

**CHARITY NO: SC044616**

**GLASGOW CLYDE EDUCATION FOUNDATION  
REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**GLASGOW CLYDE EDUCATION FOUNDATION**

**REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

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## **GLASGOW CLYDE EDUCATION FOUNDATION**

### **REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 March 2023**

#### **REFERENCE AND ADMINISTRATIVE INFORMATION**

##### **Trustees**

Gill Troup (Chair)  
Robin Gillies (Treasurer and Secretary)  
Clare Walker  
Runa McNamara  
Jeremy Chaplin  
Gwyn Gould  
Fiona Steel

##### **Director**

Anna Bennett

##### **Charity Number:**

SC044616

##### **Independent Auditors**

Wylie & Bisset (Audit) Limited  
168 Bath Street  
Glasgow  
G2 4TP

##### **Bankers**

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

##### **Investment Managers**

Brewin Dolphin  
48 St Vincent  
Street  
Glasgow  
G2 5TS

##### **Legal Advisers**

Brodies LLP  
110 Queen  
Street  
Glasgow  
G1 3BX

## **GLASGOW CLYDE EDUCATION FOUNDATION REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023**

The trustees have pleasure in presenting the report and financial statements of the Glasgow Clyde Education Foundation for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the charity's Constitution, the *Charities and Trustee Investment (Scotland) Act 2005*, the *Charities Accounts (Scotland) Regulations 2006* and *Accounting and Reporting by Charities: Statement of Recommended Practice* applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

### **1 Objectives and activities**

#### **1.1 Objectives**

The purposes of the Glasgow Clyde Education Foundation (the **Foundation**) are to enhance the learning experience for students, potential students and the communities served by Glasgow Clyde College (the **College**).

For the purposes of the *Charities and Trustee Investment (Scotland) Act 2005*, section 7, the Foundation exists to advance education, together with citizenship and community development (particularly in respect of working with and supporting the said community) in their work to encourage learning and access to further education.

The Foundation prioritises projects that create equal access to learning opportunities, take new but sustainable approaches and which represent leading and transformative educational practice within the College and wider learning sector.

The trustees are committed to ensuring that the funding granted supports the College to invest in sustainable learning, teaching and assessment delivery through blended learning, both on campus and online.

#### **1.2 Activities: Challenges and Achievements**

The emerging cost-of-living crisis, inflationary pressures, the continuing impact of the Covid-19 pandemic and the reduction in central Scottish Government funding have all resulted in further challenge and uncertainty for the College during the financial year.

The Foundation has continued to offer support and flexibility in our grant making as we move towards the end of the Foundation's lifespan (expected 31 December 2024) to help meet identified needs, particularly for the most disadvantaged students facing increased barriers to learning and to offer support to the College and its staff in delivering sustainable and modern learning experiences.

**GLASGOW CLYDE EDUCATION FOUNDATION  
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023**

The Foundation worked closely with the College's senior leadership to agree the strategic priorities that might be addressed by the charity's funding and the timescale for committing and expending remaining charitable funds. This included a comprehensive review of the capital infrastructure and improvements which could be made to all three of the College campus sites, under a new stream of allocated grant funding called 'Student Learning Spaces'. The scope of work this work was supported by external education and design consultants, following a feasibility study, funded by the College, from July 2022.

We continue to implement the three-year strategy and legacy plan adopted by the trustees in November 2021. The plan centres on the efficient application of the remaining charitable resource aligned with the Foundation's objectives. At the outset of the legacy plan, the Foundation trustees identified a list of five projects for support with larger strategic grants focused on the transformation of the College's teaching delivery, student experience and student facilities. Two of these grants have now been fully paid, leaving three active grant programmes, which include 'Student Learning Spaces'.

The Foundation's Chair and Treasurer have met regularly with the Chair of the College Board of Management and the College Principal to review requirements in the changing landscape of the Scottish learning sector as the impact of the cost-of-living crisis and rising overheads played out into this financial year. The Foundation trustees were provided with updates from the College Board of Management as a standing agenda item at each trustee meeting.

