



# ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024  
SC002271

**THE GLASGOW  
SCHOOL OF ART**

## **INTRODUCTION**

Office bearers	2
Advisors	2

## **STRATEGIC REPORT**

Background	4
Overview of Academic Year 2023/24	5
Our Plan for Our Future: Strategic Plan 2022-2027	7
Transform our distinct models of creative education	8
Impact through creative research, innovation and partnership	10
A sustainable, independent art school	12
Principal risks and uncertainties	17
Duty to promote the success of the Company	18
Financial review	22

## **DIRECTORS' REPORT**

Board membership	28
Environmental sustainability	29
Equality and diversity	31
Employment of disabled persons	32
Responsibilities of the Board of Governors for accounting and the financial statements	32
Auditor	33
Post balance sheet events	33

## **CORPORATE GOVERNANCE REPORT**

Introduction	35
Governing Body	35
Corporate strategy	41
Risk management	41
Internal control	42
The Scottish Code of Good Higher Education Governance	43
Going concern	43
Conclusion	43

## **AUDIT REPORT**

Independent auditor's report to the Board of Governors of Glasgow School of Art	45
---	----

## **FINANCIAL STATEMENTS**

Group and School Statement of Comprehensive Income and Expenditure	49
Group and School Statement of Changes in Reserves	50
Group and School Balance Sheet	51
Group Statement of Cash Flows	52
Statement of principal accounting policies and estimation techniques	53
Notes to the financial statements	58



# INTRODUCTION



The Directors present their Annual Report and the audited Financial Statements for the Year ended 31 July 2024. The financial statements consolidate the results of the Group, comprising The Glasgow School of Art, The Glasgow School of Art Development Trust and GS of A Singapore Pte Ltd.

The Glasgow School of Art is a Company Limited by Guarantee (Company registration number SC002271) and is a registered charity in Scotland (Registered number SC012490), having its registered office at 167 Renfrew Street, Glasgow G3 6RQ

Copies of these financial statements can be obtained by contacting the registered office.

## Office bearers

---

Patron	HRH King Charles III
Hon. President	Mr Stewart Grimshaw
Hon. Vice President	Professor Anthony Jones CBE
Chair	Ms Ann Priest MBA, FRSA, CText FTI
Vice Chair	Ms Kristen Bennie BA
Vice Chair	Mr Habib Motani (until 31/05/2024)
Director	Professor Penny Macbeth BA(Hons) MA FHEA
Company Secretary	Mr Andrew Menzies (until 6 September 2023)
Company Secretary	Ms Emma Williams (from 7 September 2023)

## Advisors

---

Solicitors	Thorntons Law LLP Whitehall House, 33 Yeaman Shore, Dundee DD1 4BJ
External Auditor	Anderson Anderson & Brown Audit LLP 81 George St, Edinburgh, EH2 3ES
Internal Auditor	BDO 2 Atlantic Square, 31 York Street, Glasgow, G2 8NJ
Bankers	Bank of Scotland plc 54-62 Sauchiehall Street, Glasgow, G2 3AH



# STRATEGIC REPORT



## Background

---

### Past, present and future

The Glasgow School of Art evolved from the UK's first school of art, established in 1753 to deliver a 'European-style' art education during the Scottish enlightenment; transitioning, first, into the Glasgow Government School of Design, a centre of creativity promoting good design for the manufacturing industries, at a time when Glasgow was an international industrial power-house; and subsequently into The Glasgow School of Art, embracing, in the late 19th century, fine art and architecture education and, today, digital technology and innovation design. The GSA has been pivotal to Glasgow's post-industrial regeneration since the 1980, and the city is now a globally recognised centre for contemporary fine art and the creative economy and we continue to play a central role in this through our people, our education and our research, empowering change and creating impact that is both transformative and collaborative.

Today, The Glasgow School of Art is internationally recognised as one of Europe's leading specialist higher education institutions for visual creative disciplines and is consistently ranked as one of the top art and design institutions in the world. Our international standing is rooted in the quality of our education and research; our international partnerships with more than 80 of the world's leading art and design universities alongside academic partners in science, engineering, business, industry and the third sector; our student community with over 35% international students representing over 100 countries; and our Creative Network of graduates and alumni, working, practicing and making across the world in the cultural and creative sectors and broader economy. We understand the value and importance to our Scottish students who benefit greatly from studying within a global creative community and world-class learning environment, establishing the global creative networks and collaborations that will sustain them throughout their career.

Our contribution to Scotland's higher education sector and more broadly to Glasgow and Scotland's economy, culture and soft-power is significant. We continue to contribute to Glasgow's position as one of the UK's most successful city-economies. Central to this contribution are our students, staff - creative practitioners and academics of international and national significance - and our graduates.

Glasgow is an entrepreneurial city, the largest economy in Scotland and among the highest GDP per capita of cities in the UK, and Glasgow's creative industries are a major source of economic growth and employment. The City's creative industries, together with its major cultural institutions, including The Glasgow School of Art, have a global reputation and influence that builds on Glasgow's position as a European cultural capital, making it one of the UK's most successful city-economies. The GSA has a significant role to play from the economic impact of our staff, and students, and with nearly 60% of our graduates remaining in the city working within the creative and cultural industries, the wider economy or through establishing their own businesses. Importantly, they all contribute to the City's cultural infrastructure through exhibitions, events and their international networks.

With campuses in Glasgow and a significant rural hub in Altyre in the Highlands of Scotland, our ability to work across two places, rural and urban offers considerable opportunities for our education and research and the contribution and impact we can make.

### Institutional structure and portfolio

During Academic Year 2023/24, The Glasgow School of Art's education and research was structured around four academic schools:

- The Mackintosh School of Architecture
- The School of Design
- The School of Fine Art
- The School of Innovation and Technology



## Overview of Academic Year 2023/24

Academic Year 2023/24 saw the continuation of a post-pandemic trend of growth in student enrolment at the GSA with total enrolments progressing towards the planned growth within our Strategic Plan's student number targets for AY 2027. Following much improved application numbers, against the sectoral trend, and an intensification of our conversion efforts in the lead up to the new academic year, early indications are of a continued upward trend in student numbers, narrowing the gap towards our AY2026/27 target over the coming years.

The previous academic year started with the good news that QAA's re-review concluded that the GSA had effective arrangements for managing academic standards and the student experience. This year ended with the news that, under the first phase of the new review system, the Quality Assurance Agency for Higher Education (QAA), the UK's independent quality body, has expressed confidence in The Glasgow School of Art's progress in continuing to monitor, review and enhance its higher education provision to enable effective arrangements to be in place for managing academic standards and the quality of the student learning experience; commending, in particular, the GSA's rigorous and coordinated approach to enhancing learning and teaching by developing, embedding and monitoring the impact and implementation of a range of key institutional strategies; the introduction and evolution of the Student Consultant role; and the continued proactive development of core quality processes.

The National Student Survey (NSS) provides an opportunity for final year, undergraduate students to give feedback about what it has been like to study on their programme. 73% of GSA students responded to the survey this year, 4 percentage-points down on the previous year but broadly consistent with the UK-wide response of 72%. The survey saw overall satisfaction at the GSA fall from 73% to 58%, the result is still higher than the historic trend. The overall satisfaction score is not reflected across all other questions in the survey, where the results of the more detailed question groups continued to score above 70%. The GSA is proactive in using the results for individual subjects to identify those programmes where additional action is required to ensure the earliest interventions to improve the student experience from the beginning of the next academic session. All undergraduate, excluding final year, and postgraduate students are invited to contribute to our internal Student Experience Survey (SES) using the same question set as NSS. At undergraduate level, the score of 76% for overall satisfaction was broadly consistent with last year's result, which at 78%, marked the high point of an impressive trend of growth from a 53% baseline. For postgraduate taught students, the SES overall satisfaction dipped from last year's 84% to 80%, but remains on track to take our baseline performance from 65% to 85% by 2027 in line with our lead indicator targets.

This year, the GSA welcomed a new academic School - the School of Innovation and Technology. (SIT). SIT brings together the internationally recognised education, research and innovation strengths of the former Schools of Innovation and of Simulation and Visualisation and explores, challenge and reinvents tomorrow's questions through collaboration and partnership. Through developing new academic programmes, research, knowledge exchange and graduates, SIT will expand the reach and impact of the GSA and our collaborations with other universities, Government and international partners to engage in design-led social transformation. The new School sits alongside and complements our academic strengths and specialisms within the Schools of Fine Art, Design and Architecture and opens up new opportunities for students and staff through collaboration and partnership both within the GSA and extending our reach and impact locally and internationally.

The Glasgow School of Art's Creative Network now includes over 20,000 graduates spread across 95 countries around the world, who in turn contribute to the continuing life of the school through teaching, advice, opportunities and partnerships. Our graduates can be found working in all areas of the cultural sector, creative industries and wider economy, and they include entrepreneurs, leading architects, designers and makers, as well as world-renowned artists, musicians, writers and academics. We are always delighted to celebrate the continuing successes of those graduates and of our current students and staff, including:

- Receiving the Best College Award for the second time in 3 years at the 2023 Goldsmiths' Craft and Design Council Awards, alongside students, graduates, staff and Artists-in-Residence, who excelled, winning no fewer than 27 awards, including four gold awards, the Champagne Gosset Award and for graduate Karen Wallace, the highest accolade, The Cartier Award for her carved steel rifle cover, with her level of skill being described by the judges as "simply stratospheric and of a quality rarely seen".
- Daniel Crawford (2012 graduate in Medical Visualisation and Human Anatomy) who founded Axial3D was awarded the University of Glasgow World Changing Alumni Award 2023 honour, which recognise and celebrate the achievements of alumni who have graduated within the last 15 years and made a major contribution to their field. Daniel sought to support surgeons to create patient specific treatment plans through the automation of a previously lengthy and costly process of creating patient specific 3D anatomical models from 2D medical images. This work has pivoted to a patented artificial intelligence software solution, which automatically converts patient's 2D data into 3D visuals. The MSc in Medical Visualisation and Human Anatomy is a joint programme developed and delivered by the GSA and Glasgow University School of Medicine, Dentistry and Nursing.
- Rachel Crooks (2023 Diploma in Architecture) was awarded the 'Rowan Anderson Silver Medal' by The Royal Incorporation of Architects in Scotland. This award is the top student prize and was given in recognition of her project 'Quarrying the Ruinscape'. In addition, upon completing his Stage 5 at The Mackintosh School of Architecture, John Pottage was also Highly Commended in the Architecture and Design Scotland (A&DS) award in both the Sustainable Design and Urban Design category.

- Irish artist and GSA Graduate Gareth Reid was crowned *Sky Arts Portrait Artist of the Decade*, for his drawing of Dame Judy Dench.
- Two of the four artists shortlisted for the Turner Prize 2024 were graduates of The Glasgow School of Art. Pio Abad (Painting and Printmaking 2007) and Claudette Johnson (Silversmithing & Jewellery, 2008) joined a long list of previous nominees from The Glasgow School of Art, and six previous winners of the award, as well as two graduates who were members of a winning artist collective.

In September the GSA launched Future Skills, our new programme of creative professional development courses, aimed at bridging industry skill gaps with a crafted curriculum designed to meet the evolving needs of today's workforce, fostering creative professional growth through bespoke and innovative courses. Early offerings have been focussed on regenerative leadership, audio production, fine art, storytelling, creative education and integration of AI in educational experiences. As our portfolio of Future Skills courses continues to grow, they will continue to be thoughtfully curated to address the unique needs of our partners, embracing a design-led approach to professional development, emphasising innovation and forward-thinking strategies.

Over the past 10 years The Glasgow School of Art has been a foundational part of the Digital Health & Care Innovation Centre (DHI), a world-leading partnership between the Glasgow School of Art and the University of Strathclyde funded by the Scottish Funding Council and the Scottish Government (<https://www.dhi-scotland.com>). Recognition of the value of the pioneering work at our creative innovation campus on the Altyre estate in Moray together with our team in Glasgow, saw DHI secure funding for at least the next 10 years, to deliver on the seven priorities set out in its new 10 year plan - to transform health and social care; develop digital and data infrastructures as national assets; enhance Scotland's connected ecosystem through cross sectoral innovation clusters; develop a future skills pipeline which delivers workforce capabilities fit for Scotland's future; extend commercial engagement to support economic growth; health and care's contribution to Net Zero targets; and enhance Scotland's international reputation in R&I.

Our Estate continues to undergo improvements in line with our approved Estates Strategy. Using funding from the Scottish Funding Council's Financial Transactions Scheme, in the form of a £10m loan, we have completed an extensive programme of work at the Stow Building to create an improved environment consistent with the needs and expectations of our students and staff. This has also provided the opportunity for energy and carbon savings.

There was material consequential damage to the Reid, Bourdon and Assembly Buildings, arising from the 2018 Mackintosh Building fire. Having already previously completed the remedial work to the Bourdon Building and the Assembly Building, this year saw the reinstatement of the façade of the Reid Building, restoring its visual impact and improving access for students, staff and visitors, which was further improved with the re-opening of Renfrew Street at the end of October 2024.

While in the years following the fire, on-site works focussed on stabilising the remaining structure and clearing debris at the Mackintosh Building site, last year saw the wrapping of the building to protect it from the elements and to allow the structure to dry-out. This year our preliminary efforts in the building's reconstruction were focussed on works associated with the reinstatement of the internal structure, progressing our aim of the building becoming self-supporting.

