

**SCOTTISH COLLEGE FOR EDUCATIONAL LEADERSHIP**

**Annual Report and Financial Statements  
For the year ended 31 March 2016**

**Company registration number: SC474892**

**Charity No: SC045692**

**SCOTTISH COLLEGE FOR EDUCATIONAL LEADERSHIP**

**Report and Financial Statements  
For the year ended 31 March 2016**

<b>Contents</b>	<b>Pages</b>
Report of the directors	1 - 8
Independent auditor's report	9 - 10
Statement of financial activities (incorporating the income and expenditure account)	11
Balance sheet	12
Notes to the financial statements	13 - 21

**Report of the Directors  
For the year ended 31 March 2016**

The directors present their report together with the financial statements for the year ending 31 March 2016.

The Directors of the charitable company are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Directors.

**Objectives and activities**

The purposes of the charity (SCEL's objects) are specifically restricted to the following:

- the advancement of education through the conduct of an educational leadership institution to be known as the 'Scottish College for Educational Leadership' or by such name as the members may determine;
- develop, articulate and implement the vision and strategy for educational leadership development and leadership education in Scotland;
- provide coherence and quality assurance for the range of education leadership development opportunities available in Scotland;
- work with partners to provide professional learning opportunities that focus on developing the professional capabilities of current and aspiring leaders in schools and educational establishments;
- maximise access for all of Scotland's current and aspiring leaders in schools and educational establishments to professional learning services;
- ensure professional learning services are research-led, practice focused and bench marked internationally and are responsive to the needs of current and potential leaders in schools and education establishments and the school sector priorities; and
- facilitate access to new and flexible pathways for participants to meet the General Teaching Council of Scotland Standards for Leadership and Management.

We endeavour to bring clarity and coherence to educational leadership in Scotland, ensuring that all teachers and early years practitioners engage with the most relevant, meaningful and inspiring professional learning and development.

We will achieve this by:

- Building and growing a new, sustainable organisation that understands and adds real value to teachers, practitioners and pupils in Scotland
- Establishing the expert role at SCEL at home and internationally by building a strong knowledge and research base which ensures ongoing improvement and leading edge learning
- Engaging across and beyond the system – enhancing relationships, networks and communities to identify and share best practice in leadership learning and development
- Providing access to a robust, relevant and fit for purpose suite of leadership learning programmes and opportunities that draw on international best practice to meet unique local and national needs, strengthening individual and collective leadership capacity across Scotland.

The vision that shapes our annual activities is to work in partnership with the profession and other national organisations to deliver an education system in Scotland where every teacher and early years practitioner benefits from excellent leadership learning and development so as to make a direct difference to young people and society.

To put this vision into action, the charity identified 14 strategic priorities for delivery in 2015-16. These were:

1. Establish Board processes and implement cycle of Board meetings, ensuring that all SCEL Directors are informed about the operational processes and the key priorities and impacts of SCEL.
2. Build organisational capacity through a planned recruitment process and systematic staff and organisational development.