During the financial year, the trustees acknowledged the need to reduce the risk associated with the Foundation's assets being invested in the stock market and the consequent volatility and uncertainty that an invested asset base brings. To reduce risk and provide more certainty, the trustees resolved to fully divest the portfolio, in stages, with investment management advice provided by Brewin Dolphin, during the summer of 2022. The portfolio was fully realised into cash by 8 August 2022.

The trustees sought solutions for effective cash management of the liquidated assets. Specific products for the charity sector were identified and a short list of cash management platforms offering attractive rates of interest and proportionate management fees was drawn up. After further due diligence, the trustees resolved to place £3.5million cash deposit with Insignis Cash Management Solutions, a regulated financial services provider which offers cash management solutions and protection for UK charities holding larger cash reserves. The trustees have been satisfied with the interest earned (3.4% average from 8 August 2022 until year end). The trustees have also been pleased with the client service and reporting from Insignis. The Foundation's Investment Policy Statement was updated to reflect the new profile of the Foundation's charitable assets and method of managing cash.

**GLASGOW CLYDE EDUCATION FOUNDATION  
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023**

Given the move towards termination and wind up, the trustees also considered the costs of administering the Foundation during the period, proportionate to the remaining charitable assets and lifetime of the Foundation. The divestiture of the investment portfolio resulted in saving investment management fees. At their meeting on 23 August 2022, the trustees resolved to disband the Audit & Risk Committee and replace this line of reporting with monthly emails to a 'Cash Review Committee' to monitor the cash balance and performance. The trustees also resolved to reduce the standard number of full trustee meetings to twice annually, but with discretion to call additional online meetings to discuss specific areas of business if required. This proportionate reduction in the governance and meeting arrangements allowed the WS Society to reduce its annual administration fee by £10,000.

**Governance and grant making**

The economic challenges faced during the year required the Foundation to build an even stronger relationship of trust with its main beneficiary. This enabled the trustees to allocate all grant awards 'up-front' prior to expenditure incurred, alleviating the financial position facing our beneficiary due to loss of commercial income, cash flow pressures and increasing overheads. With the challenge of rising living costs, there is an even more critical role for further education in providing young people and lifelong learners with access to and opportunity for learning and employment. The Foundation acknowledges this need by supporting the College to continue to deliver education through hybrid pedagogical models that can be flexed to changing learner needs.

**2 Review of achievements and performance**

**2.1 Grants approved during the financial year**

During the year, trustees made two awards to the College, both of which continued to respond to the challenges to the delivery of learning and teaching at the College and improving the campus resources available to deliver looking ahead. The undernoted projects were awarded funding, totalling £714,000. The Foundation continued to offer 'upfront' funding as initiated in the previous financial year and retrospective reporting for the new grants made.

<b>Project title</b>	<b>Date of award</b>	<b>Total awarded to date</b>	<b>Total claim in the year</b>
Delivering Excellence in Learning, Teaching and Assessment (DELTA)	October 2022	£686,700	£62,000
Cardonald Campus – Public Realm Infrastructure improvements	October 2022	£652,000	£652,000
	<b>TOTAL</b>		<b>£714,000</b>

**GLASGOW CLYDE EDUCATION FOUNDATION  
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023**

**2.2 Achievements and milestones funded**

**Developing Excellence in Learning Teaching and Assessment (DELTA)**

The trustees approved continued support for digital learning, teaching & assessment team to train and equip all teaching staff with the digital skills to enable them to deliver accessible, engaged and high-quality learning and teaching through blended approaches. The trustees commended the work of the DELTA team to equip teaching staff with the digital skills and appropriate tools to deliver blended learning. The College has acknowledged that this support was vital during the pandemic and for hybrid learning post pandemic. A two-year extension of this funding (DELTA 2) amounting to £396,000 in total to be paid during 2023-2024 was agreed by the Trustees in March 2023.