In 2021 The Glasgow School of Art published a Strategic Outline Business Case (SOBC) to consider and evaluate the options for the School to respond to the impact of the 2018 fire on the world-renowned building. That SOBC identified a preferred solution, meeting the academic and institutional needs of the GSA, whilst reflecting the architectural, historical and emotional significance of the building, the expectations and aspirations of the local community, and the potential to strengthen the cultural and economic performance of the Glasgow City Region and beyond. In July 2024, Glasgow School of Art announced the commencement of work on an addendum to the SOBC, seeking to robustly test the previous assumptions, costs and economic impact, timelines and approaches to delivery of this significant project. The work will be supported by a combined team of architects, cost and economic consultants, with the aim of publication early in 2025.



## Our Plan for Our Future: Strategic Plan 2022-2027

Our Plan for Our Future: Strategic Plan 2022-2027 articulates the collective ambition for the future direction of The Glasgow School of Art. It was developed collaboratively, engaging over 400 internal and external stakeholders from across the GSA's community of staff, students, graduates and partners to inform, alongside externally produced foresight research and rigorous self-reflection and iteration, the development of our collective ambition for the future of The Glasgow School of Art and our Strategic Focus to 2027.

### Our ambition

Through our people, our education and our research, we empower change and create impact that is both transformative and collaborative.

### Our values guiding our behaviour and decision making

- Rooted in studio, making and collaboration.
- Deep specialism alongside interdisciplinary practice.
- A rich partnership approach to education, research and innovation.
- A culture that enables and empowers us in everything we do.
- A responsible and caring culture that values our people and our environments.
- A sustainable and equitable approach to our work.
- Always looking forward, while celebrating our past.

### Our strategic focus to 2027

- **Transform our distinct models of creative education**

Valuing our disciplinary strengths and traditions, we will deliver new inclusive ways of learning and teaching that provide greater opportunities for collaboration and flexibility, giving students more agency over how they learn and ways to make a positive impact through their practice.

- **Impact through creative research, innovation and partnership**

Ground-breaking, dynamic, experimental and in partnership with organisations and individuals that share our mutual values and ambitions, together we will contribute to new knowledge and demonstrate the role of creative people and practice on society.

- **A sustainable, independent art school**

Our practices, procedures and administrative systems will be creative, simple and efficient. We will energise our people, our resources and commitment to addressing the climate and ecological emergencies through innovation and working in a collaborative and transparent way.

Each one of these has clearly articulated aims, core and enabling strategies and a number of lead indicators, set out on the following pages.



## Transform our distinct models of creative education

---

By 2027 our education will be renowned for the ways in which it positively transforms the lives of our students and those who benefit from the work they go on to do. To achieve this, we will work in partnership with our students to continuously enhance our pedagogies and curriculum, ensuring all students have equal opportunities to succeed, realise their ambitions and make a positive contribution to their communities. We will prioritise the student experience, including investing in our learning resources – workshops, library and technologies, archives and collections and cultural engagement, ensuring they all support student success.

Last year we noted that in AY2022/23, the first year of the strategy's implementation, we achieved the objectives that we set ourselves, most notably by delivering our Education Strategy; laid the foundations of a Common Academic Framework; launched our new School of Innovation and Technology; restructured our Technical Service; and implemented enhancements to our recruitment, admissions and enrolment processes.

Reflecting on the objectives we set ourselves for AY2023/24 we:

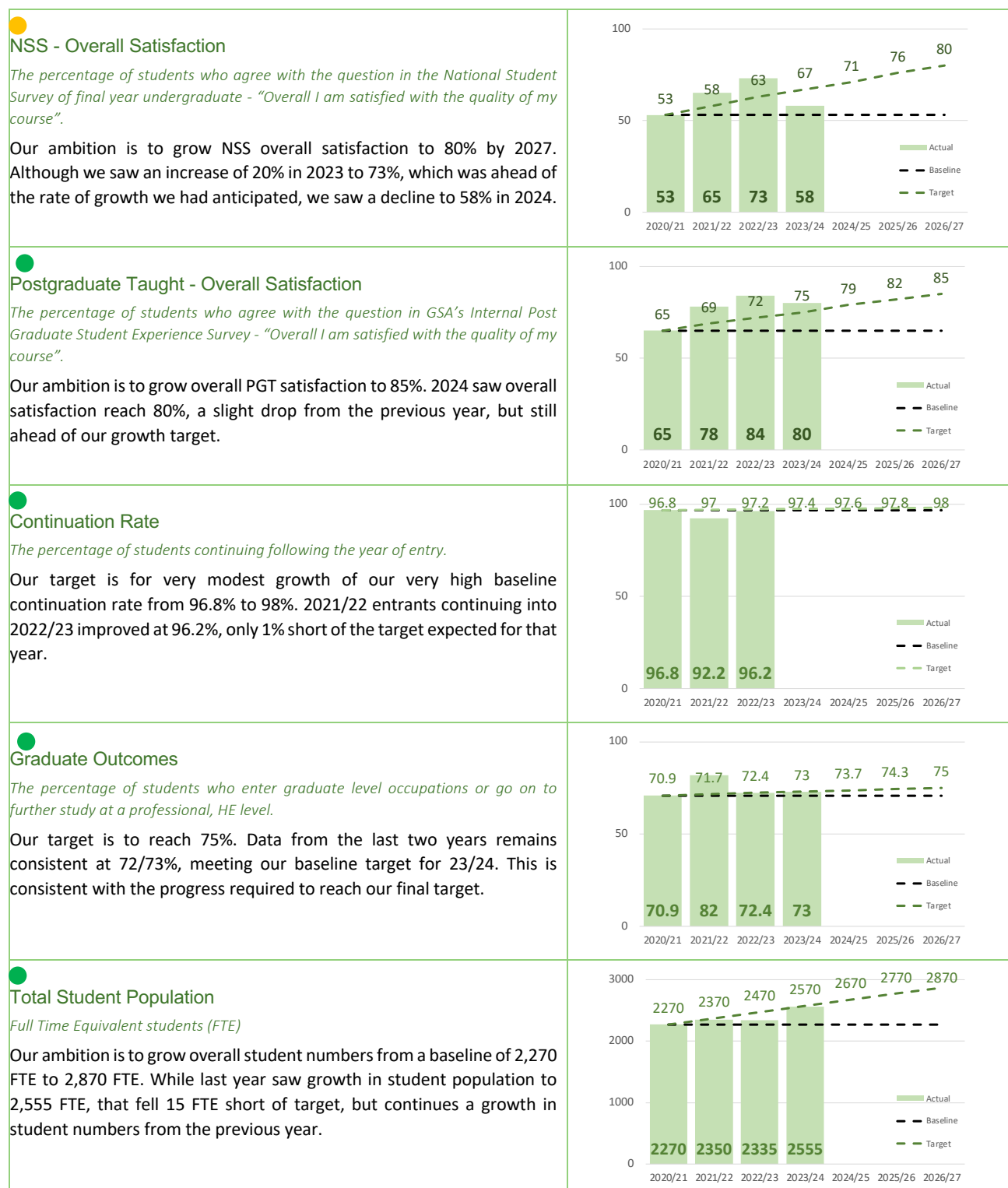
- Implemented the 'year 1' actions in our Education Strategy, and developed the action plan for the coming year, with progress being reviewed regularly through Education Enhancement Group, and reported through Education Committee and Academic Council.
- Completed implementation of Stage 2 of our Common Academic Framework, which as well as revising our curriculum and embedding graduate skills and attributes, provides a common programme vocabulary and extend opportunities for collaboration across the whole of GSA.
- Developed an action plan for the scoping, development and validation of planned new programmes, with a focus on the schedule of new programmes requiring approval during AY2024/25, for entry in academic years 2025/26 and 2026/27.
- Introduced a new GSA Five Year Academic plan, bringing together all new programme developments, programme name changes, suspensions, or course and programme closures.
- Brought together Widening Participation and Articulation under single line management to ensure synergies and effective working is developed across our activity with target cohorts in schools and colleges and maximise areas for collaboration and with Student Recruitment and International. The changing external context is informing the scope and pace of change, to ensure that GSA aligns with the sector; with the Scottish Funding Council's review of the National Schools programme; and with the Commissioner for Fair Access 2024 Annual Report and the revised COWA recommendations and priorities.
- Implement the initial outcomes of our updated Fair Admission Policy and initiated a project to ensure all of our student are supported at each stage of their journey from pre-application through to graduation and becoming active members of our creative alumni community. Once complete, the wider scope will allow the review to take account of parallel work by both Universities UK and Universities Scotland, alongside an evaluation of 5 years of minimum entry requirements.
- Commissioned our School of Innovation and Technology to undertake a benchmark of staffing, resources and processes relating to admissions across all of our Schools and relevant professional services to provide basis for enhancements and change. The recommendations from that report will be actioned in academic year AY2024/25.
- Secured Turing Scheme funding for academic year AY2024/25; secured funding in the 2023/24 pilot for the Scottish Education and Exchange Programme fund and submitted a further bid for funding for AY2024/25; and have included student mobility as an area for philanthropic support in GSA's recently approved Development Strategy.

In the coming year, we plan to:

- Continue to implement our three-year Student Partnership Agreement offering opportunities for partnership through Student Consultants, Student Partnership Project Fund and the introduction of the School Officer within Academic Schools. We will also review the Partnership Agreement and develop a new three-year agreement.
- Continue the implementation of Common Academic Framework.
- Evaluate the effectiveness of Online PG Cert L&T online delivery and provide support from this learning to Schools and Programmes taking forward online developments.
- Continue to implement the outcomes of Portfolio Review.
- Implement enhancements to online student platforms aligned to work around the applicant journey and enhanced conversion activity.
- Conduct a review of Open Studio (Professional and Continuing Education).

- Progress projects related to the implementation of our Education Strategy, including:
  - Supporting Student Success
  - Employability and Enterprise.
  - Assessment and Feedback
- CRATE CPD Framework- Continue to grow our Fellowship numbers providing support for all staff with a role in learning and teaching to develop their practice and achieve recognition and set KPIs for Fellowship across GSA.

The implementation of the transformation of our distinct models of creative education is monitored through a series of Lead Indicators:





## Impact through creative research, innovation and partnership

---

Our focus to 2027 is to create the environment in which our researchers can thrive, collaborate and deliver impact. We will establish new Research Labs as place-based centres for the concentration of our research, innovation and knowledge exchange activities, creating a knowledge ecology that supports our future research and educational ambitions. Our Labs will provide richer ways to collaborate together, engendering a positive and supportive environment for our staff. They will facilitate research intensity and growth, develop our research culture, support internal collaboration and create the conditions to attract new and more diverse research partnerships, growing its research intensity, income and impact.

The global community faces a complex range of critical issues including the climate emergency; sustainability; health and wellbeing; gender, race and social injustice; cultural and educational development. Addressing these issues requires adaptable problem-solvers with expertise in creative complexity to collaborate and work across disciplines. Our researchers do this, moving with great agility between the digital and physical realms, producing work that inspires people to see the world around them differently. They actively demonstrate the role of creative people and practice for the benefit of society, giving shape and form to ideas and concepts that do not yet exist and co-design solutions for positive change in a range of settings from local, to global making the world a better place.

Last year we noted that in AY2022/23, the first year of the strategy's implementation, we achieved the objectives by developing an approved Research Strategy and identifying 'Rural' and 'Civic' research themes; delivering training and implementing our Research Mentoring Scheme; reopening 'Window on Heritage', maintaining our recognised museum status; and as part of Universities UK International 'Twin for Hope' campaign, twinning with Lviv National Academy of Arts in Ukraine (LNAA) to provide training and mentorship for archive staff at LNAA to digitalise their archive and collection and build capacity for future research.

