

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2016

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short term grant making commitments through either liquid assets or short term investments.

#### Ethical Considerations

The Trustees have advised that it is important that the holdings within the portfolio are sensitive to the objectives and mission of the Foundation. The Foundation will not, therefore, invest in a particular business or fund where such an investment:

- (i) Might conflict, or be inconsistent, with the aims, objects or activities of either the Foundation or its key beneficiary Glasgow Clyde College. For example, the Foundation would not wish to invest in businesses promoting discrimination and inequality through racism or the manufacture of pornography;
- (ii) Might hamper the work of the Foundation either by alienating financial supporters or potential financial supporters and/or the staff and students of Glasgow Clyde College and the communities which it serves;
- (iii) And where such investment, while not excluded by virtue of (i) or (ii)

Trustees will positively view investments in companies which:

- (i) Pro-active, positive training and employment policies;
- (ii) Promote a culture of lifelong learning within and external to their workforce;
- (iii) Operate within the geographic area covered by Glasgow Clyde College campuses

Where such businesses or funds also meet other ethical considerations of the Foundation.

#### Plans for the future

##### ● FUTURE DEVELOPMENTS

Priorities for trustees in 2016 – 17 are:

- To review and refocus the Foundation's strategic funding priorities and grant programme criteria in order to ensure the best outcomes and impact in delivering the stated purposes of the charity;
- To secure and build on improved reporting from grant recipients, building on the Foundation's grant programme progress reporting against project milestones and monitoring mechanisms;
- To extend the reach of emerging community partnerships through that grant making programme, in particularly encouraging applications that break down barriers to learning and employment, bring adult learners and employers together and promote innovation in learning;
- To utilise good practice identified through completed pilot project evaluations in order to communicate to the wider College sector and
- To continue to explore partnerships with other funders across private and third sectors with the aim of maximising the Foundation's funds through collaborative working for the benefit of the College.

#### TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;

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**GLASGOW CLYDE EDUCATION FOUNDATION**

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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 MARCH 2016**

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- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees on \_\_\_\_\_ and signed on their behalf by:

.....  
**Stephanie Pauline Young**  
Chair

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## GLASGOW CLYDE EDUCATION FOUNDATION

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### INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF GLASGOW CLYDE EDUCATION FOUNDATION

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We have audited the financial statements of Glasgow Clyde Education Foundation for the year ended 31 March 2016 set out on pages 12 to 20. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charity's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinion we have formed.

#### RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditors under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report to you in accordance with regulations made under that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2016 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

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**GLASGOW CLYDE EDUCATION FOUNDATION**

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**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF GLASGOW CLYDE EDUCATION  
FOUNDATION**

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**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**French Duncan LLP**

Chartered Accountants  
Statutory Auditors

133 Finnieston Street  
Glasgow  
G3 8HB

Date:

French Duncan LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

**GLASGOW CLYDE EDUCATION FOUNDATION**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2016**

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
<b>INCOMING RESOURCES</b>					
Incoming resources from generated funds:					
Voluntary income	2	-	-	-	15,000,000
Investment income	3	297,098	-	297,098	27,714
<b>TOTAL INCOMING RESOURCES</b>		<b>297,098</b>	<b>-</b>	<b>297,098</b>	<b>15,027,714</b>
<b>RESOURCES EXPENDED</b>					
Costs of generating funds:					
Investment management expenses	4	30,195	-	30,195	5,532
Charitable activities		604,335	-	604,335	209,521
Governance costs	6	4,321	-	4,321	5,405
<b>TOTAL RESOURCES EXPENDED</b>	8	<b>638,851</b>	<b>-</b>	<b>638,851</b>	<b>220,458</b>
<b>NET INCOMING / (OUTGOING) RESOURCES BEFORE REVALUATIONS</b>		<b>(341,753)</b>	<b>-</b>	<b>(341,753)</b>	<b>14,807,256</b>
Gains and losses on revaluations of investment assets	12	(313,289)	-	(313,289)	72,872
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>		<b>(655,042)</b>	<b>-</b>	<b>(655,042)</b>	<b>14,880,128</b>
<i>Total funds at 1 April 2015</i>		<i>13,174,620</i>	<i>1,705,508</i>	<i>14,880,128</i>	<i>-</i>
<b>TOTAL FUNDS AT 31 MARCH 2016</b>		<b>12,519,578</b>	<b>1,705,508</b>	<b>14,225,086</b>	<b>14,880,128</b>

The notes on pages 14 to 20 form part of these financial statements.