**Cardonald Public Realm**

The Foundation provided £652,000 in funding to support infrastructure improvements and modernisation of the College campus at Cardonald. The work followed the Estates Strategy Review which was funded by the Foundation. This funding provided a general upgrading in the environment at the Cardonald campus, with the main works centred around improving access through the combined public entrance which links the Main Tower Building and the Skills Centre at Cardonald. During a site visit on 23 August 2022, the trustees saw that the works has resulted in a better overall student environment and sense of arrival, improved safety and security and created a focal point for entry for all students to the campus, creating a hub within the building, as well as providing improved physical appearance and improved landscaping.

**3 Financial review**

The Foundation's work continues to rely on the original donations made to it in 2015 and 2016 by the College (amounting to £15 million), together with the income and investment returns from its investment portfolio and cash management.

During 2022 - 2023 a total of £46,215 investment and bank interest income were received, the majority of which came from the investment portfolio held with Brewin Dolphin (£35,589).

The projects granted awards claimed a total of £714,000 during the financial year.

Total operating costs amounted to £32,944 (excluding investment management fees at £7,549) with total resources expended being £40,493. All remaining funds are unrestricted.

**GLASGOW CLYDE EDUCATION FOUNDATION  
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023**

**3.1 Investment policy**

The Trustees pursue a policy intended to balance, appropriately, the interests of present and future beneficiaries and now take a cautious approach to risk. The policy aims to produce the best financial return within this risk level, whilst at the same time growing the real value of the assets over time. The investment objective is to generate a return ahead of inflation over the medium term, after expenses. This is designed to 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 investment policy statement was updated during the period, to reflect the liquidation of the Foundation's stock market investments.

**3.2 Investment performance**

Brewin Dolphin continued as our discretionary investment fund managers and supported the A&I committee and full board to consider a prudent approach to the sale of assets during the year to meet grant commitments until the portfolio was fully divested in August 2023.

It was agreed with Brewin Dolphin that the investment portfolio would be managed down in phases to help manage market risk. During the first six months of 2022, there was an unprecedented level of market volatility – in both bond and equity markets, due to the macroeconomic backdrop. Key issues included the war in Ukraine and the impact it had on inflation. Coupled with supply chain issues, global inflation rose at a significant pace which led to interest rates rising to help combat this change. Longer dated bonds were hit hard as interest rates increased, with the FTSE Govt All Stocks down 21% from the beginning of April to start of October.

With the funds required by August 2022, from the year-end of 31 March 2022 where the portfolio was valued at £3,854,337, sales were made each month and largely held in cash. Being mindful of the changing interest rate environment, we selectively added some cash funds and short dated bonds to help generate additional returns for the Foundation. The agreed risk mandate and been moved to the lowest option available, Level 3. During the period of selling down the portfolio, the overall value fell 3.8% in total return terms, versus Risk Level 3 which fell 2.4%. Neither kept pace with the change in inflation. Income produced over that period totalled £38,538 and the final payment to the Foundation was £3,846,275. Overall, managing down the portfolio in such difficult markets was a challenge but doing this progressively helped reduce market risk for the Foundation. Looking to the whole investment time frame, the portfolio enjoyed a period of strong growth and was successfully managed down in line with the agreed mandate to ultimately sit in cash out with Brewin Dolphin.



## **GLASGOW CLYDE EDUCATION FOUNDATION REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023**

### **3.3 Ethical Considerations**

The Trustees are aware of the duties, in line with Section 4.2 of OSCR's publication *Charity Investments: Guidance and Good Practice*, to act with care and diligence to ensure the assets invested are aligned with the charitable objectives of the organisation. Specifically, given the charitable objectives of the Foundation, the ethical considerations are outlined as below.

The Foundation did not invest in a business or fund where such an investment:

- 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.
- Might hamper the work of the Foundation either by alienating financial supporters or potential financial supporters and/or the staff and students at Glasgow Clyde College and the communities which it serves.

Trustees will positively view investments in companies which:

- Pro-active, positive training and employment policies.
- Promote a culture of lifelong learning within and external to their workforce and
- Operate within the geographic area covered by Glasgow Clyde College campuses, where such businesses or funds also meet other ethical considerations of the Foundation.