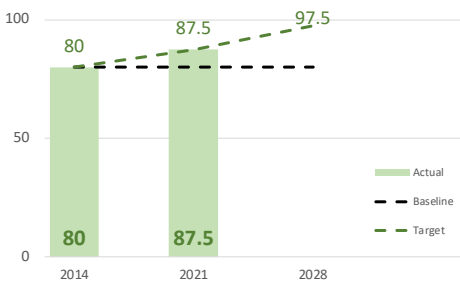
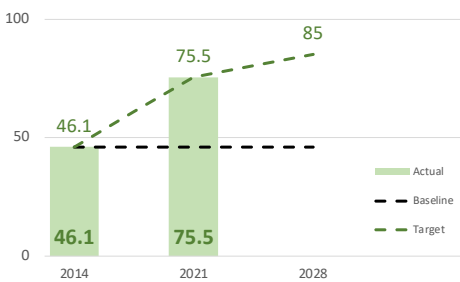
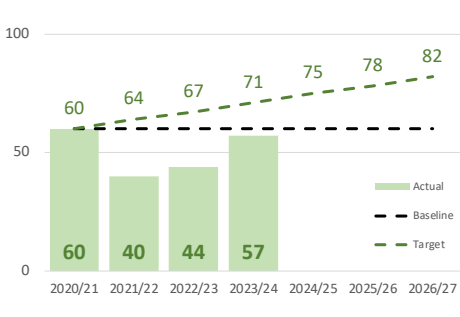
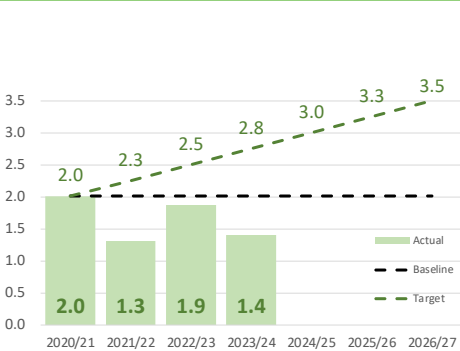
Reflecting on the objectives we set ourselves for AY2023/24 we:

- Continued to invest the SFC Research Excellence Grant (REG) and Universities Innovation Fund (UIF) in the underpinning infrastructure which enables the creation of excellent research at the GSA and provides the support and resources which help our research community to develop and grow.
- Continued the implementation of GSA's Research Strategy 2022-2027 focusing on REF 2029 workstream plans and challenge-based interdisciplinary innovation and knowledge Exchange opportunities, that progress being reviewed regularly through Research Committee and reported to Academic Council.
- Maintained our role as the founding partner in the Digital Health and Care Innovation Centre, following its success in securing Scottish Government funding for a further 10 years.
- Defined the strategic direction of our Rural Lab; initiated the creation of a portfolio of its core projects and funding; progressed the appointment of the first Rural Lab staff and committed to a formal launch in AY2024/25.
- Continued to develop our nascent plans for the Civic Lab; using the new School-level Research Strategies to provide a framework for identification of academic researchers, projects and cross-GSA research.
- Finalised and implemented approved School-level Research Strategies:
  - setting targets for the growth and development of postgraduate research student programmes, including through potential new delivery models;
  - defining volume and income growth targets; and
  - formalising our network of potential partnerships with aligned research interests and strength for collaborative projects, both in the UK and internationally.
- Stimulated by our emergence from the global pandemic and our recovery from the fires, enhancing the visibility and accessibility of our research and Public Engagement with Research (PER) through a vibrant exhibitions programme and GSA research showcase.

In the coming year, we plan to:

- Formally launch Rural Lab with key projects, appointments and strategy.
- Begin implementation of Civic Lab with the approach, initial projects and staffing defined.
- Implement the approved School-level research strategies.
- Develop education and research strategy for Mackintosh Building aligned to the outcomes of the Mackintosh Building Addendum Strategic Outline Business Case.
- Continue to implement the Archives and Collections Strategy.
- Participate in GlasgowLife/Glasgow City Council Sauchiehall Street Culture and Heritage Places pilot project and development of their 10-year strategy ensuring GSA is an active partner maximising the education, research and civic opportunities.

The implementation of Impact through creative research, innovation and partnership is monitored through a series of Lead Indicators:

<div><div></div><div>Research Excellence Framework - Impact</div><div>The percentage of REF Impacts rated 4* and 3*, combined.</div><div>Although it is only possible to measure this Lead Indicator at each REF census date, we have set a target of continuing the trend of growth in the combined total of 4* and 3* impact case studies seen between REF 2014 (80%) and REF 2021 (87.5%), by setting a target of 95% for REF 2027.</div></div>	<div><p>A bar chart showing the percentage of REF Impacts rated 4* and 3* combined. The y-axis ranges from 0 to 100. The x-axis shows the years 2014, 2021, and 2028. The bars represent actual values: 80% for 2014 and 87.5% for 2021. A dashed line represents the baseline at approximately 85%. A dashed line with a green arrow represents the target, starting at 80% in 2014 and reaching 97.5% in 2028.</p><table><tr><th>Year</th><th>Actual</th><th>Baseline</th><th>Target</th></tr><tr><td>2014</td><td>80</td><td>85</td><td>80</td></tr><tr><td>2021</td><td>87.5</td><td>85</td><td>87.5</td></tr><tr><td>2028</td><td>-</td><td>85</td><td>97.5</td></tr></table></div>	Year	Actual	Baseline	Target	2014	80	85	80	2021	87.5	85	87.5	2028	-	85	97.5																
Year	Actual	Baseline	Target																														
2014	80	85	80																														
2021	87.5	85	87.5																														
2028	-	85	97.5																														
<div><div></div><div>Research Excellence Framework – Output</div><div>The percentage of REF Outputs rated 4* and 3*, combined</div><div>Although it is only possible to measure this Lead Indicator at each REF census date, we have set a target of reversing the decline in the combined total of 4* and 3* Outputs seen between REF 2014 (46.1%) and REF 2021 (75.5%), by setting a target of 85% for REF 2027.</div></div>	<div><p>A bar chart showing the percentage of REF Outputs rated 4* and 3* combined. The y-axis ranges from 0 to 100. The x-axis shows the years 2014, 2021, and 2028. The bars represent actual values: 46.1% for 2014 and 75.5% for 2021. A dashed line represents the baseline at approximately 45%. A dashed line with a green arrow represents the target, starting at 46.1% in 2014 and reaching 85% in 2028.</p><table><tr><th>Year</th><th>Actual</th><th>Baseline</th><th>Target</th></tr><tr><td>2014</td><td>46.1</td><td>45</td><td>46.1</td></tr><tr><td>2021</td><td>75.5</td><td>45</td><td>75.5</td></tr><tr><td>2028</td><td>-</td><td>45</td><td>85</td></tr></table></div>	Year	Actual	Baseline	Target	2014	46.1	45	46.1	2021	75.5	45	75.5	2028	-	45	85																
Year	Actual	Baseline	Target																														
2014	46.1	45	46.1																														
2021	75.5	45	75.5																														
2028	-	45	85																														
<div><div></div><div>Postgraduate Research Student Population</div><div>Headcount</div><div>Our ambition is to grow our overall Post Graduate Research population numbers from a baseline headcount of 60 students to 82 students. Since the base line was established, the postgraduate research population has fallen, first to 40 students, before growing, first, modestly in 2023/24 to 44 students, and then to 57 in 2023/24. Although short of the trend required to meet our target, the recent acceleration of that upward trend makes that target still achievable.</div></div>	<div><p>A bar chart showing the Postgraduate Research Student Population headcount. The y-axis ranges from 0 to 100. The x-axis shows the years from 2020/21 to 2026/27. The bars represent actual values: 60 for 2020/21, 40 for 2021/22, 44 for 2022/23, and 57 for 2023/24. A dashed line represents the baseline at 60. A dashed line with a green arrow represents the target, starting at 60 in 2020/21 and reaching 82 in 2026/27.</p><table><tr><th>Year</th><th>Actual</th><th>Baseline</th><th>Target</th></tr><tr><td>2020/21</td><td>60</td><td>60</td><td>60</td></tr><tr><td>2021/22</td><td>40</td><td>60</td><td>64</td></tr><tr><td>2022/23</td><td>44</td><td>60</td><td>67</td></tr><tr><td>2023/24</td><td>57</td><td>60</td><td>71</td></tr><tr><td>2024/25</td><td>-</td><td>60</td><td>75</td></tr><tr><td>2025/26</td><td>-</td><td>60</td><td>78</td></tr><tr><td>2026/27</td><td>-</td><td>60</td><td>82</td></tr></table></div>	Year	Actual	Baseline	Target	2020/21	60	60	60	2021/22	40	60	64	2022/23	44	60	67	2023/24	57	60	71	2024/25	-	60	75	2025/26	-	60	78	2026/27	-	60	82
Year	Actual	Baseline	Target																														
2020/21	60	60	60																														
2021/22	40	60	64																														
2022/23	44	60	67																														
2023/24	57	60	71																														
2024/25	-	60	75																														
2025/26	-	60	78																														
2026/27	-	60	82																														
<div><div></div><div>Total Research Grant and Contract Income</div><div>From the audited Annual Report and Financial Statements</div><div>Our target is to grow from a baseline of £2.0m to £3.5m. GSA participates in a small number of disproportionately large projects whose initiation and completion can lead to volatility in the annually reported research income. That volatility is evident in the graph opposite. We have increased the capacity of our support staff team to assist with research grant applications, have developed strategic targets for each of our Schools, have secured the future of the Digital Health and Innovation Centre and are well advanced with our plans for Rural and Civic Labs, all of which should contribute to a steadier upward trend in this metric.</div></div>	<div><p>A bar chart showing the Total Research Grant and Contract Income. The y-axis ranges from 0.0 to 3.5. The x-axis shows the years from 2020/21 to 2026/27. The bars represent actual values: £2.0m for 2020/21, £1.3m for 2021/22, £1.9m for 2022/23, and £1.4m for 2023/24. A dashed line represents the baseline at £2.0m. A dashed line with a green arrow represents the target, starting at £2.0m in 2020/21 and reaching £3.5m in 2026/27.</p><table><tr><th>Year</th><th>Actual</th><th>Baseline</th><th>Target</th></tr><tr><td>2020/21</td><td>2.0</td><td>2.0</td><td>2.0</td></tr><tr><td>2021/22</td><td>1.3</td><td>2.0</td><td>2.3</td></tr><tr><td>2022/23</td><td>1.9</td><td>2.0</td><td>2.5</td></tr><tr><td>2023/24</td><td>1.4</td><td>2.0</td><td>2.8</td></tr><tr><td>2024/25</td><td>-</td><td>2.0</td><td>3.0</td></tr><tr><td>2025/26</td><td>-</td><td>2.0</td><td>3.3</td></tr><tr><td>2026/27</td><td>-</td><td>2.0</td><td>3.5</td></tr></table></div>	Year	Actual	Baseline	Target	2020/21	2.0	2.0	2.0	2021/22	1.3	2.0	2.3	2022/23	1.9	2.0	2.5	2023/24	1.4	2.0	2.8	2024/25	-	2.0	3.0	2025/26	-	2.0	3.3	2026/27	-	2.0	3.5
Year	Actual	Baseline	Target																														
2020/21	2.0	2.0	2.0																														
2021/22	1.3	2.0	2.3																														
2022/23	1.9	2.0	2.5																														
2023/24	1.4	2.0	2.8																														
2024/25	-	2.0	3.0																														
2025/26	-	2.0	3.3																														
2026/27	-	2.0	3.5																														

## A sustainable, independent art school

By 2027 we will have started the transformation of our Glasgow campus to support our academic ambitions and commitment to net zero, invested in our staff and ensured all parts of the GSA are contributing to our financial sustainability, in order to secure our future ambitions.

As a small, specialist, highly focused art school with a global reputation, we will continue to build our reputation and extend our reach, working in partnership with others and ensuring our students and staff have the best experience of studying and working here. This means we need to consider how to improve the way we work and the important role of all our staff and their contribution to us in achieving our strategic ambitions.

We will continue to engage all our staff in our plans for the future of the GSA and enable them to realise their inherent potential to effect change. We will empower them to maximise the effectiveness of our estate, IT and digital infrastructure and work to diversify our income streams allowing us to focus our investment areas of strategic priority. We want them to reinvigorate existing relationships and build new partnerships locally and internationally and be confident in articulating the values of the GSA, the creative education and research we undertake and the impact of our staff, students and graduates.

Last year we noted that in AY2022/23, the first year of the strategy's implementation, we achieved the set objectives approving our People Strategy, Digital Strategy and the Environmental and Social Justice Framework. We commenced implementation of our approved Estates Strategy including the disposal of owned and leased buildings, opening the Stow annex, to provide exhibition and social space, enhancing and expanding our student accommodation offer in Altyre; continuing to progress the Mackintosh Building rebuilding; implementing our Financial Plan; the refresh of our narrative, building on our new Strategic Plan.

Reflecting on the objectives we set ourselves for AY2023/24:

### Estates and infrastructure

- We made further progress on the rebuilding of the Mackintosh Building, commencing an Addendum to the Strategic Outline Business Case, and instigating a legally binding arbitration process with the building's insurers.
- Addressed the last of the consequential damage from the 2018 fire by completing the re-instatement of the 'green glass' on the Reid Building façade; and using funding from the SFC Universities Financial Transactions loan we completed the extensive works at the Stow Building.
- We continue to progress our Estates Strategy, including disposal of owned and leased buildings.
- We progressed implementation of our Digital Strategy, including a rolling programme of learning spaces upgrades, the implementation of a cloud based application for our Development Team; the development of an HR Service Desk for launch in AY2024/25; improvement to the resilience of our computer networks in Glasgow and Forres; initial progress towards migration of the Finance system to a cloud SaaS solution in AY2024/25; and the rollout of MS Teams.



### People



- We supported the development of a shared understanding of ethical leadership:
  - Providing resources for teams, seeking to embed ethical leadership practices across people related processes and policies, so leading to improved visibility of our values and core behaviours.
  - Improving reporting and tracking of Career Review with improved links to student experience, strategy, values and behaviours.
  - Initiated our 'People Awards', aligned to our values and celebrating examples of excellence.
- We continued to improve the employee experience by:
  - Refreshing the Joint Working Agreement and Facility Time Arrangements.
  - Conducting a staff survey, being transparent around results and made clear and firm commitments in response to the survey.
- We sought to recognise the contribution of staff, support attraction, retention and engagement of the workforce through robust and transparent approaches to pay and reward by:
  - Continued implementation of the real living wage.
  - Reviewing and formally evaluating Senior Leadership roles.
- We progressed our objective to support and develop a skilled, sustainable resilient workforce, by:
  - Implementing a refreshed induction process.
  - Progressing the review of the flow of people related data across systems; and better availability of Management Information to better inform people related decision making.
  - Refreshing our Recruitment Policy and the development of additional resources to support hiring managers.
- We made progress with the development of a career framework to support career planning across GSA, by:
  - Completing benchmarking of academic roles and initiating benchmarking for professional services, including technical roles.
  - Identifying domains through collaboration for use in a career framework for all roles at the GSA.