## SCOTTISH COLLEGE FOR EDUCATIONAL LEADERSHIP

### Report of the Directors For the year ended 31 March 2016

#### Objectives and activities (continued)

3. Establish mechanisms to encourage strong partnership and collaborative working across and beyond the Scottish educational landscape to include the wider public services and activity related to Workforce Scotland.
4. Establish team of 8 Regional Network Leaders (RNLs) to represent SCEL across geographical groups of local authorities and allow effective engagement at a local level with the wider educational community.
5. Undertake digital analysis on SCEL's on-line presence and needs and develop web presence accordingly. Develop a Communication and Social Media Strategy to support this area of work.
6. Re-design, promote and develop the Framework for Educational Leadership (FEL) as a self-directed learning resource to support teachers' and early years practitioners' professional development and learning for leadership.
7. Develop an endorsement process that will enable publication of a list of providers and experts in educational leadership that have been approved to work with SCEL.
8. Agree the structure and framework for a national development programme for aspiring headteachers by the end of 2014, with delivery of this programme available by August 2015. Ensure there is a national support programme for newly appointed headteachers available by June 2016.
9. Evaluate the pilot of the SCEL Fellowship Programme by March 2015, and develop and disseminate papers and resources from individual projects by March 2015.
10. Recruit and deliver second cohort of Fellowship Programme for serving head teachers and heads of establishment providing senior level, high quality professional learning and through this continue to build a community of head teacher experts to lead and support system level initiatives and developments.
11. Continue to build SCEL's research profile, including information and access to research on SCEL website and SCEL involvement in research and development, aligning this work to related developments led by the National Implementation Board, GTC Scotland and Education Scotland.
12. Develop a comprehensive and coherent suite of SCEL programmes working with a range of stakeholders, partners and providers to ensure quality and relevance and establish effective marketing and promotional strategies to support engagement of leaders at every level.
13. Carry out a scoping exercise looking specifically at the needs of early years practitioners, identifying areas of work that require to be addressed to ensure that SCEL programmes and activities meet the needs of this group.
14. Following initial strategies for income generation (e.g. endorsement process, charging for programme participation) develop a financial strategy for sustainable income generation.

#### Criteria and measures used to assess success

The conditions of SCEL's grant funding require regular reporting of progress to the Scottish Government against agreed milestones and the submission of a summary report at the end of the period reporting on progress made in the achievement of the main objectives and expected outcomes. A range of measures are used to assess success against these milestones and the broader strategic priorities, including commissioned evaluations of programmes, participant numbers and feedback from programmes and events, and collated data from website and framework engagement. The report for 2015-16 was approved as an accurate summary of SCEL's progress to date for submission at a Board meeting on 8<sup>th</sup> March 2016.

## SCOTTISH COLLEGE FOR EDUCATIONAL LEADERSHIP

### Report of the Directors For the year ended 31 March 2016

#### Chair's Report

##### Introduction:

On behalf of the Board, I am delighted to report that the Scottish College for Educational Leadership is now establishing itself as a highly credible body which has gained significant and continuing influence in the development of improved practice in the Scottish Education system.

##### Achievements and Performance

SCEL's small team of employees are to be commended for the dedication and commitment which they have brought to the introduction of new thinking and for the related activities promoting communication and consultation with stakeholders. It is this collegiate dedication which has led to key areas of recent progress, including:

- The development and progressive implementation of Into Headship
- Encouraging progress on In Headship programmes and on the improved understanding of the key role of teachers as leaders
- Regular involvement in national and international discussions, events and activities, including emerging plans for international consultancy and co-operation
- SCEL's increasing role in developing and consolidating parts of Government priority, including areas covered in the recently published Delivery Plan for Scotland: *Delivering Excellence and Equity in Scottish Education*.

##### Financial review

SCEL's financial stability is sound and progress is subject to regular scrutiny at meetings of the Board and the Finance, Audit and Risk sub-committee.

In the 2015/16 report, comment was made on the background to an underspend for 2015-16. This was caused by specific issues relating to the timing of the establishment of SCEL and the subsequent pace of development of its activities. In current planning, the underspend totals are matched to areas of planned spend for financial year 2016-17.

Throughout its short life, SCEL has been conscious of the need to ensure adequate reserve funding was able to meet its needs in the event of difficulty or unexpected crisis. To date, this was measured on a provisional basis, taking account of good progress and practice in organisations of a similar background, supported by an agreement from Scottish Government that income generated in the first three years of SCEL's existence would not be deducted from SCEL's grant funding and would form the basis of a Reserves fund for the organisation.

The reserves at 31<sup>st</sup> March 2016 were £417,908 (2015 - £3,685) made up of £417,482 restricted and £426 unrestricted funds. The organisation is now developing its own formal Reserves policy which will be implemented in 2016-2017.