### **3.4 Risk management**

The Trustees review and update the Foundation's Risk Register two times during the year, taking mitigating actions, as necessary. The Risk Register sets out ten strategic and operational risks, assigning a risk score before and after mitigating actions are taken. The key operational risks for the Foundation are the risk of financial loss through poor performance of investments and cash returns and the loss of business continuity through the loss of support services and trustees.

The Foundation no longer considers loss of staff a risk as the administration of the Foundation was transferred to the WS Society with effect from 1 August 2021.

The greatest strategic risk for the Foundation is identified as the independent status of the Foundation as a grant making charity being called into question by the charity regulator. This is robustly mitigated through separate, transparent and clear governance arrangements, the majority of trustees sitting on the board being independent and clear decision-making processes in place for considering any funding applications received by the College.

**GLASGOW CLYDE EDUCATION FOUNDATION  
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023**

**3.5 Reserves Policy**

The reserves policy of the Foundation is to ensure that there are sufficient funds to meet future conditional grant commitments, plus six months' operating costs. On 31 March 2023 outstanding grant commitments amounted to £3,558,000, with £1,504,000 falling within one year and £2,054,000 falling after one year with six months operating expenses amounting to £16,472 (including investment management fees) and the actual reserves at the year end were £31,994.

Our approach continues to be to actively manage cash funds on a day-to-day basis, ensuring we have enough cash to meet commitments, together with providing a supportive and responsive approach to our main beneficiary's funding requests.

**4. Plans for the future**

The Foundation has worked closely with the College's senior leadership to discuss the future strategic priorities that might be addressed by the charity's funding and the timescale for committing and expending remaining funds from the original donation, to implement the three-year strategy and legacy plan was adopted in November 2021. The Foundation will now provide fewer, larger strategic grants which continue to support the transformation of the College's teaching delivery, student facilities and support.

**5 Structure, governance and management**

Trustees met for quarterly board meetings and dealt with grant request decisions through email, formally noting the decisions at the following board meeting. Attendance at board meetings was resumed in person and hybrid, as to best suit the commitments of the trustees and as permitted by the charity constitution.

In August 2022, the trustees reviewed the governance structure of the Board of Trustees in light of the changing operational context within which the charity was operating. It was concluded following discussion that the current arrangements (7 trustees in post) remained fit for purpose and appropriate rigour for the level of funding being awarded. However, the trustees resolved to disband the Audit & Risk Committee and replace this line of reporting by monthly emails to a Cash Review Committee to monitor the cash balance and performance. The trustees also resolved to reduce the standard number of full trustee meetings to twice annually, but with discretion to call additional online meetings to discuss specific areas of business if required.

**GLASGOW CLYDE EDUCATION FOUNDATION  
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023**

**5.1 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.

**5.2 Appointment 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 four and a maximum of nine trustees may be appointed: two 'College trustees' may be appointed by Glasgow Clyde College and up to seven 'Independent trustees' appointed by the Board. Trustees are appointed for a term of 3 years, following a recruitment process which includes open advertisement in relevant publications/forum, shortlisting candidates for interview by a panel of trustees which recommends appointments to the full Board. Trustees may be reappointed for a further three years following their first term of office. Trustees are not remunerated in any way for their role, except in claiming essential travel expenses to attend the Board of trustees. It was resolved not to recruit further new trustees to the Foundation given the anticipated timescale for final wind up in December 2024 and in the best interests of continuity of current business.

**5.4 Organisation**

The Trustees serving the Foundation bring a range of professional, educational, charitable, financial and business expertise to deliberations. The Trustees meet twice over the year to provide strategic direction and oversight, whilst quarterly meetings of the Audit and Investment committee also took place until July 2022, when the investment portfolio was realised. Trustees make final decisions on all grant awards, assisted by the information and context provided by the WS Society as day-to-day administrators.