### Finance and funding

- We completed a Portfolio Review which has underpinned the development of our associated action plan to define the scoping, development and validation of relevant new programmes aligned to academic school plans and focussed on underpinning financial sustainability.
- We undertook a comprehensive review of our Student Tuition fees and scholarships seeking to inform how we can remain internationally competitive and can continue to attract students based on talent, potential and ability.

### Engagement

- We launched a 'Phase 0' website, comprising a main website and document site providing simple document management system and basis for future development of our digital communications estate.
- We progressed the implementation of an integrated student communications plan implementing enhanced applicant communications aligned to enhanced conversion activity, including new country guide, Glasgow and Forres guides, accommodation guides and creative network and School-level digital communications developing on-line communities in advance of and during study.
- Commenced a Socio-Economic Impact Study, planned for publication in Academic Year 2024/25.
- Completed a draft strategy for Community Engagement, outlining key principles that we will utilise as a framework for our activity.
- Produced a draft Exhibitions and Cultural Engagement Strategy, which will be implemented from 2025, covering how our programme supports education and research but also connects to the wider Glasgow exhibition eco-system and city-wide cultural offer.
- We approved our new Internationalisation Strategy aligned to our Strategic Plan and designed to ensure the GSA maintains its position as an international art school.

In the coming year, AY2024/25, we plan to:

### Estates and infrastructure

- Progress Mackintosh Re-instatement by completing and publishing the Addendum to the Mackintosh Strategic Outline Business; and Maintaining progress on the Mackintosh Building including stabilisation, monitoring and drying out.
- Progress the Estates Strategy by completing the disposal of surplus property; relocating from the Hub to a city centre location; and update plans for our Highlands Campus, consistent with the academic business case for its continued development.
- Continue to review residential accommodation needs aligned to student demand and market conditions.
- Develop an Action Plan to reduce electricity consumption and gas consumption aligned to our Net Zero commitment.
- Progress our Digital Strategy:
  - Upgrading internet bandwidth and completing the project already underway, to provide resilient fibre across our Glasgow Campus.

- Develop a Pilot of a *Digitally Enabled Active Learning* space; re-implementing our Finance System by way of 'Software as a Service', continuing to progress the relocation of major business systems from on-premise into the cloud; making incremental improvements to our HR system and processes, and their integration and consistency with other business systems; and continued upgrade and roll out of underlying operating systems and collaborative working applications.

### People

- Continue to develop ethical leaders at all levels; further build on embedding ethical leadership behaviours, develop a catalogue of high-quality learning opportunities that supports inclusion and ethical leadership and continue to co-develop and implement mechanisms to recognise and celebrate staff
- Progress the Career Framework, codeveloped with colleagues across GSA; deliver programme of staff development that supports strategic delivery
- Continue to build capability for workforce planning, including succession planning, across Schools/ Departments to enable strategic delivery and improve diversity of the GSA workforce as well as evolving new ways of working.
- Through staff engagement and building on the feedback from the staff survey, support retention through a positive employee experience that prioritises health and wellbeing.
- Understand and deliver equal pay and recognition of contribution across GSA
- Introduce 'The Technician Commitment'.

### Finance

- Strengthen our approach to the Responsible Investment of our Endowment Assets by reflecting the previously agreed exclusion of investment of fossil fuels and armaments, and better reflecting issues of social justice expressed through the recent stakeholder engagement.

### Engagement

- Progress our Internationalisation Strategy and agree and commence implementation of regional and country plans in line with Internationalisation Strategy and recruitment and partnership targets.
- Implement changes to our approach to student recruitment agents to ensure on-going compliance with Agent Quality Charter; implement outcomes of the recent externally facilitated *Fees Review*; and implement new Student Recruitment Strategy.
- Publish the outcomes of GSA Economic Impact Study.
- Implement development campaigns (non-capital) in line with approved Development Strategy.
- Develop and implement new Community, Stakeholder and Civic Engagement Strategy.
- Approve and implement new Exhibitions and Cultural Engagement Strategy.
- Undertake a mid-point progress review of Strategic Plan 2022 – 2027, reset ambitions, strategic actions, timelines and lead indicators, as appropriate.

Our journey towards a sustainable, independent art school is monitored through a series of Lead Indicators:

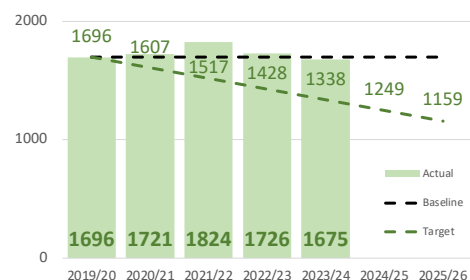
## Estates & infrastructure



### Operational Carbon Footprint

*From the audited Annual Report and Financial Statements.*

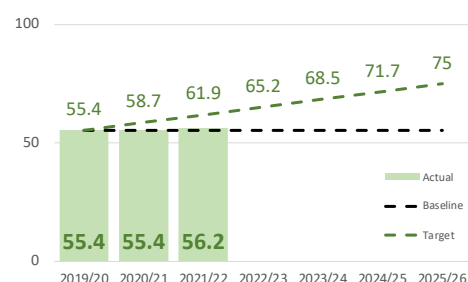
Our target is to achieve CO<sub>2</sub> emissions of 1,159 tCO<sub>2</sub>e per annum. Consistent with our emergence from the COVID pandemic, our usage has shown some growth from the 1,696 tCO<sub>2</sub>e baseline, first to 1,721 tCO<sub>2</sub>e and most recently to 1,824 tCO<sub>2</sub>e in 2021/22. In 2022/2023 we have reduced our emissions to 1,726. In 2023/2024 there has been a further reduction to 1,675. So it is moving in the right direction and on the back of the carbon reduction plan developed in 2023/24 and other projects we intend to continue on this reduction year on year.



### Quality of the Estate

*Non-residential buildings condition assessment category A and B, combined*

Our Target is for 75% of our buildings to reach either Condition A ('as new' condition) or Condition B (sound, operationally safe and exhibiting only minor deterioration). Since the baseline assessment, of 55.4% of our buildings meeting those criteria, we have made only modest improvement, to 56.2%.



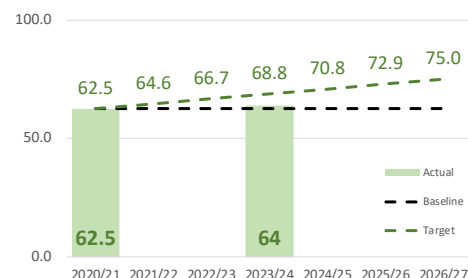
## People



### Staff Engagement

*Measured by the response rate to our periodic Staff Survey, transitioning to engagement levels reported through the staff survey.*

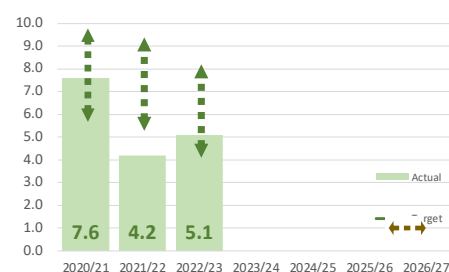
Averaging the response rates of our 2016 and 2019 staff surveys, we set a base line of 62.5% response rate. In 2024 we delivered a new online staff survey across the GSA, 52% of staff participated, with "engagement" at 64%. Employee engagement can be defined as the emotional commitment our colleagues have to their work, the institution and its goals. It's how we 'feel' about the GSA. Engagement is a measure of 5 statements relating to a sense of Pride, Care, Advocacy, Discretionary effort and Commitment. We will continue to progress actions identified in the survey and undertake a pulse survey to track progress in increasing levels of engagement at the GSA.



### Staff Turnover

*Measured by the annually published University and Colleges Employers Association (UCEA) Employee Turnover Benchmarking dashboard*

Our target is to record turnover with 2% (+/-) of the Scottish median. With turnover of 4.2% in 2021/22, unusually low for GSA and compared to many of our peers, we sat 2.9 percentage-points away from that year's Scottish median of 7.1%. Most recently, 2023/24 saw our turnover increase to 5.1%, with a variance of 1.1% from the Scottish mean, lying within the target tolerance that we set.





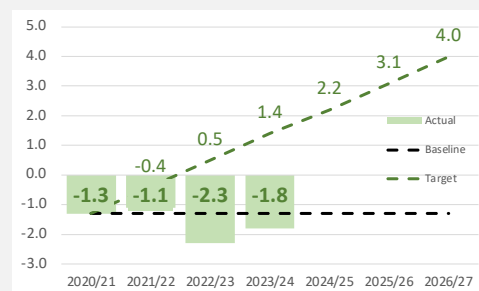
## Finance



### Operating Surplus

*Operating Surplus as a % of total income (excluding exceptional items)*

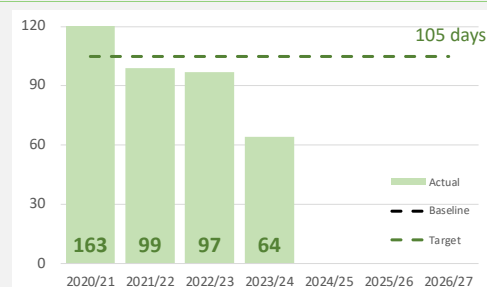
Our target is to achieve an operating surplus equal to 4% excluding any exceptional items (notably those relating to ongoing insurance issues). Last year our progress towards that target was hindered by higher-than-expected inflation; early implementation of a portion of the following year's pay award, and an unbudgeted provision for dilapidations arising from our impending vacation of the McLellan Galleries. This year, a shortfall in tuition fee income adversely impacted financial performance.



### Liquidity

*Days ratio of net liquidity to annual expenditure (excluding exceptional items)*

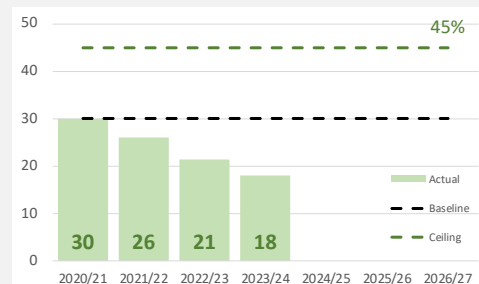
Our target is to hold a cash balance equal to 105 days (~3½ months) of operating expenditure at the balance sheet date. Our baseline position was 163 days, which has diminished to 64 days, in the absence of a further interim insurance payment.



### Gearing

*Operating Surplus as a % of total income (excluding exceptional income)*

Our target is to maintain a level of borrowing below 45% of total income (excluding exceptional income). With repayment of borrowing, and the natural dilution in gearing as income has grown, we currently live comfortably within that ceiling; and without any current plans for new borrowing seem likely to remain so.



## Principal risks and uncertainties

---

### Student numbers

The GSA needs to recruit sufficient student numbers to meet its projected levels of income and so protect its financial sustainability. The risks associated with student recruitment are diverse, including issues of competition, demography, government immigration policy, geo-political issues and both the UK and wider international economies.

Historically, GSA has focussed its mitigation efforts on seeking to promote the attractiveness of its offering, global standing, its graduate achievements and the city, the success of which continues to be evidenced in a strong stream of applications from well-qualified students.

Going forward we will seek to capitalise on the high demand for places at GSA through targeted recruitment activity, more effective agent management and the intensification of our conversion practices, an action that is already well underway.

Consistent with our strategic plan and supported by the intelligence gathered through our recent Portfolio Review, we will fortify our student recruitment through optimising our programme offering and by developing and offering new ways, new routes and new modes to study at the GSA.

The GSA hopes to reduce its reliance on key markets, by seeking to diversify the population of international students.

### Higher Education funding

The GSA recognises the inherent risks in the Scottish and UK HE sectors including erosion of the teaching 'unit of resource' as a consequence of prolonged inflation in economy and minimal growth in Scottish or RUK fee levels; a lack of capacity for funded home students associated with the Scottish Funding Council's distribution of funded numbers among institutions; the uncapping of numbers for loan-funded students to study in England; and the demography of under 18s in the UK; all of which, separately and together, are a threat to our financial sustainability.

Of late, the Scottish Funding Council has been receptive to the Sector's aspiration to see some improvement in the unit of resource for Scottish students, albeit modest so far; and have signalled its willingness to work with the sector to seek to optimise the distribution of funded numbers among institutions, albeit that the overall numbers will remain constrained.

### Physical environment

The Glasgow School of Art's physical environment can also play a part in the student experience and the attractiveness of an institution to potential students, as well as playing a part in achieving value for money and in supporting efforts to improve environmental sustainability.

The impact of the fires at GSA has inevitably had an impact on our estate over recent years, heightening the risks associated with the physical environment. Our early mitigation of those risks was centred on the acquisition and refurbishment of the Stow Building to form studio, technical support, workshop and ancillary spaces for the School of Fine Art. We have utilised a loan, from the Scottish Funding Council under the Universities Financial Transactions Programme, to fund the further improvements to carbon efficiency and student and staff experience at the Stow Building.

There was material consequential damage to the Reid, Bourdon and Assembly Buildings, arising from the 2018 Mackintosh Building fire. Having already completed the remedial work to the Bourdon Building and the Assembly Building, this year saw the completion of the reinstatement of the façade of the Reid Building.