##### Principal risks and uncertainties

The organisation has developed a Risk Register, which outlines the principal risks and uncertainties for the organisation. The recognised principal risks are related to the longer-term funding arrangements for the organisation, its capacity to deliver across the increasing range of strategic priorities and any significant changes to Scottish Government policy in the areas of leadership and professional learning. The Risk Register, and the associated risk ratings for all principal risks, are discussed as a standing agenda item at the Finance, Audit and Risk Sub-Committee and presented to the Board of Directors for scrutiny twice yearly.

# SCOTTISH COLLEGE FOR EDUCATIONAL LEADERSHIP

## Report of the Directors For the year ended 31 March 2016

### Plans for future periods

SCEL's funding from the Scottish Government was for an initial funding period of three years, with an expectation that the organisation would generate an increasing amount of income in order to move towards becoming a self-sustaining organisation. The work of SCEL, as outlined in the strategic priorities, is a central part of the Scottish Government's National Improvement Plan and the Delivery Plan for Scotland: Delivering Excellence and Equity in Scottish Education. The Chief Executive recently met with the Scottish Government to work towards an agreed model for funding for the next three years, with work now underway to develop a three-year business and financial plan to guarantee future sustainability of the organisation. This will build upon the strategic plan already in place for 2016-17, which will ensure that experiences from past and current activities influence future plans and decisions about allocating resources to best effect.

### Structure, governance and management

#### (a) Structure and Management

At the end of March 2016 the organisation had completed a recruitment process which confirmed the structure detailed in the diagram below. This recruitment process followed an external review of staffing structure and remuneration for all staff members. The organisation is led by the Chief Executive, supported by the Depute Chief Executive / Director of Programmes. Line management responsibilities are also detailed in the diagram below.



Prior to this recruitment process, the staffing complement during 2015-16 included a Chief Executive, Depute Chief Executive / Director of Programmes, one Programme Leader, two Development Officers (Teacher Leadership, Framework for Educational Leadership), Organisation Manager, Digital Manager and two Administrative Assistants (including one Modern Apprentice).

## SCOTTISH COLLEGE FOR EDUCATIONAL LEADERSHIP

### Report of the Directors For the year ended 31 March 2016

#### Structure, governance and management (continued)

##### (b) Governance

The Scottish College for Educational Leadership was established as a not-for-profit company limited by guarantee in 2014 and is governed by an independent Board of Directors. The organisation's Articles of Association, approved at a meeting of Directors in November 2014, form the basis of all SCEL's governance processes and outline how the organisation is constituted.

The Board has overseen the establishment and development of SCEL and the implementation of its strategic plan of growth and development.

The Directors bring diverse professional experience in education and educational research, school leadership, corporate governance, business development and financial and legal management. The Chair of the Board of Directors is Professor Anthony Finn, CBE, and the Chair is supported by the following Directors:

- Pamela Nesbitt
- Aileen Ponton
- Kenneth Muir
- Stuart Brown
- Professor Chris Chapman
- Frances Ross
- Rodger Hill
- Clare Harker

A representative from Education Scotland (Alan Armstrong) and the Scottish Government (Stuart Robb) both have observer status on SCEL's Board of Directors.

The Articles of Association outline the methods used to recruit and appoint new trustees, including constitutional provisions for appointment. A Board Recruitment and Selection Sub-Committee was established during 2015/16 to take forward the recruitment and selection of new Board members as outlined in the Articles.

The SCEL Board of Directors currently meets every six weeks, and has established two sub-committees to ensure sound governance and scrutiny across all aspects of SCEL's work. These two committees are the Finance, Audit and Risk Sub-Committee and the Board Recruitment and Evaluation Sub-Committee. The Finance, Audit and Risk Sub-Committee has been supplemented by the co-option of an additional committee member: Stuart Thomson, who is the Executive Director, Finance at City of Glasgow College.

All new Board members took part in an induction programme when first appointed to the Board in November 2014. Additional training (e.g. governance processes, finance) has been organised for all Board members.