**6 Trustees' responsibilities in relation to the financial statements**

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

**GLASGOW CLYDE EDUCATION FOUNDATION  
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023**

The law applicable to charities in Scotland requires the charity trustees to prepare financial statements for each 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 the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the applicable Charities SORP.
- make judgements and estimates that are reasonable and prudent.
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the *Charities and Trustee Investment (Scotland) Act 2005*, the *Charity Accounts (Scotland) Regulations 2006 (as amended)*, and the provisions of the Constitution. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in another jurisdiction.

So far as the trustees are aware, there is no relevant audit information of which the Charity's Auditors are unaware. Additionally, the trustees have taken all the necessary steps that they ought to have taken as trustees, in order to make themselves aware of all the relevant audit information and to establish that the Charity's Auditors are aware of that information.

A resolution to re-appoint Wylie & Bisset (Audit) Ltd as Auditors will be put to the members at the Annual General Meeting.

Approved by the trustees on 23 November 2023 and signed on their behalf by:

DocuSigned by:  
  
92C6F04D82DC4BE...  
Name: Gill Troup

## **Independent Auditor's Report to the Trustees of Glasgow Clyde Education Foundation for the Year Ended 31 March 2023**

### **Opinion**

We have audited the financial statements of Glasgow Clyde Education Foundation (the 'charity') for the year ended 31st March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the notes to the financial statements, including a summary of 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 our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31<sup>st</sup> March 2023, and of its incoming resources and application of resources, including its income and expenditure, 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 Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In Auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## **Independent Auditor's Report to the Trustees of Glasgow Clyde Education Foundation for the Year Ended 31 March 2023**

### **Other information**

The other information comprises the information included in the Report of the Trustees and Financial Statements, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Report of the Trustees and Financial Statements. Our opinion on the financial statements does not cover the other

information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

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

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

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 9 and 10, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine 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 trustees are responsible for assessing the charity'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 the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under those Acts

## **Independent Auditor's Report to the Trustees of Glasgow Clyde Education Foundation for the Year Ended 31 March 2023**

Our 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 our 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 economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

### **Extent to which the audit was considered capable of detecting irregularities including fraud**

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures response to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing the risks or material misstatements in respect of irregularities, including fraud and non-compliance with laws and regulations we considered the following;

- The nature of the charity, the environment in which it operates and the control procedures implemented by management and the trustees; and
- Our enquiries of management and trustees about their identification and assessment of the risks of irregularities.

Based on our understanding of the charity and the sector we identified that the principal risks of non-compliance with laws and regulations related to, but were not limited to;

- Regulations and legislation pertinent to the charity's operations

We considered the extent to which non-compliance might have a material impact on the financial statements. We also considered those laws and regulations which have a direct impact on the preparation of the financial statements, such as the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006. We evaluated management and trustees' incentives and opportunities for fraudulent manipulation of the financial statements

## **Independent Auditor's Report to the Trustees of Glasgow Clyde Education Foundation for the Year Ended 31 March 2023**

(including the risk of management override of controls), and determined that the principal risks were related to:

- Posting inappropriate journal entries.

### **Audit response to the risks identified:**

Our procedures to respond to the risks identified included the following;

- Gaining an understanding of the legal and regulatory framework applicable to the charity and the sector in which it operates;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management, trustees and legal advisors concerning actual and potential litigation and claims;
- Reading minutes of meetings of those charged with governance;
- In addressing the risk of fraud as a result of management override of controls, testing the appropriateness of journal entries and other adjustments; evaluating rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation

A further description of our responsibilities is available on the Financial Reporting Council's website at: <..\WorkingPaper\Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

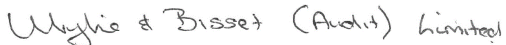
### **Use of our report**

This report is made solely to the charity's members, as a body, in accordance with 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 auditor's 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 the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Independent Auditor's Report to the Trustees of Glasgow Clyde Education Foundation  
for the Year Ended 31 March 2023**

DocuSigned by:  
  
A76FAEF21C0C4C5...