The GSA recognises the challenge of funding the reinstatement of the Mackintosh Building. Our mitigation of that risk focusses on both the careful consideration of the management and phasing of the reinstatement project, and the systematic management of the associated financial and cash-flow issues - including the complex insurance claim, application of restricted funds held or pledged to support the project and progressing, if and when appropriate, the potential for philanthropic support.

For the rest of the GSA estate, the age and condition of some of it creates an increased risk of building, plant or equipment failure, bringing with that, associated business continuity risks. In response: we have over recent years, made significant strides in formalising, improving and embedding our business continuity planning and management; we are actively engaged in the disposal of buildings which were the least suitable for our ongoing needs and which presented the greatest risk of failure; we continue to seek opportunities to rationalise the estate; and our capital plans are aligned with the highest priorities in terms of minimising the risks associated with building, equipment or plant failure, or with regulatory compliance.

## Duty to promote the success of the Company

The directors have given careful consideration to the requirements of Section 172 of the Companies Act 2006 to act in good faith to promote the success of the Company for the benefit of its members as a whole and in doing so have regard, amongst other matters, to:

### The likely consequences of any decision in the long term;

In 2022, GSA published a new strategic plan 'Our Plan for Our Future: Strategic Plan 2022-2027' articulating the collective ambition for the future direction of The Glasgow School of Art. It was created through extensive and structured conversations with people who care passionately about the School alongside a considered evaluation of the economic context in which we will deliver our creative education, research and innovation.

Our plans have our academic endeavour at their centre, setting out our ambition that through our people, our education and our research, we will empower change and create impact that is both transformative and collaborative. Those plans are founded on enabling strategies promoting the talents of our staff, the sustainability of our finances and the effectiveness of our estates and infrastructure.

### The interests of the company's employees

Through our People Strategy, as an enabler of the GSA Strategic Plan, we are committed to delivery of fair work, defined by the Fair Work Convention as 'work that offers all individuals an effective voice, opportunity, security, fulfilment and respect'. We seek to comply with the Scottish Government's Fair Work First framework through:

- **Payment of the real Living Wage**
  - The GSA became an accredited Real Living Wage employer in 2023.
  - We are making progress with development of a career framework, and a review of our grading structures and pathways to support employee attraction and retention.
- **Providing appropriate channels for effective workers' voice.**
  - Our 2024 staff survey provided our employees an opportunity to tell us about their employment experience at the Glasgow School of Art. We measured participation, engagement, belief in action and dignity and respect. We continue to make progress with areas identified for nurture and development in the survey, including communication, connection to senior leadership and a culture of feeling valued.
  - Our Trade Union Forum meets regularly providing an opportunity to discuss a range of employment matters in partnership. Health and safety, wellbeing, a range of people policies and working arrangements are recent areas of focus. We have worked together to refresh our Joint Working Agreement and Facility Time arrangements recognising the key role that our Union representatives have in employee voice and in supporting case work.
  - Our recognised Trade Unions are signposted to new staff via the intranet and during induction.
  - Managers and employees are supported to have annual contribution and development review discussions to ensure there is shared understanding of objectives and an opportunity to identify development needs. We continue to develop enablers for this such as regular feedback mechanisms, supporting technology/ systems, alignment of forms to our core values and behaviours and regular reporting/ tracking.
  - Throughout the year All Staff Briefings are held, providing an opportunity to provide updates on institutional priorities and for employees to ask any questions. Weekly bulletins and regular People Newsletters are utilised to share updates on a range of topics that may be of interest to employees.
  - We also had a Building Connection week to provide employees with an opportunity to share insights into their school/ department and to support wellbeing through connection.
  - We refreshed our Grievance Policy and Procedure to ensure it aligned to core values and behaviours and provided clearer signposting to colleagues on how to raise concerns and the support available. We continue to use and signpost Report and Support as a tool available to employees and students to raise concerns.
  - We have utilised our organisational change toolkit to engage employees in change programmes, providing opportunity for involvement by including staff and Trade Union colleagues on the Oversight Group.
  - Our Women at GSA group has been established, creating spaces and opportunities for women within the organisation to come together to socialise, celebrate our histories and successes at the GSA and foster new opportunities for collaboration and growth. The network is borne out of the understanding that women, and people of all marginalised genders, often thrive in spaces that centre their knowledge and experiences.
- **Investment in workforce development.**
  - We have continued to progress development of a career framework that will support the pathways and development of employees.



- Annual Contribution and Development Review has been aligned to the strategic plan of the institution, providing an opportunity to identify and provide development that supports individuals and the institution.
- The Staff Development Policy was refreshed to refocus on a culture of continuous learning that encourages creativity, innovation and development and aims to assist all staff to maximise their potential and enhance their contribution to delivery of the strategic plan and optimum student experience, through personal and professional development.
- eLearning module completion reporting has been improved and refresh reminders have been automated to encourage staff to remain up to date on equality, diversity and inclusion, health and safety, complaints handling, information security and data protection.
- Workshops to support line managers in developing capability to support absence and wellbeing have been delivered.
- Corporate Parenting workshops were delivered to support colleagues in delivering our action plan.
- **Avoiding inappropriate use of zero hours contracts.**
  - Use of zero hours contracts is monitored by HR to ensure that this is the most appropriate contracting arrangement for the hiring manager to use in the circumstances, with consideration given to the impact on the individual.
- **Taking action to address any gender pay gap and create a more diverse and inclusive workplace.**
  - Where our reporting has highlighted any potential pay gap issues, more detailed work has been conducted and action taken where appropriate.
  - Where an employee has a disability, we work with the individual to seek specialist advice (e.g. Occupational Health, Access to Work) to make reasonable adjustments. We have refreshed our Absence Policy to enhance the focus on employee wellbeing and support.
  - Our working arrangements set out in the Flexible Working Policy and our hybrid working guidance support employees and managers to work together on work-life balance.
  - We published our annual Staff Equalities Monitoring Report and are progressing the actions identified, working to improve disclosure of protected characteristics to enhance measurement of impact of work being delivered in this area.
- **Offering flexible and family friendly working practices.**
  - Our Family Friendly policies have been refreshed to provide support for managers and employees on the arrangements for the enhanced maternity, parental and adoption leave and pay entitlements at the GSA.
  - We continue to offer hybrid working arrangements where the requirements of the job enable this. Teams are encouraged to consider the different working patterns and arrangements in planning and delivering their services.
- **Opposing the use of fire and rehire practices.**
  - We do not use dismissal and reengagement practices.

### The need to foster the company's business relationships with suppliers, customers and others

**Students** are at the centre of what we do. In 2022 we developed the School's first ever Student Partnership Agreement with the Glasgow School of Art Students Association (GSASA). We have together set an ambition to develop a true and meaningful culture of partnership with students throughout everything we do. In working towards our mutual goals GSASA, as the representative body of students, and GSA have developed this Agreement to set out our ambitions for partnership, the ways we will collaborate, and our joint priorities.

The Student Partnership Agreement is overseen by our Student Partnership Group, a collaborative community of students and staff from across the School who work to ensure our success and challenge our ambitions. The GSA and GSASA have agreed to work in partnership on three partnership priorities to improve the student experience.

- *Sustainability & Climate Literacy:* GSA & the GSASA recognises the growing need for staff and students to develop core literacies and practice in climate change and social justice, and the role creative practice can play in addressing this societal challenge. Through partnership working we will continue to embed these core literacies and practices within our curriculum and services.
- *The Equitable Art School:* Ensuring appropriate time and space for students and staff to meet, discuss and identify the cultural, curricular and policy changes that need to happen at GSA to further embed and mainstream our ambitions for inclusive education is a key priority for our community. We will continue to support local working groups of students and staff in each of our Schools as a space for open and honest discussions about equality, diversity and inclusion informed by our communities lived experience.
- *Post-Pandemic Studio Practice:* Ensuring that our students have the necessary digital skills and digital experience for their current and future learning is a key priority. Through our collective work delivering our Education Strategy we will continue to consider what digital identity and dexterity means for a contemporary art school with the evolution of technology and the digital landscape.

These themes have continued from our first year of operating this SPA and have been identified in consultation with staff and students from across the School and approved by the Student Partnership Group. The Group will monitor progress and evaluate

project outcomes. The SPG will undertake a review of the agreement in 2024/25 and develop an updated agreement for the next three years.

Cognisant of the part that the GSA's physical environment can play in the student experience we have developed an Estates Strategy with a programme of works to improve the environment for our students, staff, local community and visitors.

The GSA Creative Network initiative works in partnership with departments across the GSA to develop our global and domestic alumni networks. By helping to facilitate increased engagement between the GSA's academic schools and targeted alumni cohorts the initiative is providing structured and supported alumni involvement in strategically aligned programmes - particularly those associated with student experience, employability and post-graduation opportunities. Through increased visibility, engagement and promotion of graduate activity, we are showcasing the important contribution that both creativity and creative people play in wider society. The initiative connects the GSA's ever growing creative community both locally and globally, providing a valuable resource to our students, graduates, industry partners and wider networks.

The Glasgow School of Art recognises the part it has to play in delivering the **Scottish Government** objectives for education, research and innovation and contributes to the national outcomes in the Scottish Government's National Performance framework which describe the kind of Scotland it aims to create. While the GSA aims to make a very broad contribution to a range of those outcomes, it is likely that our engagement in that framework is greatest in relation to the outcomes for Education, Culture and International.

On many of our courses, we devise 'live' **industry** briefs for our students. We work with a variety of clients on these projects where there is an academic benefit and learning opportunity for the students. Student projects are directed by a relevant academic, and clients are involved in the briefing and review sessions, giving the students the chance to get direct feedback. As well as providing a range of inspirational and unexpected approaches to a live challenge, projects often lead to the implementation or further development of ideas in collaboration with the client. In AY2024/25 we will scope and develop an Employer Engagement Framework providing opportunities for more strategic engagement with employers and industry that will both impact our curriculum and enhance the experience of all students.

The GSA maintains good relationships with its **suppliers** and endorses the CBI Prompt Payment Code, and its policy is that payments to suppliers are made in accordance with those terms and conditions agreed between the School and its suppliers, provided that all trading terms and conditions have been complied with.

### The impact of the company's operations on the community and the environment

The Glasgow School of Art seeks to be part of Glasgow's social, cultural and economic life, contributes to the life and vibrancy of the city and its reputation as a creative and cultural capital. We maintain regular formal and informal contact with Glasgow City Council and Glasgow Life, Glasgow's cultural and creative sector and a range of local and national agencies involved in promotion of local economic growth and cultural and creative activities across the city. Equally, we are actively engaged with local authority partners in the Highlands relating to our campus in Forres.

We deliver a year-round formal programme of exhibitions and events across our own galleries and exhibitions spaces and in partnership with a range of city-wide venues, as a valuable part of Glasgow's exhibitions and events eco-system. Our Archives and Collections, based at the Whisky Bond and in Window on Heritage in the Reid Building, continues to have Museums and Galleries Scotland Accreditation and public access. The heritage of our institution brings with it local, national and international engagement both in the work of Charles Rennie Mackintosh and his peers but also our extensive non-Mackintosh collections and archives which articulate art, design and architecture education since 1845, and which comprise importance and significant collections in their own right.

Our community and civic engagement are also rooted in the relationship with our closest neighbours and the city we are inextricably part of. The Glasgow School of Art has a dedicated Community Engagement Officer who works with a wide range of local stakeholders and community groups in the surrounding neighbourhood of Garnethill through partnerships and creative projects. The Community Engagement Programme aims to support the development of stronger relationships, collaboration and active communication between GSA staff, students and graduates, and the local community in Garnethill and the immediate neighbourhoods. Over the past year we have continued to partner with Garnetbank Primary through our creative residency and have been closely involved with Glasgow City Council's, emergent National Lottery Heritage Funded, Sauchiehall Street: Culture and Heritage District project.

### The desirability of the company maintaining a reputation for high standards of business conduct

After student tuition fees, the Scottish Funding Council is the largest source of income for The Glasgow School of Art. That funding is dependent upon an Outcome Agreement (and from AY2024/25 the Outcomes and Assurance Framework), which is produced annually and agreed individually with each institution. It is framed to ensure delivery of targeted outcomes in specific areas, including, notably:

- Fair access and transitions; quality learning and teaching, coherent learning provision and work-based learning
- Net zero and environmental suitability
- High quality research and innovation and the University Innovation Fund.

We continued to meet the commitments articulated in our Outcome Agreement, ensuring alignment of our commitments to our wider strategic ambitions as a small, specialist higher education institution and articulated in our Strategic Plan 2022-2027. Specifically in respect of our Outcome Agreement with the Scottish Funding Council, we maintained our commitment to achieving our SIMD20 targets, extending our activities to meet wider institutional under representation specifically in relation to ethnicity. The GSA continued to be one of the highest performing HEI's in Scotland for widening access exceeding the Scottish Government's Commission on Widening Access 2030 target and we continued to develop and extend our relationships with our college partners through our Associate Student routes with Glasgow Clyde and Forth Valley Colleges supporting formal articulation routes to study at the GSA.