## SCOTTISH COLLEGE FOR EDUCATIONAL LEADERSHIP

Report of the Directors  
For the year ended 31 March 2016

### Reference and administration details

#### *Board of Directors*

The directors who served during the year were:

Stuart Brown  
Professor Christopher Chapman  
Professor Anthony Finn CBE  
Catherine Harker  
Rodger Hill  
Kenneth Muir  
Pamela Nesbitt  
Aileen Ponton  
Frances Ross

#### *Company Secretary*

Frances Ross

#### *Registered office*

Centrum House  
Unit 2E  
38 Queen Street  
Glasgow  
G1 3DX

#### *Auditors*

Henderson Loggie  
34 Melville Street  
Edinburgh  
EH3 7HA

#### *Accountant*

Scott-Moncrieff  
25 Bothwell Street  
Glasgow  
G2 6NL

#### *Bankers*

Royal Bank of Scotland  
23 Sauchihall Street  
Glasgow  
G2 3AD



## **SCOTTISH COLLEGE FOR EDUCATIONAL LEADERSHIP**

### **Report of the Directors For the year ended 31 March 2016**

#### **Statement of responsibilities of the Board of Directors**

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company and charity law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the surplus or deficit of the charitable company for that year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether the UK Accounting Standards have been followed, subject to any material disputes disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Statement of disclosure of information to the auditor**

To the knowledge and belief of each of the persons who are directors at the time the report is approved:

- so far as the director is aware, there is no relevant information of which the charitable company's auditor is unaware; and
- he/she has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information, and to establish that the charitable company's auditor is aware of the information.

#### **Auditors**

Henderson Loggie were appointed as auditors on 9 June 2016. Henderson Loggie will be proposed for re-appointment at the Annual General Meeting in accordance with section 485 of the Companies Act 2006.

## **SCOTTISH COLLEGE FOR EDUCATIONAL LEADERSHIP**

**Report of the Directors  
For the year ended 31 March 2016**

### **Small company exemptions**

This report was prepared in accordance with the special provisions of the Companies Act relating to small companies. At the time of approving this report, the Trustees are aware of no relevant audit information of which the company's auditors are unaware and have taken all steps that they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information approved by the Trustees.

**Approved by the directors and signed on their behalf by:**



**Professor Anthony Finn CBE  
Chair of the SCEL Board of Directors**

**Dated:** 22 August 2016

## **SCOTTISH COLLEGE FOR EDUCATIONAL LEADERSHIP**

### **Independent Auditor's Report to the Members and Directors of Scottish College for Educational Leadership For the year ended 31 March 2016**

We have audited the financial statements of Scottish College for Educational Leadership for the year ended 31 March 2016 which comprise Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (effective 1 January 2015).

This report is made exclusively to the members, as a body, in accordance with Part 16 Chapter 3 of the Companies Act 2006 and to the charitable company's directors, 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 (as amended). Our audit work has been undertaken so that we might state to the members and the charitable company's directors 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 charitable company and its members and directors as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of the directors and the auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 7, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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 (APB'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 charitable company's circumstances and have been consistently applied and adequate disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we need 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.

## SCOTTISH COLLEGE FOR EDUCATIONAL LEADERSHIP

### Independent Auditor's Report to the Members and Directors of Scottish College for Educational Leadership For the year ended 31 March 2016 (continued)

#### Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2016 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

#### Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

#### 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 charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and financial statements; or
- the directors were not exempt from the requirements to prepare a Strategic Report.



**James Davidson, Senior Statutory Auditor**

For and on behalf of Henderson Loggie, Statutory Auditors  
Chartered Accountants  
34 Melville Street  
Edinburgh  
EH3 7HA

22 August 2016

**SCOTTISH COLLEGE FOR EDUCATIONAL LEADERSHIP**

**Statement of Financial Activities (incorporating the Income and Expenditure Account)  
For the year ended 31 March 2016**