*Claire Dalrymple FCCA (Senior Statutory Auditor)*

23 November 2023

168 Bath Street  
Glasgow  
G2 4TP

*For and on behalf of Wylie & Bisset (Audit) Limited, Statutory Auditor*

*Wylie & Bisset (Audit) Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.*

**GLASGOW CLYDE EDUCATION FOUNDATION  
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDING 31 MARCH 2023**

	Note	Unrestricted Funds 2023	Restricted Funds 2023 £	Total Funds 2023 £	Unrestricted Funds 2022 £	Restricted Funds 2022	Total Funds 2022 £
<b>Income and endowments from:</b>							
Investments	4	46,215	-	46,215	105,042	-	105,042
Other income	5	130,000	-	130,000			
<b>Total Income</b>		176,215	-	176,215	105,042		105,042
<b>Expenditure on:</b>							
Raising funds							
Investment management costs	6	7,549	-	7,549	22,721	-	22,721
Charitable activities	7	32,944	-	32,944	5,856,856	-	5,856,856
<b>Total Expenditure</b>		40,493	-	40,493	5,879,577	-	5,879,577
<b>Net income/(expenditure) before investment gains/(losses)</b>		135,722	-	135,722	(5,774,535)	-	(5,774,535)
Net (losses)/gains on investments	11	(188,321)	-	(188,321)	112,324	-	112,324
<b>Net (expenditure) for the year</b>		(52,599)	-	(59,599)	(5,662,211)	-	(5,662,211)
<b>Net movement in funds</b>		(52,599)	-	(52,599)	(5,662,211)	-	(5,662,211)
<b>Funds reconciliation</b>							
<b>Total Funds brought forward</b>	15	84,593	-	84,593	5,746,804	-	5,746,804
<b>Total Funds carried forward</b>	15	31,994	-	31,994	84,593	-	84,593

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

## GLASGOW CLYDE EDUCATION FOUNDATION

### BALANCE SHEET AS AT 31 MARCH 2023

	Note	Total Funds 2023 £	Total Funds 2022 £
<b>Fixed Assets:</b>			
Investments	11	-	3,854,337
<b>Current assets:</b>			
Debtors	12	425	303
Cash at bank and in hand		3,593,453	820,153
<b>Total current assets</b>		3,593,878	820,456
<b>Liabilities:</b>			
Creditors falling due within one year	13	(1,507,884)	(1,543,200)
<b>Net current assets</b>		2,085,994	(722,744)
<b>Creditors &gt; 1 year</b>			
Other Creditors	14	(2,054,000)	(3,047,000)
<b>Net Assets</b>		31,994	84,593
<b>The funds of the charity:</b>			
Unrestricted funds	15	31,994	84,593
Restricted income funds		-	-
<b>Total charity funds</b>		31,994	84,593

Approved by the trustees and signed on their behalf by:

DocuSigned by:  
  
 92C6F04D82DC4BE...

Name: Gill Troup

Date: 23 November 2023

## GLASGOW CLYDE EDUCATION FOUNDATION

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

#### 1. Accounting Policies

##### (a) Basis of preparation and assessment of going concern

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the charities ability to continue as a going concern. As noted in the Trustees' Report, the Trustees intend to pay out remaining funds and close the Foundation within the next two years.

The financial statements are prepared in sterling, the functional currency of the charity. Monetary amounts in these statements are rounded to the nearest £.

##### (b) Fund's structure

- Unrestricted income funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.
- Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

Further details of each fund are disclosed in note 15.

##### (c) Income recognition

- All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be qualified with reasonable accuracy. The following specific policies are applied to particular categories of income:
- Voluntary income is received by way of grants, donations and gifts and included in full in the Statement of Financial Activities when reasonable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Donated services and facilities are included at the value to the charity where this can be quantified. The value of the services provided by volunteers has not been included in these accounts.

## **GLASGOW CLYDE EDUCATION FOUNDATION**

### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023**

#### **1. Accounting Policies (continued)**

- Investment income is included when receivable.