Demonstrating our commitment to high quality learning, teaching and support, GSA's new Education Strategy was approved. Over the year, 'year one' actions were approved and monitored, a 'year two' action plan and associated projects is now in place for AY2024/25. We progressed our Common Academic Framework (CAF), successfully approving 17 programmes, with the remainder of programmes completing the CAF process in AY2024/25. We have also approved a new Supporting Student Continuation, Progression and Retention Policy. A Portfolio Review was undertaken, and progress is underway to develop new programmes which challenge our existing modes of delivery and focus on attracting new learners to the GSA. This year, too, the Quality Assurance Agency for Higher Education (QAA), the UK's independent quality body, expressed confidence in The Glasgow School of Art's progress in continuing to monitor, review and enhance its higher education provision to enable effective arrangements to be in place for managing academic standards and the quality of the student learning experience.

## Financial review

### Financial objectives

The financial sustainability of The Glasgow School of Art is as important as its academic sustainability and seeks to move towards an annual core operating surplus, a financial objective likely to be achieved through our student number targets across all academic schools, the growth and diversification of research income, efficiencies through harmonisation of the academic programme and academic school structures, more efficient use of the GSA's estate, improved environmental sustainability, procurement, and the highest levels of Governance.

### Financial strategy

The GSA's forward financial plans have been developed to be reflective of the ambitions set out in our new strategic plan:

- Through developing new ways to study at the GSA, including distance and low residency programmes and courses, new routes and modes of delivery, we will achieve growth in student numbers, and so tuition fee income.
- Through high-quality, impactful research and knowledge exchange focused around our areas of research excellence, partnership and inter-disciplinary research, we will maintain our position as one of the UK's largest post-graduate research communities in art and design and will grow our research intensity and income.
- Through inclusive design, quality place-making and climate emergency mitigation we will invest in our estate by completing the reinstatement of the Reid Building façade; we will implement the improvements to carbon efficiency and student and staff experience at the Stow building; and we will progress the rebuilding of the Mackintosh Building; all as an integrated part of our Estates masterplan and academic ambitions.
- Through becoming digitally enabled, integrating our business processes, systems and platforms in a strategic way which adds value and improves the experience of studying and working, we will radically improve our efficiency.
- Through financial sustainability being founded on:
  - setting targets for surplus generation that will underpin the generation of cashflow to support future investment in people, estates and infrastructure;
  - setting a 'floor' for liquidity; and
  - setting a ceiling for gearing, that, primarily, provides headroom for further borrowing in the event that it is required to support the reconstruction of our estate, but avoids placing an undue burden on our routine finances to support the servicing of interest and capital payments.

### Financial performance

This year, the Group reported a surplus of £0.2m (2023: £2.2m) and total comprehensive income of £(18.2)m (2023: deficit £13.9m).

These results include items of an exceptional and non-recurring nature, including expenditure in relation to the 2018 Mackintosh fire; and the financial impacts of the pension valuation, without which the underlying surplus and the total comprehensive income would have been a deficit of £0.8m (2023: deficit £1.0m).

The following table shows the underlying performance for the year by adjusting for the impacts of those exceptional and non-recurring items:

	Surplus for year £000	Total comprehensive income £000
<b>As reported in the financial statements</b>	<b>225</b>	<b>(18,211)</b>
<i>Pension related</i>		
FRS 102 pension cost adjustment – to staff costs	(165)	(165)
FRS 102 pension cost adjustment – to finance costs	(887)	(887)
Actuarial gain in respect of unfunded pensions		(96)
Actuarial gain in respect of Strathclyde Pension Fund		(775)
Strathclyde pension Fund Asset Ceiling Restriction		19,272
<i>Insurance related</i>		
Insurance income	(15)	(15)
<i>Other comprehensive income</i>		
Change in value of Heritage assets		35
<b>Underlying deficit</b>	<b>(842)</b>	<b>(842)</b>



## Income

In 2023/24, the Group saw total income grow by £0.5m to £47.8m (2023: £47.3m). Excluding the £3.5m exceptional insurance income recognised in the previous year and the net return on pension assets, underlying income grew £3.3m (7%) to £46.9m (2023: £43.6m), driven primarily by continued growth in international student numbers and an associated expansion of our student residence provision.

Continuing a trend of steady growth in the two preceding years, after the earlier pandemic-driven downturn, this year, tuition fees grew by £2.2m (11%) to £23.6m (2023: £21.4m); albeit that it fell short of the ambitious targets that we had set ourselves.

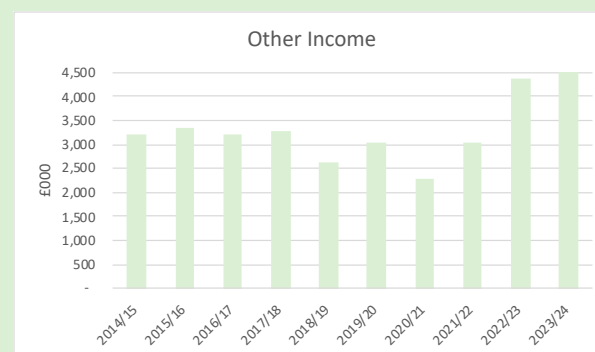
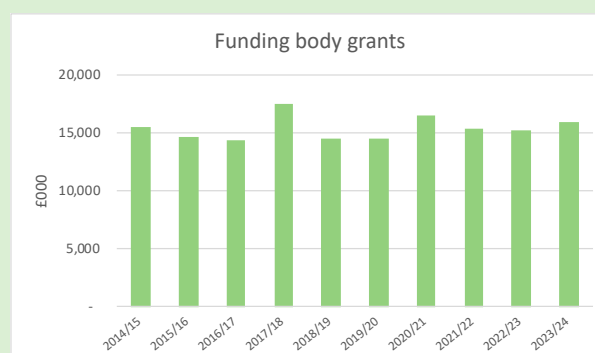
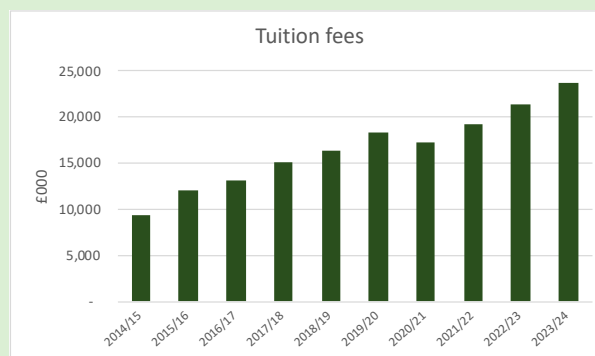
Reversing the trend of the previous year, 2023/24 saw only a modest £0.1m (3%) growth in the fees from home students, reflecting the Scottish Funding Council's cap on recruitment of undergraduates, despite significant unsatisfied demand among qualified applicants to GSA. Continuing the modest upward trend established last year fee income from students attending from England, Wales and Northern Ireland, once again rose by £0.1m (3%). For the same period, there was, again, an increase in international fee income, this year of £2.3m (16%), continuing to reflect buoyant demand for places from international students.

Against the generally flat-cash distribution of teaching and research grants across the sector, at £16m, GSA's Funding Council Grants, were up £0.8m year-on-year: in large part related to GSA's receipt of £0.5m of additional recurrent funding from SFC to maintain and enhance the reputation of Scotland's 'world-class' small specialist institutions; as well as reflecting the release of £0.2m upskilling grants that had previously been deferred.

This year saw a £0.5m (25%) fall in income from research grants. GSA's research grant income typically comprises a core portfolio of 'standard' research projects along with a very small number of disproportionately large innovation projects, whose award can be irregular, meaning that, their initiation and completion can lead as has been seen in recent years, to volatility in the annually reported research income.

Other income saw overall growth of £0.4m (9%) to £4.8m (2023: £4.4m): Residence Income grew by £0.9m (40%) on last year, primarily reflecting an expansion of provision to accommodate growing demand, while commercial and other income fell by £0.5m (24%) to £1.6m (2023: £2.1m).

Outwith our underlying operations, there was no insurance income recognised this year, compared to last year's receipt of £3.5m, that being the final instalment of the insurance settlement in respect of the consequential damage to the Reid, Bourdon and Assembly buildings.



## Expenditure

In 2023/24, the Group saw total expenditure grow by £3.2mm (6%) to £48.1m. Excluding the exceptional movements associated with pension service costs, there was an underlying increase of £3.8mm (9%).

Masking the significant effort in containing staff costs to mitigate a shortfall in targeted tuition fee income, total staff costs grew by £1.6m (6%) to £29.3m (2023: £27.8m). That growth combined the effects of the 2023/24 national 5%-8% pay increase, routine salary scale progression and an in-year adjustment to reflect a rise in the Real Living Wage. In addition, there were changes, late in the year, to our employer's pension contributions – with the Scottish Teachers Pension Scheme contributions rising from 23% to 26% and that of the Strathclyde Pension Fund falling, temporarily, from 25.9% to 6.5%.

Despite some success in containing operating costs in response to in-year income pressures, other operating expenses grew by £1.5m (15%) to £16.1m (2023: £14.6m): reflecting the costs associated with the provision of additional student residence capacity, expenditure matching the release of an SFC Upskilling grant that had previously deferred and the prevailing economic environment's generally upward pressure on most operating cost categories.



A net return on the Strathclyde Pension Fund, precipitated a net credit on Interest and other finance costs of £0.9k (2023: £0.2k). At £23k (2023: £22k), interest on borrowing was broadly flat. A £887k net return on the pension scheme compared to last year's net return of £216k, saw a non-cash movement of £671k.

Depreciation for the year of £2.8m (2023: £2.6m) grew by a modest £0.1m, although the recent completion of the Reid Building façade and the extensive works at the Stow Building herald an impending upward trend.

Other comprehensive income and expenditure for the year included the fourth successive, albeit more modest actuarial gain, of £0.8m (2023: £11.3m), arising from GSA's participation in the Strathclyde pension Fund, which, however, was masked and the historic effects reversed by the actuarial instruction to implement a ceiling on the Pension Asset's disclosure, precipitating a reported actuarial loss of £18.4m (see note 20). In addition, there was a £35k reduction (2023: £387k increase) in the value of our heritage assets, the net effect primarily reflecting the transfer Alasdair Gray Library from GSA to a separate charity, the Alasdair Gray Archives.

## Financial position

At the end of the year, the Group had net assets of £61.1m (2023: £79.3m), representing a reduction of £18.2m on the previous year. The £12.9m increase in fixed assets to £101.7m (2023: £88.8m) reflects £15.7m of capital expenditure during the current year, offset by depreciation of £2.7m. The net £0.6m growth in investment assets to £6.1m (2023: £5.5m) reflects the performance of financial markets over the period.

The actuarial review of the GSA's participation in the Strathclyde Pension Fund at 31 July 2024, for accounting purposes, signalled a £1.8m growth in the net pension asset from £17.4m to £19.3m, attributed to a £7.1m growth in the Scheme's assets, to £68.6m offset by a £5.3m increase in the scheme's liabilities, to £49.3m. While in prior years, the actuary calculated an asset ceiling in excess of the pension surplus, precipitating recognition of a Pension asset, evolution of the approach among Local Government Pension Scheme practitioners over the past year has led to the actuary calculating an asset ceiling which reduces GSA's pension surplus to £nil at this year-end.

The release of the funds relating to the £5m pledge made to the GSA Development Trust by the UK Government in the aftermath of the Mackintosh fire, which had been held by the Scottish Government eliminated the long-standing debtor due greater than one year.

Over the period, net current assets fell by £16.2m to a net current liability of £(0.5)m (2023: £15.7m asset):

- Trade and other receivables grew modestly, by £0.1m to £2.6m (2023: £2.5m).
- Cash reduced by £9.6m to £8.9m (2023: £18.5m), largely reflective of this year's capital expenditure, partly offset by the receipt of the £5m pledge noted above.
- Creditors due within one year grew by £1.7m to £12.5m (2023: £10.8m) reflecting a range of movements within that heading, but particularly a £3m (101%) increase in student deposits, arising from a revision of the deposits payable by students, ahead of their enrolment in the following year.
- Creditors falling due in more than one year comprise loans and deferred capital grants.
  - The outstanding balance on loans due in more than one year reduced by £0.6m to £8.1m (2023: £8.7m), reflecting regular repayments on loans being made as they fell due. There are total loans, including loans due in one year, of £8.7m at 31 July 2024 compared with £9.3m at 31 July 2023.
  - At the year-end, deferred capital grants greater than one year stand at £51.7m (2023: £52.8m), those being mainly associated with historic capital grants from the Scottish Funding Council, including that for the construction of the Reid Building. The balance has reduced by £1.2m reflecting the release of deferred grant to match the depreciation on fixed assets, so funded.

## Movement on reserves

During the year, the Group's reserves reduced by £18.2m to £61.1m (2023: £79.3m). Disaggregating that movement:

- Endowment reserves grew by £0.6m to £6.1m during the year (2023: £5.5m), the movement being largely attributable to the performance of financial markets over the period.
- Restricted reserves, at £8.4m, were unchanged during the year.
- The income and expenditure reserve fell by £18.7m to £31.3m (2023: £49.9m) during the year, that fall mainly reflecting the restriction of the Group's Strathclyde Pension Fund Pension Asset to an asset ceiling of zero, precipitating an £18.4m actuarial loss.

## Treasury management, cashflow and liquidity

The financing, liquidity and exposure to financial risk is overseen by the Board through the Audit & Risk Committee and the Business & Estates Committee. Each year, forecasts are prepared which consider the cash position, given the assumed operational movements and planned investment in fixed assets and working capital. This enables the Business & Estates Committee to consider any future borrowing requirements in a timely manner.