	Note	Unrestricted Funds	Restricted Funds	Total funds 31 March 2016	7 months ended 31 March 2015
		£	£	£	£
<b>Income</b>					
Charitable activities	3	14,917	1,264,183	1,279,100	350,211
Total income		<u>14,917</u>	<u>1,264,183</u>	<u>1,279,100</u>	<u>350,211</u>
<b>Expenditure</b>					
Charitable activities	4	3,481	846,701	850,182	344,151
Other resources expended	6	14,695	-	14,695	2,375
Total expenditure		<u>18,176</u>	<u>846,701</u>	<u>864,877</u>	<u>346,526</u>
<b>Net income/(expenditure) and net movement in funds for the year</b>		(3,259)	417,482	414,223	3,685
<b>Reconciliation of funds</b>					
Total Funds Brought Forward		<u>3,685</u>	-	<u>3,685</u>	-
<b>Total Funds Carried Forward</b>		<u>426</u>	<u>417,482</u>	<u>417,908</u>	<u>3,685</u>

The statement of financial activities includes all gains and losses in the year. All income and expenditure derive from continuing activities.

The notes on pages 13 to 21 form part of these financial statements.

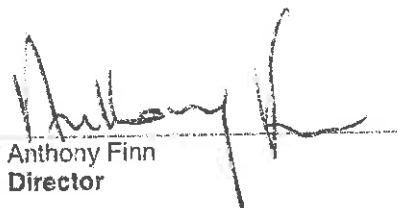
## SCOTTISH COLLEGE FOR EDUCATIONAL LEADERSHIP

### Balance Sheet As at 31 March 2016

	Note	2016 £	2015 £
<b>Fixed assets</b>			
Tangible assets	9	61,607	10,444
		<u>61,607</u>	<u>10,444</u>
<b>Current assets</b>			
Debtors	10	15,793	5,000
Cash at bank and in hand		610,673	301,541
		<u>626,466</u>	<u>306,541</u>
<b>Liabilities</b>			
Creditors: amounts falling due within one year	11	(270,165)	(311,211)
<b>Net current assets/(liabilities)</b>		<u>356,301</u>	<u>(4,670)</u>
<b>Total assets less current liabilities</b>		<u>417,908</u>	<u>5,774</u>
<b>Provision for liabilities</b>	13		(2,089)
<b>Total net assets</b>		<u><u>417,908</u></u>	<u><u>3,685</u></u>
<b>The funds of the charity</b>			
Unrestricted funds	15(a)	426	3,685
Restricted funds	15(b)	417,482	-
<b>Total charity funds</b>	15	<u><u>417,908</u></u>	<u><u>3,685</u></u>

These financial statements have been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were authorised for issue by the Board of Directors on 22 August 2016 and signed on their behalf by:

  
Anthony Finn  
Director

Company registration number: SC474892  
Charity number: SC045692

The notes on pages 13 to 21 form part of these financial statements.

## SCOTTISH COLLEGE FOR EDUCATIONAL LEADERSHIP

### Notes to the Financial Statements For the year ended 31 March 2016

#### 1. Principal Accounting Policies

##### **Basis of accounting**

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16 July 2014, the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006. Assets and liabilities are initially recognised at historic cost or transaction value unless otherwise stated in the relevant accounting policies.

##### **Reconciliation with previous Generally Accepted Accounting Practice**

In preparing these accounts, the Board of Directors have considered whether in applying the accounting policies required by the Charities Statement of Recommended Practice and the Financial Reporting Standard for Smaller Entities (effective January 2015) the restatement of comparative items was required.

No restatements were required.

##### **Going concern**

The Directors have considered a period of twelve months from the date of their approval of the financial statements and, taking into account the charitable company's cash position, net asset position and expected future income, they consider it appropriate to prepare the financial statements on the going concern basis.

##### **Income**

Income is recognised when the charitable company is legally entitled to it, there is a reasonable certainty of the receipt and the amount is measurable. Income is related to the charitable activities of the charitable company.

##### **Expenditure**

Expenditure is recognised when a legal or constructive obligation arises and, in the case of all grants, after approval by the directors.