Income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

#### **(d) Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (e) below.

- Costs of raising funds comprise the costs of managing the charity's investments;
- Expenditure on charitable activities includes grants payable and other activities undertaken to further the purposes of the charity and their associated support costs;

#### **(e) Allocation of governance costs**

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees.

Governance costs are support costs relating to charitable activities. The allocation of governance costs is analysed in note 7.

#### **(f) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid.

#### **(g) Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

## **GLASGOW CLYDE EDUCATION FOUNDATION**

### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023**

#### **1. Accounting Policies (continued)**

##### **(h) Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

##### **(i) Pensions**

Employees of the charity are entitled to join a defined contribution 'money purchase' scheme. The charity contribution is restricted to the contributions disclosed in note 8. There were no outstanding contributions at the year end. The costs of the defined contribution scheme are included within support and governance costs and charged to the unrestricted funds of the charity using the methodology set out in note 9.

##### **(j) Taxation**

The Foundation is a charity within the meaning of Section 467 of the Corporation Tax Act 2010. Accordingly, the Foundation is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 part II of the Corporation Tax Act 2010 or Section 256 of Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to charitable purposes only.

##### **(k) Financial instruments**

The Foundation only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

##### **(l) Employee Benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**GLASGOW CLYDE EDUCATION FOUNDATION****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023****2. Legal status of the Trust**

The Foundation is a registered Scottish Charitable Incorporated Organisation.

**3. Related party transactions and trustees' expenses and remuneration**

The trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2022: £nil). During the year one trustee (2022: none) were reimbursed expenses £107 (2022: £nil). Expenses waived in the year totalled £Nil (2022: £nil).

**4. Investment income**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Income from listed investments	35,589	104,902
Bank Interest	10,626	140
	<u>46,215</u>	<u>105,042</u>

**5. Other income**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Grants recoverable	130,000	-
	<u>130,000</u>	<u>-</u>

**6. Raising funds – Investment management costs**

	<b>Direct Costs</b>	<b>Support Costs</b>	<b>Total 2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Investment management costs	7,549	-	7,549
	<u>7,549</u>	<u>-</u>	<u>7,549</u>
	<b>Direct Costs</b>	<b>Support Costs</b>	<b>Total 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Investment management costs	22,721	-	22,721
	<u>22,721</u>	<u>-</u>	<u>22,721</u>

**GLASGOW CLYDE EDUCATION FOUNDATION****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023****7. Allocation of governance costs**

<b>Governance costs:</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Auditor's remuneration	3,884	3,530
Legal Fees	-	1,980
	<u>3,884</u>	<u>5,510</u>

<b>Allocation of governance:</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Grant giving	3,884	5,510
Total allocated	<u>3,884</u>	<u>5,510</u>

**8. Analysis of expenditure on charitable activities**

	<b>Grant Giving</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Grants payable	-	-	5,815,158
Office costs	772	772	2,445
Other costs	28,288	28,288	20,924
Staff costs	-	-	12,819
Governance costs (note 7)	3,884	3,884	5,510
	<u>32,944</u>	<u>32,944</u>	<u>5,856,856</u>

**Grants Payable**

During the year the following grants were payable:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Glasgow Clyde College	-	5,815,158
	<u>-</u>	<u>5,815,158</u>

**9. Analysis of staff costs and remuneration of key management personnel**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Salaries and wages	-	11,017
Social security costs	-	954
Other pension costs	-	848
Total staff costs and employee benefits	<u>-</u>	<u>12,819</u>

The charity made £Nil of contributions to the pension plan operated by Trustees on behalf of the employee (2022: £848).



**GLASGOW CLYDE EDUCATION FOUNDATION****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023****9. Analysis of staff costs and remuneration of key management personnel (continued)**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Key management personnel remuneration	-	12,819

No employees had employee benefits in excess of £60,000 (2022: none).