Non-endowment cash balances are held in interest-bearing deposits with financial institutions. These balances can be invested in major clearing banks. At 31 July 2023, our cash and deposit balances sat at £8.9m, a decrease of £9.6m on the previous year-end (2023: £18.6m), largely reflective of this year's capital expenditure, most notably on the major refurbishment of the Stow Building (funded from an earlier loan from the Scottish Funding Council's Universities Financial Transactions Programme) and the reinstatement of the Reid Building's façade (funded mainly from last year's insurance settlement), partly offset by the receipt of the £5m UK Government pledge noted above. Our deposits are currently held as short-term deposits, so show on the Balance Sheet as entirely within cash and cash equivalents.

The return on Endowment Asset Investments comprising dividend and bank interest was 2.33% compared with 1.46% last year. The market value of the total endowment assets held grew from £5.5m to £6.1m., primarily reflecting the performance of financial markets over the period. The Business and Estates Committee, oversees execution of investment strategies and monitors performance.

## Financial risk management

**Foreign Currency Risk** – The Glasgow School of Art does not enter into any significant foreign currency transactions. The Governors therefore consider that there is no material exposure to foreign currency movement risk.

**Credit Risk** – The Glasgow School of Art is exposed to credit related losses in the event of non-performance by transaction counterparties but mitigates such risk by reviewing supplier's financial accounts and credit scores as part of our tender processes.

**Liquidity Risk** - Operations are financed by SFC grants, student fees, research and consultancy contracts and bank balances. In addition, the School has an overdraft facility which it has not utilised. The objective is to ensure a mix of funding methods offering flexibility and cost effectiveness to match our needs.

**Cash Flow Risk** – The GSA currently holds £8.9m of cash, there are no restrictions on the use of those funds. With interest rates rising during the period but with an expectation of earlier expenditure, the cash was held primarily in medium-term bank deposits, being drawn as required to maintain adequate levels of working capital.

## Creditor payment policy

The Glasgow School of Art's policy is that payments to suppliers are made in accordance with those terms and conditions agreed between the School and its suppliers, provided that all trading terms and conditions have been complied with. The School endorses the CBI Prompt Payment Code. At 31 July 2024 the School had an average of 13 days purchases outstanding in trade creditors (2023: 13 days). With regard to the late payment of Commercial Debts (Interest) Act 1998 there are no matters to disclose.

**Ann Priest,** Chair of the Board of Governors  
10 December 2024



# DIRECTOR'S REPORT



## Board membership

The following persons served as Board members during the year to 31 July 2024, and up to the date of approval of these financial statements.

### Appointed by the Board of Governors

Ms Kristen Bennie BA	Independent Governor
Professor Graham Caie CBE, PhD, FRSE, FEA, FRSA	Independent Governor
Dr Martin Herbert DipQS, MSc, PhD, MRICS	Independent Governor (until 15 June 2024)
Professor Stephen Hodder MBE, PPRIBA	Independent Governor (from 1 December 2023)
Dr Kate Lampitt Adey	Independent Governor
Dr Simon Learoyd BA (Hons), PG Cert, MSc, PhD	Independent Governor
Mr Habib Motani	Independent Governor (until 21 May 2024)
Ms Ann Priest MBA, FRSA, CText FTI	Independent Governor
Mr Harry Rich LLB (Hons), FRSA	Independent Governor
Mr James Sanderson BA(Hons), Dip Arch, RIBA, RIAS	Independent Governor
Professor Adrienne Scullion MA, PhD, FRSA, FRSE	Independent Governor (from 1 December 2023)
Dr Graham Sharp BSc(Hons), LLB, MSc, DPhil, CA	Independent Governor
Professor Andrea Siodmok OBE, Hon DCL, BA (Hons), EMPP, PhD, FRSA	Independent Governor (from 1 December 2023)
Mr Andrew Sutherland BAcc, CA, MCICM	Independent Governor
Professor Anne Trefethen FREng	Independent Governor
Mr Tsz Wu BA (Hons), Mdes	Independent Governor

### Governors Ex Officiis

Professor Penny Macbeth BA(Hons), MA, FHEA	Director of the School
--	------------------------

### Elected Staff Governors

Mr David Nutter BA (Hons)	Elected by the Academic Staff
Ms Jacqueline Coyle Dow	Elected by the Professional Support Staff (from 1 September 2023)

### Student Governors

Mx Ted Tinkler	President of the Students' Association (from 1 August 2023 until 31 July 2024)
Ms Alicia Bickerstaff	Vice-President of the Students' Association (from 1 August 2023 until 31 July 2024)
Ms Alicia Bickerstaff	President of the Students' Association (from 1 August 2024)
Mx Rachel Dennis	Vice-President of the Students' Association (from 1 August 2024)

### Trade Union Governors

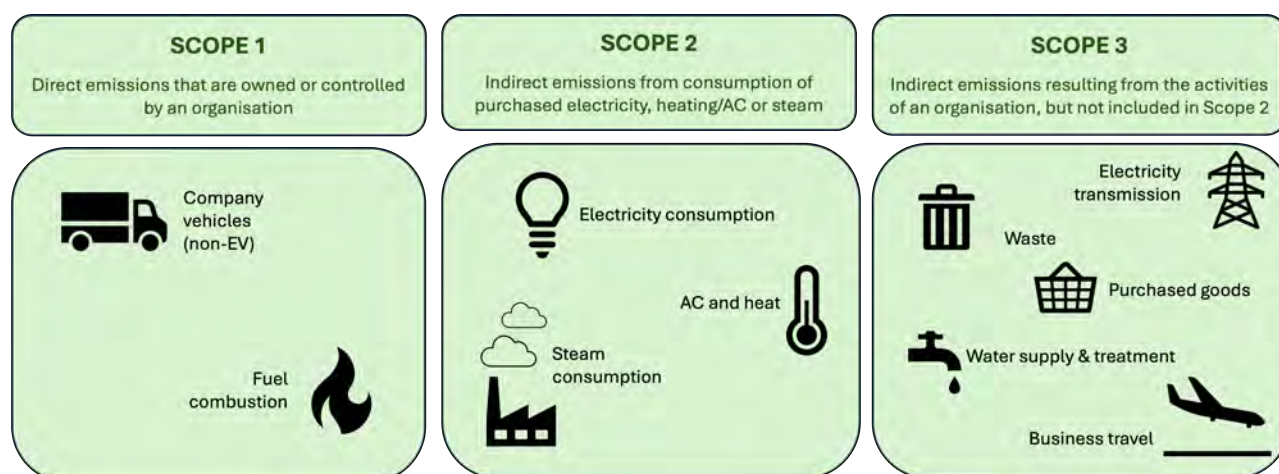
Mr Thomas Greenough BA (Hons)	Trade Union Governor (Academic Staff)
Ms Kathy Molloy	Trade Union Governor (Professional Support Staff) (until 30 November 2023)
Mr Craig Laurie	Trade Union Governor (Professional Support Staff) (from 1 December 2023)

## Environmental sustainability

Our community remains committed to sustainable values. Our strategy and actions are based on an aim of reducing the environmental, social and ethical impacts of The Glasgow School of Art, with specific objectives of more efficient management of our estate and full awareness of sustainability values and issues across the curriculum. The GSA community is encouraged to reduce energy, water and resource use, and support Scotland's future artists, designers and architects to help them react to, work with and communicate climate change in a positive and creative way.

During the initial refurbishment of the Stow Building, GSA employed Salix loan funding to make significant environmental improvements to the fabric and running costs of a building little-altered from the 1930s. Recently completed improvements to that building will seek to maintain a trend of enhanced environmental performance specifically through a material reduction in the Building's heat demand, and more generally through more efficient mechanical, electrical, public health and ICT installations; and serving as a blueprint for future estates development.

Consistent with our Estates Strategy, during 2023/24, we will continue to develop our approach to realising a Net Zero strategy. On the road to net zero, one of the main ways that organisations' greenhouse gas emissions are measured and assessed is to look at them within three different 'scopes', seeking to understand and measure the source of emissions. The three scopes are a way of categorising the different kinds of emissions an organisation creates in its own operations and in its wider 'value chain' (its suppliers and customers).



Until now, although the GSA has fully reported on its Scope 1 and 2 emissions, it was only able to report on a limited range of Scope 3 emissions, primarily waste creation and water treatment and consumption. Acknowledging the Greenhouse Gas Protocol, the world's most widely used greenhouse gas accounting standard, which states *"Developing a full emissions inventory – incorporating Scope 1, Scope 2 and Scope 3 emissions – enables companies to understand their full value chain emissions and focus their efforts on the greatest reduction opportunities"*, this year, the GSA has extended the range of Scope 3 emissions on which it reports, to include transport, travel and its supply chain.

## UK Energy use and greenhouse gas emissions

Source	Units	Scope	Consumption		Emissions (tCO <sub>2</sub> e)	
			2023/24	2022/23	2023/24	2022/23
Gas	kWh	Scope 1	5,158,828	6,150,864	950	1,125
Bioenergy	tonnes	Scope 1	193	54	8	2
Electricity consumption	kWh	Scope 2	3,462,184	2,849,626	717	590
Electricity transmission	kWh	Scope 3	3,462,184	2,849,626	63	51
Refrigerants	kg	Scope 3	100	5	193	10
Waste	tonnes	Scope 3	99	157	1	5
Water	m3	Scope 3	47,833	24,746	7	4
Transport - public	passenger km	Scope 3	17,686,929	13,631,276	4,024	3,427
Transport - van/HGV	miles	Scope 3	18,540	6,761	5	2
Transport - car	km	Scope 3	1,131,329	76,076	182	13
UK Hotel stay	Room per night	Scope 3	328	58	4	1
Overseas Hotel stay	Room per night	Scope 3	45	-	1	-
Material use	tonnes	Scope 3	-	31	-	114
Homeworking	FTE working hour	Scope 3	169,975	-	57	-
Supply chain		Scope 3	-	-	6,083	7,084
<b>Total associated greenhouse gas emissions</b>					<b>12,294</b>	<b>12,392</b>
Space related emissions	tCO <sub>2</sub>				1,932	1,779
Gross Internal Area	m <sup>2</sup>				65,678	65,678
<b>Intensity ratio</b>	<b>tCO<sub>2</sub>/m<sup>2</sup></b>				<b>0.03</b>	<b>0.03</b>
People related emissions	tCO <sub>2</sub>				10,362	10,613
Staff numbers	average FTE				352	399
<b>Intensity ratio</b>	<b>tCO<sub>2</sub>/FTE</b>				<b>29.44</b>	<b>26.60</b>

## Energy efficiency action taken:

- The efforts of our “Green Team” have continued to focus on behaviour change and energy efficiency actions.
- A Carbon reduction plan and Climate Risk Register were approved
- Our EV van continues to serve us well.
- When undertaking estate refurbishment and redevelopment, we continue to ensure that project briefs include provision for improved carbon efficiency.
- We have completed significant works to the Stow and Reid Buildings. In the Stow building it has reduced our Scope 1 emissions by 30%.
- We continue to embed environmental issues in the procurement supplier selection and contract award criteria.
- We continued to work with our catering supplier to reduce all waste, seeking to achieve a more circular use of catering supplies.
- In support of our Strategic Plan Lead Indicator, measured even more Scope 3 emissions adding staff travel and continuing to include student travel and procurement, aiming to achieve a more comprehensive assessment of the carbon footprint of our Scope 1, 2 and 3 emissions.
- Regular meetings of our Environmental and Social Justice Framework Group took place to develop our environmental performance and objectives holistically across the institution
- We have also added a focus on people through the Environmental and Social Justice Framework, with the aim of making the GSA a great place to work, where people are empowered to drive change and create impact.
- We have reduced material use through reusing waste derived from studios and workshops as much as possible, introduced the ‘Healthy Materials’ library to promote the creation of low impact bio-based materials, and introduced gardens at Glasgow and Altyre Campuses where plants are grown for pigments and 3-dimensional making.
- Our curriculum has been updated to ensure environmental and social justice issues are key focuses, ensuring our graduates are prepared for and can positively contribute to tackling global challenges and enhancing students’ knowledge of sourcing, developing and reusing materials.

This reporting applies the methodologies required by the Annual Public Bodies Climate Change Duties (PBCC) reporting and the annual Higher Education Statistics Agency (HESA) reporting.



## Equality and diversity

Through formal reporting from senior management, the Board of Governors assures itself that the GSA is compliant with the Equality Act 2010 and meets the requirements of the Public Sector Equality Duty and the Scottish Specific Duties. The Director of the GSA is responsible for providing leadership and ensuring compliance with the Public Sector Equality Duty and the Scottish Specific Duties is integral to GSA's strategic aims and are delivered across all activities and functions. The Secretary and Registrar is responsible for briefing the Director and facilitating formal reporting to the Board of Governors. Members of the GSA Senior Leadership Group, reporting to the Director, are responsible for ensuring that institution-level policy and actions are implemented and delivered effectively within the areas for which they have leadership and management responsibility.

In its equality strategy covering the period 2021-2025, the GSA has set the following Equality Outcomes:

- Actively foster and support an organisational culture in which dignity and respect for self and others is understood and practiced, where confidence is encouraged and promoted, and where ignorance, prejudice and bias are challenged.
- Continue to evaluate our physical and digital environment, aiming to optimise accessibility and inclusivity by acknowledging and providing for the needs of our students, staff and stakeholders.
- Actively build and support a staff population which is more reflective of the Scottish population and encourage a diverse student body.
- Improve lifelong outcomes for students by identifying and supporting those groups facing persistent inequality throughout and beyond their student learning journey into positive destinations.
- Develop a comprehensive and robust equality and diversity data set which enables us to inform action, assess progress and measure impact.