Expenditure incurred, which relates directly to any one cost category, is allocated directly to that category. Expenditure common to more than one cost category is apportioned on a reasonable and consistent basis to the categories involved, in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16 July 2014.

Charitable expenditure comprises those costs incurred by the charitable company in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Allocation of support costs include those costs associated with meeting the constitutional and statutory requirements of the charitable company and include the audit fees and costs linked to the strategic management of the charitable company.

##### **VAT**

The Company is not VAT registered. Accordingly expenditure is stated gross of VAT.

## SCOTTISH COLLEGE FOR EDUCATIONAL LEADERSHIP

### Notes to the Financial Statements For the year ended 31 March 2016

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

##### Tangible fixed assets

Tangible fixed assets are charged at cost less depreciation. Assets are capitalised if their estimated useful life exceeds one year.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer & office equipment - 25% straight line

##### Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid after taking into account any trade discounts due.

##### 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.

##### Creditors

Creditors are recognised where the charitable company 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.

##### Financial instruments

The charitable company 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.

##### Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

##### Funds

Unrestricted funds – are funds built up in the normal course of the general objectives of the charitable company.

Restricted funds – are funds received for specific purposes and are subjected to restrictions on their expenditure imposed by the donor.

Where restricted funding received does not cover the expenditure, a transfer of unrestricted funds to cover the additional expenditure not covered by the restricted funding received is made.

##### Cash flow statement

In view of the exemptions allowed under the Financial Reporting Standard for Smaller Entities (effective January 2015), the directors have decided not to present a cash flow statement.



**SCOTTISH COLLEGE FOR EDUCATIONAL LEADERSHIP**

**Notes to the Financial Statements  
For the year ended 31 March 2016**

**2. Net expenditure**

Net expenditure for the year is stated after charging:

	2016 £	2015 £
Auditor's remuneration - Audit fee	4,000	-
Depreciation on owned fixed assets	7,878	3,481
	<u>11,878</u>	<u>3,481</u>

<b>3. Income - Charitable Activities</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2016 £</b>	<b>Total 2015 £</b>
<i>Glasgow City Council:</i>				
Apprentice funding	-	2,156	2,156	-
<i>The Scottish Government:</i>				
Running Costs	-	651,794	651,794	345,211
Strategic Priorities	-	573,670	573,670	
Education Adviser	-	36,563	36,563	-
Conference & Programme income	14,917	-	14,917	5,000
	<u>14,917</u>	<u>1,264,183</u>	<u>1,279,100</u>	<u>350,211</u>

**SCOTTISH COLLEGE FOR EDUCATIONAL LEADERSHIP**

**Notes to the Financial Statements  
For the year ended 31 March 2016**

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
<b>4. Expenditure - Charitable activities</b>				
Secondment costs	-	128,000	128,000	72,194
Agency staff costs	-	-	-	35,143
Rent & rates	-	32,978	32,978	28,766
Insurance	-	2,831	2,831	2,969
Conference & Partnership Events	-	100,142	100,142	16,984
Hotels, travel & subsistence	-	32,554	32,554	13,853
Consultancy	-	109,688	109,688	-
Legal & professional	-	19,459	19,459	44,376
Printing, postage & stationery	-	4,544	4,544	5,087
Telephone	-	2,611	2,611	1,128
Computer consumables	-	2,098	2,098	1,147
Website development	-	7,505	7,505	-
Advertising & promotion	-	36,883	36,883	21,887
Subscriptions	-	1,139	1,139	383
Equipment hire	-	1,265	1,265	949
Repairs & maintenance	-	1,076	1,076	-
Bank charges	-	67	67	200
Depreciation	3,481	18,215	21,696	3,481
Sundry expenses	-	1,741	1,741	2,496
Governance costs (note 5)	-	12,248	12,248	4,356
Support costs (note 5)	-	331,657	331,657	88,752
	<u>3,481</u>	<u>846,701</u>	<u>850,182</u>	<u>344,151</u>