	<b>2023</b>	<b>2022</b>
	<b>No.</b>	<b>No.</b>
The average weekly number of persons, by headcount, employed by the charity during the year was:	-	1

**10. Net income/ (expenditure) for the year**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Auditors remuneration	3,884	3,530

**11. Fixed Asset Investments****Movement in listed fixed asset investments**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Market value at 1 April 2022	3,854,337	5,313,115
Additions	883,152	153,560
Disposals	(4,549,168)	(1,680,389)
Unrealised (losses)/gains	(188,321)	68,052
At 31 March 2023	-	3,854,337
Historic Cost	3,632,017	3,632,017

**GLASGOW CLYDE EDUCATION FOUNDATION****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023****11. Fixed Asset Investments (continued)**

All of Glasgow Clyde Education Foundation investments are held for unrestricted charitable purposes and are included at market value. All investments are carried at their fair value. The diversified investment portfolio comprises predominately domestic and international equities as well as some fixed interest and generates a small amount of dividend income. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The main risk to Glasgow Clyde Education Foundation from financial instruments lies in the combination of uncertain investment markets and volatility in yield. The charity is not dependent on income from its investments to continue its work and has a moderate ability to bear investment losses.

Glasgow Clyde Education Foundation paid Brewin Dolphin to manage the diverse investment portfolio. During the year the Trustees resolved that a de-risking exercise should be identified to liquidate the whole invested charitable assets. The objective was to ensure the Trustees were taking appropriate steps in the short term to minimise the risk of stock market volatility and to reduce the investment management costs. The Foundation's investment managers were instructed to divest the investment portfolio by 31 July 2022.

**12. Debtors**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Other debtors	425	303
	<u>425</u>	<u>303</u>

**13. Creditors falling due within one year**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Other creditors and accruals within one year	3,884	10,586
Grants Payable	1,504,000	1,532,614
	<u>1,507,884</u>	<u>1,543,200</u>

**14. Creditors falling due after one year**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Grants Payable	2,054,000	3,047,000
	<u>2,054,000</u>	<u>3,047,000</u>

All grants are expected to be paid out by December 2024

## GLASGOW CLYDE EDUCATION FOUNDATION

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

## 15. Analysis of charitable funds

Analysis of Fund movements	2023 Balance b/fwd £	Income £	Expenditure £	Gains/ (losses) £	2023 Funds c/fwd £
<b>Unrestricted funds</b>					
General Funds	84,593	176,215	40,493	(188,321)	31,994
<b>Total unrestricted funds</b>	<b>84,593</b>	<b>176,215</b>	<b>40,493</b>	<b>(188,321)</b>	<b>31,994</b>
<b>TOTAL FUNDS</b>	<b>84,593</b>	<b>176,215</b>	<b>40,493</b>	<b>(188,321)</b>	<b>31,994</b>

Analysis of Fund movements	2022 Balance b/fwd £	Income £	Expenditure £	Gains/ (losses) £	2022 Funds c/fwd £
<b>Unrestricted funds</b>					
General Funds	5,746,804	105,042	5,879,577	112,324	84,593
<b>Total unrestricted funds</b>	<b>5,746,804</b>	<b>105,042</b>	<b>5,879,577</b>	<b>112,324</b>	<b>84,593</b>
<b>TOTAL FUNDS</b>	<b>5,746,804</b>	<b>105,042</b>	<b>5,879,577</b>	<b>112,324</b>	<b>84,593</b>

## 16. Net assets over funds

2023	Unrestricted Funds £	Restricted Funds £	Total 2023 £
Debtors	425	-	425
Cash	3,593,453	-	3,593,453
Creditors < 1 year	1,507,884	-	1,057,884
Creditors > 1 year	2,054,000	-	2,054,000
	<u>31,994</u>	<u>-</u>	<u>31,994</u>

**GLASGOW CLYDE EDUCATION FOUNDATION****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023****16. Net assets over funds (continued)**

<b>2022</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2022 £</b>
Fixed Asset Investments	3,854,337	-	3,854,337
Debtors	303	-	303
Cash	820,153	-	820,153
Creditors < 1 year	(1,543,200)	-	(1,543,200)
Creditors > 1 year	(3,047,000)	-	(3,047,000)
	<u>84,593</u>	<u>-</u>	<u>84,593</u>