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**GLASGOW CLYDE EDUCATION FOUNDATION**

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**BALANCE SHEET  
AS AT 31 MARCH 2016**

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	Note	£	2016 £	£	2015 £
<b>FIXED ASSETS</b>					
Investments	12		<b>9,410,262</b>		5,045,347
<b>CURRENT ASSETS</b>					
Debtors	13	28,587		2,985	
Cash at bank		<b>4,906,469</b>		9,841,893	
			<u>4,935,056</u>		<u>9,844,878</u>
<b>CREDITORS:</b> amounts falling due within one year	14	<b>(120,232)</b>		<b>(10,097)</b>	
<b>NET CURRENT ASSETS</b>			<b>4,814,824</b>		9,834,781
<b>NET ASSETS</b>			<b>14,225,086</b>		14,880,128
<b>CHARITY FUNDS</b>					
Restricted funds	15		<b>1,705,508</b>		1,705,508
Unrestricted funds	15		<b>12,519,578</b>		13,174,620
<b>TOTAL FUNDS</b>			<b>14,225,086</b>		14,880,128

The financial statements were approved by the Trustees on behalf, by:

and signed on their

.....  
**Stephanie Pauline Young**

The notes on pages 14 to 20 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016

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**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005 and applicable accounting standards.

**1.2 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

**1.3 Incoming resources**

All incoming resources are included in the Statement of Financial Activities when the charity has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

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**GLASGOW CLYDE EDUCATION FOUNDATION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016**

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**1. ACCOUNTING POLICIES (continued)**

**1.4 Resources expended**

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

**1.5 Going concern**

The Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

**1.6 Investments**

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

**2. VOLUNTARY INCOME**

	<b>Unrestricted funds 2016 £</b>	<b>Restricted funds 2016 £</b>	<b>Total funds 2016 £</b>	<i>Total funds 2015 £</i>
Donations	-	-	-	15,000,000

**3. INVESTMENT INCOME**

	<b>Unrestricted funds 2016 £</b>	<b>Restricted funds 2016 £</b>	<b>Total funds 2016 £</b>	<i>Total funds 2015 £</i>
Investment income - bank deposits	3,816	-	3,816	23,620
Investment income - listed investments	293,282	-	293,282	4,094
	<b>297,098</b>	<b>-</b>	<b>297,098</b>	<b>27,714</b>

**GLASGOW CLYDE EDUCATION FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016**

**4. INVESTMENT MANAGEMENT COSTS**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	<i>Total funds 2015 £</i>
Investment management fees	<u>30,195</u>	-	<u>30,195</u>	<u>5,532</u>

**5. GRANTS TO INSTITUTIONS**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Endowment funds 2016 £	Total funds 2016 £	<i>Total funds 2015 £</i>
Grant Funding	<u>574,272</u>	-	-	<u>574,272</u>	<u>190,663</u>

**6. GOVERNANCE COSTS**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	<i>Total funds 2015 £</i>
Auditors' remuneration	2,660	-	2,660	1,900
Auditors' non audit fees	1,400	-	1,400	1,240
Legal & professional fees	261	-	261	2,265
	<u>4,321</u>	-	<u>4,321</u>	<u>5,405</u>

**7. SUPPORT COSTS**

	Grant Funding £	Total 2016 £	<i>Total 2015 £</i>
Office costs	1,975	1,975	1,487
Printing, stationery & postage	921	921	496
Motor expenses	269	269	64
Consultancy fees	901	901	7,331
Bank charges	26	26	15
Training	900	900	-
Sundry expenses	909	909	-
Insurance	600	600	-
Wages and salaries	20,082	20,082	8,865
Pension cost	3,480	3,480	600
	<u>30,063</u>	<u>30,063</u>	<u>18,858</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**8. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE**

	Staff costs 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Investment management costs	-	30,195	30,195	5,532
<b>Costs of generating funds</b>	-	30,195	30,195	5,532
Grant Funding	23,562	580,773	604,335	209,521
Governance	-	4,321	4,321	5,405
	<b>23,562</b>	<b>615,289</b>	<b>638,851</b>	<b>220,458</b>

**9. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES**

	Grant funding of activities 2016 £	Support costs 2016 £	Total 2016 £	Total 2015 £
Grant Funding	574,272	30,063	604,335	209,521

**10. NET INCOMING / (OUTGOING) RESOURCES**

This is stated after charging:

	2016 £	2015 £
Auditors' remuneration	2,280	1,900
Pension costs	3,480	600

During the year, no Trustees received any remuneration (2015 - £NIL).