	2016 £	2015 £
<b>5. Analysis of governance and support costs</b>		
Audit fees	4,000	-
Accountancy and other fees	8,248	4,356
Staff costs (note 7)	316,959	83,640
Staff training	14,698	5,112
	<u>343,905</u>	<u>93,108</u>

## SCOTTISH COLLEGE FOR EDUCATIONAL LEADERSHIP

### Notes to the Financial Statements For the year ended 31 March 2016

	2016	2015
	£	£
<b>6. Analysis of other expenditure</b>		
Corporation tax (note 8)	16,784	286
Deferred tax (note 13)	(2,089)	2,089
	<u>14,695</u>	<u>2,375</u>
<b>7. Staff costs</b>	<b>2016</b>	<b>2015</b>
	£	£
Wages and salaries	255,620	76,192
Social security costs	21,768	7,448
Pension costs	39,571	-
	<u>316,959</u>	<u>83,640</u>

The average number of employees during the period was 7 (2015 - 2).

The number of employees, including the highest paid employee, who received emoluments (excluding pension contributions) over £60,000 was in the following ranges:-

	2016	2015
£60,000 - £70,000	1	-
The number of staff to whom retirement benefits are accruing under Defined contribution schemes	3	-

### 8. Taxation

As a charity from 12 June 2015, Scottish College for Educational Leadership is exempt from tax on income and gains falling within sections 478-489 of the Corporation Tax Act 2010 to the extent that these are applied to its charitable objects. The tax charge which arose in 2015 in respect of the surplus made prior to this date is shown in note 6.

**SCOTTISH COLLEGE FOR EDUCATIONAL LEADERSHIP**

**Notes to the Financial Statements  
For the year ended 31 March 2016**

		<b>Computer &amp; office equipment £</b>
<b>9. Tangible fixed assets</b>		
<b>Cost:</b>		
At 1 April 2015		13,925
Additions		72,859
		<hr/>
At 31 March 2016		86,784
		<hr/>
<b>Depreciation:</b>		
At 1 April 2015		3,481
Charge for year		21,696
		<hr/>
At 31 March 2016		25,177
		<hr/>
<b>Net book value:</b>		
At 31 March 2016		61,607
		<hr/> <hr/>
At 31 March 2015		10,444
		<hr/> <hr/>
	<b>2016</b>	<b>2015</b>
<b>10. Debtors</b>	<b>£</b>	<b>£</b>
Trade debtors	-	5,000
Prepayments	15,793	-
	<hr/>	<hr/>
	15,793	5,000
	<hr/> <hr/>	<hr/> <hr/>
	<b>2016</b>	<b>2015</b>
<b>11. Creditors: amounts falling due within one year</b>	<b>£</b>	<b>£</b>
Trade creditors	62,567	76,922
Accruals	14,609	65,365
Deferred income (note 12)	168,085	162,949
Corporation tax	16,784	286
Other tax and social security	8,120	5,689
	<hr/>	<hr/>
	270,165	311,211
	<hr/> <hr/>	<hr/> <hr/>
<b>12. Deferred income</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
As at 1 April 2015	162,949	-
Released in year	(162,949)	-
Deferred in year	168,085	162,949
	<hr/>	<hr/>
As at 31 March 2016	168,085	162,949
	<hr/> <hr/>	<hr/> <hr/>

Deferred income relates to grants received in advance for Strategic Priorities.

**SCOTTISH COLLEGE FOR EDUCATIONAL LEADERSHIP**

**Notes to the Financial Statements  
For the year ended 31 March 2016**

<b>13. Provisions for liabilities</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Accelerated capital allowances	<u>                    </u>	<u>2,089</u>
Provision at start of year	2,089	-
Deferred tax charge in year (note 6)	<u>(2,089)</u>	<u>2,089</u>
Provision at end of year	<u>                    </u>	<u>2,089</u>

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>14. Summary of net assets between funds</b>			
Tangible fixed assets	6,963	54,644	61,607
Net current assets	<u>(6,537)</u>	<u>362,838</u>	<u>356,301</u>
	<u>426</u>	<u>417,482</u>	<u>417,908</u>