During the year, no Trustees received any benefits in kind (2015 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2015 - £NIL).

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GLASGOW CLYDE EDUCATION FOUNDATION

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016

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11. STAFF COSTS

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	20,082	8,865
Other pension costs	3,480	600
	<u>23,562</u>	<u>9,465</u>

The average monthly number of employees during the year was as follows:

	2016 No.	2015 No.
Director	<u>1</u>	<u>1</u>

No employee received remuneration amounting to more than £60,000 in either year.

12. FIXED ASSET INVESTMENTS

	Listed securities £
<b>Market value</b>	
At 1 April 2015	5,045,347
Additions	4,693,862
Disposals	(15,658)
Revaluations	(313,289)
At 31 March 2016	<u>9,410,262</u>

Investments at market value comprise:

	2016 £	2015 £
Listed investments	<u>9,410,262</u>	<u>5,045,347</u>

All the fixed asset investments are held in the UK

13. DEBTORS

	2016 £	2015 £
Prepayments and accrued income	<u>28,587</u>	<u>2,985</u>

**GLASGOW CLYDE EDUCATION FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016**

**14. CREDITORS:  
Amounts falling due within one year**

	2016 £	2015 £
Accruals and deferred income	<u>120,232</u>	<u>10,097</u>

There was no deferred income at 31 March 2016.

**15. STATEMENT OF FUNDS**

	Brought Forward £	Incoming resources £	Resources Expended £	Gains/ (Losses) £	Carried Forward £
<b>Unrestricted funds</b>					
Reserves	<u>13,174,620</u>	<u>297,098</u>	<u>(638,851)</u>	<u>(313,289)</u>	<u>12,519,578</u>
<b>Restricted funds</b>					
Estates maintenance and/or capital projects	487,149	-	-	-	487,149
Woodburn Disposal proceeds	1,218,359	-	-	-	1,218,359
	<u>1,705,508</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,705,508</u>
Total of funds	<u>14,880,128</u>	<u>297,098</u>	<u>(638,851)</u>	<u>(313,289)</u>	<u>14,225,086</u>

**RESTRICTED FUNDS**

Estates maintenance and/or capital projects - The donation received in respect of this fund must be applied in line with Scottish Funding Council (SFC) standard terms and conditions.

Woodburn Disposal proceeds - This donation must be applied in line with SFC requirements. A condition of SFC approval is subject to the college providing SFC with confirmation at a later date of the expenditure being undertaken.

**SUMMARY OF FUNDS**

	Brought Forward £	Incoming resources £	Resources Expended £	Gains/ (Losses) £	Carried Forward £
General funds	13,174,620	297,098	(638,851)	(313,289)	12,519,578
Restricted funds	1,705,508	-	-	-	1,705,508
	<u>14,880,128</u>	<u>297,098</u>	<u>(638,851)</u>	<u>(313,289)</u>	<u>14,225,086</u>

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**GLASGOW CLYDE EDUCATION FOUNDATION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016**

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**16. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Unrestricted funds 2016 £</b>	<b>Restricted funds 2016 £</b>	<b>Total funds 2016 £</b>	<i>Total funds 2015 £</i>
Fixed asset investments	9,410,262	-	9,410,262	5,045,347
Current assets	3,229,547	1,705,508	4,935,055	9,844,878
Creditors due within one year	(120,231)	-	(120,231)	(10,097)
	<u>12,519,578</u>	<u>1,705,508</u>	<u>14,225,086</u>	<u>14,880,128</u>

**17. GRANT COMMITMENTS**

<b>Total 2016 £</b>	<i>Total 2015 £</i>
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At 31 March 2016 the charity had commitments as follows:

Commitments in respect of grants approved for projects which have not been accrued in the financial statements but will form part of grants:

Within one year	3,955,100	888,717
Between one and two years	2,455,046	353,310
Between two and three years	152,480	-
	<u>6,562,626</u>	<u>1,242,027</u>

**18. PENSION COMMITMENTS**

The charity contributes to a personal pension. The pension cost charge represents contributions payable by the charity to the fund and amounted to £3,480 (2015 - £600). Contributions totalling £240 (2015 - £600) were payable to the plan at the balance sheet date and are included in creditors.