**15. Analysis of charitable funds**

**(a) Analysis of movement in unrestricted funds**

	<b>At 1 April 2015</b>		<b>Income</b>	<b>Expenditure</b>	<b>At 31 March 2016</b>
	<b>£</b>		<b>£</b>	<b>£</b>	<b>£</b>
General fund	<u>3,685</u>	<u>14,917</u>	<u>(18,176)</u>	<u>426</u>	
<b>Total funds</b>	<u>3,685</u>	<u>14,917</u>	<u>(18,176)</u>	<u>426</u>	

**Name of unrestricted fund**

**Description, nature and purpose of the fund**

General fund

The general fund of the charitable company is all unrestricted reserves, where there are no specified purposes for these funds. Transfers can be made to restricted funds to meet any shortfalls in these activities.

SCOTTISH COLLEGE FOR EDUCATIONAL LEADERSHIP

Notes to the Financial Statements  
For the year ended 31 March 2016

15. Analysis of charitable funds (con't)

(b) Analysis of movement in restricted funds	At 1 April 2015 £	Income £	Expenditure £	At 31 March 2016 £
GCC – Apprentice Funding <i>The Scottish Government</i>	-	2,157	(2,157)	-
Running Costs	-	651,793	(426,959)	224,834
Strategic Priorities	-	573,670	(381,022)	192,648
Education Adviser	-	36,563	(36,563)	-
<b>Total funds</b>	-	<b>1,264,183</b>	<b>(846,701)</b>	<b>417,482</b>

Name of restricted fund	Description, nature and purpose of the fund
GCC – Apprentice Funding	This grant was received from Glasgow City Council as part funding for the employment of an apprentice within the Charity.
<u>The Scottish Government:</u> Running Costs	This grant was received from The Scottish Government to enable the charity to carry out the Project of building awareness of SCEL and develop a strong partnership among the education sector in Scotland. It is also to ensure the appropriate governance, staff, financial and other arrangements are in place to enable SCEL to function as an effective organisation.
Strategic Priorities	This grant was received from The Scottish Government to enable the charity to deliver its strategic priorities for 2015-16.
Educational Advice Co-ordinator	This grant was awarded by The Scottish Government, in conjunction with the Scottish Attainment Challenge, to enable the Charity to employ a co-ordinator with a special focus on leadership and teacher development.

16. Commitments under operating leases

At 31 March 2016, the charitable company had aggregate annual commitments under non-cancellable operating leases as set out below:

	Land & buildings 2016 £	Other 2016 £	Land & buildings 2015 £	Other 2015 £
Within 1 year	19,020	-	-	-
Within 2-5 years	-	1,295	37,440	1,265
	<b>19,020</b>	<b>1,295</b>	<b>37,440</b>	<b>1,265</b>

## SCOTTISH COLLEGE FOR EDUCATIONAL LEADERSHIP

### Notes to the Financial Statements For the year ended 31 March 2016

#### 17. Related party transactions

During the year, the charitable company paid Anthony Finn, a Trustee, an allowance as Chair of the Board of £5,800 (2015 - £13,600). This was in line with the articles of association. In addition, the charitable company paid out of pocket and travelling expenses to the Trustees as follows: £915 (2015 - £1,958) to Tony Finn and £347 (2015 - £130) to Rodger Hill

#### 18. Share Capital

The organisation is a charitable company limited by guarantee and has no share capital. The liability of each member is limited to £1.

#### 19. Transition to SORP FRSSE 2015

These financial statements for the year ended 31 March 2016 are the charitable company's first financial statements that comply with SORP FRSSE 2015. The charitable company's date of transition to SORP FRSSE 2015 is 1 April 2014. The charitable company's last financial statements prepared in accordance with previous UK GAAP were for the year ended 31 March 2015.

The transition to SORP FRSSE 2015 has resulted in some changes in the charitable company's accounting policies compared to those used when applying previous UK GAAP.

No restatements were required.