The GSA Equality Update Report April 2024 (<https://gsadocuments.net/wp-content/uploads/2024/04/Paper-2-The-Glasgow-School-of-Art-Equality-Outcome-Progress-Report-April-2024.pdf>) provides an update on each of these established GSA 2021-2025 Equality Outcomes.

In January 2023, after signing a Memorandum of Understanding in 2020 to strengthen and reinforce compliance with the Public Sector Equality Duty in colleges and universities, the Scottish Funding Council and the Equality and Human Rights Commission published a set of National Equality Outcomes aimed at tackling persistent inequalities within the tertiary system.

The National Equality Outcomes were developed as a result of an extensive consultation with equality and diversity practitioners from the public and third sector, as well as input from people with lived experience, and align with the findings from a range of statistical publications previously produced by the SFC. The GSA has, in turn, committed to adopting all of the NEOs and to amalgamate their delivery into our own action planning and reporting. Those National Equality Outcomes are:

- **Age**
  - The retention outcomes for university students aged 25 and over will improve.
- **Disability**
  - The success and retention rates of college and university students who declare a mental health condition will improve.
  - Disabled students report feeling satisfied with the overall support and reasonable adjustments received, including from teaching staff, while on their course.
  - Disabled staff and students report feeling safe in the tertiary system.
  - Where representation is not proportionate to the relevant population, increase the representation of disabled staff in the workforce and on college Boards and university Courts.
- **Gender Reassignment**
  - Trans staff and students report feeling safe to be themselves in the tertiary system.
- **Race**
  - Staff and students feel supported and safe and are confident that complaints of harassment or bias on the grounds of race will be dealt with appropriately because complaints procedures are fit for purpose and offer effective redress
  - Institutions should also have regard to attainment levels by racial group and ensure that their curriculum is diverse and anti-racist.
  - Where representation is not proportionate to the relevant population, increase the racial diversity of Court members and address any racial diversity issues in college Boards.
  - Where representation is not proportionate to the relevant population, increase the racial diversity of teaching and non-teaching college staff to align with student representation in the sector.
  - Students and staff report that they have confidence in institutional report and support mechanisms because they are fit for purpose.

• **Sex**

- Staff and students know how to access support about violence, harassment and abuse, report their experience and feel properly supported in doing so because the services are fit for purpose.
- Institutions can evidence approaches that prevent and respond to violence, harassment and abuse.
- Men (staff and students) know how to access mental health support (recognising intersectionality within that group).
- Institutions will have regard to significant imbalances on courses and take action to address it.

• **Sexual Orientation**

- Lesbian, Gay and Bisexual staff and students report that they feel safe being 'out' at university and college.

The GSA committed to adopting all of those National Equality Outcomes and amalgamating their delivery into our current action planning and reporting however, as they were published mid cycle, the GSA elected to report on its established equality outcomes, documenting progress on the National Equality Outcomes separately (<https://gsadocuments.net/wp-content/uploads/2024/04/The-GSA-National-Equality-Outcomes-Report-April-2024.pdf>), supported by staff and student equality monitoring reports (<https://gsadocuments.net/wp-content/uploads/2024/04/Paper-1-The-Student-Equality-Monitoring-Report-22-23.pdf>).

Over the coming year, the GSA will develop action plans for all National Equality Outcomes and assess the need for any additional GSA-specific Equality Outcomes and associated action plans as part of our planning for the next four-year cycle 2025-2029.

## Employment of disabled persons

---

The GSA is committed to attracting, recruiting and retaining people with disabilities, specifically:

- We ensure that people with disabilities receive full and proper consideration throughout the whole recruitment process.
- We have induction, probation and review procedures that encourage regular check in and discussion regarding support and development required for the role.
- We provide practical equipment or modification to enable disabled people to undertake full employment.
- We seek specialist advice/ input as required to support disabled people in the workplace (e.g. OH, Access to Work).
- Reasonable adjustment of policies/ procedures/ practices and working arrangements to address any differential impact that may arise as a result of disability
- Mandatory training, along with a range of additional training/ development opportunities for all employees to develop awareness and understanding of equality, diversity and inclusion.
- New and updated policies are impact assessed to identify any differential impacts as a result of disability so that mitigating actions can be identified and put in place.
- In the event of existing employees becoming disabled, every effort is made to ensure that their employment continues, and that appropriate support is made available in partnership with the employee and their manager.
- Our employee assistance programme is available to all employees and provides a wide range of wellbeing support, including access to counselling and specialist advice.
- We review the impact of our policies and procedures on employee experience through our staff survey and also through equalities monitoring.

It is our policy that the recruitment, training, career development and promotion of people with disabilities should, as far as possible, equal that of other employees.

## Responsibilities of the Board of Governors for accounting and the financial statements

---

In accordance with The Glasgow School of Art's formal governance arrangements, the Board is responsible for the administration and management of the affairs of the GSA and is required to present audited accounts for each financial year.

The Board considers that the Group and the School has adequate resources to continue its operations for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the GSA and to enable it to ensure that the financial statements are prepared in accordance with 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 addition, within the terms and conditions of the Financial Memorandum agreed between the Scottish Funding Council and the Board of Governors, the Board, through its designated office holder, is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and the School and of the surplus or deficit and cash flows for that year.

In preparing the financial statements, and aligned with the Companies Act 2006, the Board has ensured that:

- suitable accounting policies are selected and applied consistently;

- judgements and estimates are made that are reasonable and prudent;
- applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- accounts are prepared on the going concern basis unless it is inappropriate to presume that GSA or the Group will continue in operation.

The Board has taken all reasonable steps to:

- ensure that funds from the Scottish Funding Council are used only for the purposes for which they have been given and in accordance with the Financial Memorandum with the Funding Council and any other conditions which the Scottish Funding Council may from time to time prescribe;
- ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources;
- safeguard the assets of the GSA and prevent and detect fraud; and
- secure the economical, efficient and effective management of the GSA's resources and expenditure.

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

- So far as the directors are aware, there is no relevant material audit information of which the Group's and the School's auditor is unaware; and
- They have taken all the steps that ought reasonably to have been taken as a member of the Board, in order to make themselves aware of any relevant information, and to establish that the Group's and the School's auditor is aware of the information.

## Auditor

---

The Board approved the appointment of Anderson Anderson Brown Audit LLP as Auditor on 10 December 2024.

Anderson Anderson Brown Audit LLP will be proposed for re-appointment in accordance with Section 485 of the Companies Act 2006.

## Post balance sheet events

---

There have been no significant events affecting the Group or School since the year end.

### By order of the Board

**Ann Priest**, Chair of the Board of Governors  
10 December 2024

**Professor Penny Macbeth**, Director  
10 December 2024

# CORPORATE GOVERNANCE





## Introduction

---

The School's governance arrangements are defined through an Order of Council derived from the Further and Higher Education (Scotland) Act 1992. The School is also a Company Limited by Guarantee. The School's Statement of Corporate Governance (reviewed and approved by the Board of Governors annually) complies with the high-level principles contained within the Scottish Code of Good Higher Education Governance.

In March 2023, a revised version of the Scottish Code of Good Higher Education Governance was published. In line with the expectations of the Scottish Funding Council, The Glasgow School of Art adopted the 2023 version of the Code in session 2023-24. [See: 'The Scottish Code of Good Higher Education Governance'.]

The undernoted sets out the manner in which the School has applied the principles set out in the Code, and follows the format set out by the Scottish Funding Council's Accounts Direction for Scotland's Universities 2023/24 (issued on 16 August 2024), and the SFC Financial Memorandum. Its purpose is to enable the reader of the financial statements to understand how these principles have been applied.

## Governing Body

---

The Board of Governors (the Board) is the governing body of the School and holds to itself the responsibilities for the ongoing strategic direction of the institution, as well as full consideration and approval of major developments, and receipt of regular reports from Executive Officers on the day-to-day operations of its business.

The Board normally meets four times per session (October, December, March and June in session 2023/24) and holds an annual away-day (February) which focuses on strategic matters and the future direction of the School. At each of the standard Board meetings in the year reported, the Board received an executive update from the Director, which set out matters relating to the work and progress of the School. The Board also received reports from the President of the Students' Association, the Secretary and Registrar, the Director of Finance, and the Director of Estates and Infrastructure. As a matter of course, the Board also received the minutes from Academic Council and from each of the Board Committees that had met in the preceding period.

The Academic Council is the principal academic body of the School. The remit of the Academic Council is specified in the School's Articles of Association and represents delegated functions from the Board, namely:

- the function of advising the Director in relation to the overall planning, co-ordination, development and supervision of the academic work of the institution; and
- such other functions of the Board of Governors as may be assigned to the Academic Council by the Board.

The roles of Chair and Vice-Chair(s) of the Board are separated from the role of the School's chief executive, the Director. Pursuant to the Articles of Association, the Director discharges the functions of the Board of Governors relating to the organisation and management of the School and the discipline therein, and, with the advice of the Academic Council, the overall planning, coordination, development and supervision of the academic work of the School. The Chair's responsibilities include leading the Board, promoting its effective operation, and ensuring that its members work together effectively and have confidence in the procedures laid down for the conduct of business. Ultimately, the Chair is responsible for the conduct and effectiveness of the business of the Board of Governors. Further details regarding the role of the Chair are set out in the Statement of Corporate Governance, a link to which is published on the School's website.

The Board Intermediary is a point of contact for members of the Board in the event that they wish to raise an issue regarding the conduct of the Board or the Chair. The Board Intermediary is also responsible for leading the Board in conducting the annual appraisal of the Chair. This role is currently held by one of the Independent Governors.

The Secretary and Registrar maintained regular contact with the Chair throughout the period to ensure that the conduct of the Board's business was carried out in accordance with the Statement of Corporate Governance, the Scottish Code of Good HE Governance, and the School's legal instruments. Previous agendas and minutes are made accessible via the School's website, with Board papers available on request. Agendas and minutes are normally published following approval of the minutes at the

## Governance Arrangements

In order to ensure that governance-level decision-making continued to operate through the established formal committee and Board structure, the Secretary and Registrar, in close consultation with the Chair of the Board, worked to ensure that GSA's governance arrangements remained robust and appropriate.

With regard to Board committees, these meetings were held via videoconferencing in session 2023/24, unless otherwise preferred by the convenor of the relevant committee. During this year, Board meetings were held in person (with the option for members to join via videoconference). These arrangements for the Board and its committees have become the established mode of operation.

## Statement of Primary Responsibilities and Schedule of Delegation

In accordance with the Code, the Board has a Statement of Primary Responsibilities and a Schedule of Delegation, which state those matters which are reserved for the consideration of the Board, and those which have been formally delegated. These are set out in full in the 2023/24 Statement of Corporate Governance.

The current Statement of Primary Responsibilities provides detail regarding the following responsibilities of the Board:

1. To ensure the effective management of the School and to play a key role in the development, approval and review of the mission and strategic vision of the School;
2. To be the principal financial and business authority of the School;
3. To safeguard the reputation and values of the School;
4. To ensure the quality of institutional educational provision is upheld and to ensure the defence of academic freedom;
5. To make such provision as appropriate for the general welfare of students, in consultation with the Academic Council;
6. To ensure that systems and policies are in place for meeting all of the School's legal and regulatory obligations;
7. To oversee and monitor the development and implementation of the School's Strategic Plan;
8. To appoint a Chair of the Board of Governors, one or more Vice Chairs, and Independent Governors;
9. To appoint the Director of the School and the Secretary to the Board;
10. To advise on the appointment of the Deputy Directors of the School, and the Director of Finance;
11. To ensure the establishment and monitoring of systems of control and accountability, including financial and operating controls and the risk management framework;
12. To ensure that processes are in place to monitor and evaluate the performance and effectiveness of the School;
13. To establish processes to monitor and evaluate the performance and effectiveness of the Board of Governors;
14. To conduct its business in accordance with best practice in higher education corporate governance and with accepted standards of ethics and behaviour in public life;
15. To determine and review the remuneration of those senior staff members whose salaries are not included within national pay scales;
16. To form, and receive regular reports from, committees to consider major areas of activity;
17. To support and enable the effective functioning of the Students' Association;
18. To satisfy itself that the School operates with high levels of social responsibility; and
19. To take all final decisions on matters of major concern to the School.

The Schedule of Delegation records the delegated authority for decisions taken in the name of, or on behalf of, the Board. As part of the Statement of Corporate Governance, the Schedule is reviewed and formally approved by the Board on an annual basis. The general principles of the Schedule of Delegation are set out below:

- All delegated powers must be exercised in accordance with relevant current procedures and policies of the School, including the financial regulations and supporting policies, and applicable statutory requirements;
- Having delegated authority to other bodies or individuals to act on its behalf, the Board of Governors is nevertheless still ultimately accountable and assumes collective responsibility for the actions taken under delegated authority;
- The Board of Governors has the power at any time, subject to any statutory restrictions to the contrary, to vary, extend, restrict or recall any power or function delegated by it;
- In potentially contentious matters, or for decisions of strategic importance to the School, or where the Board of Governors would be reasonably expected to have a significant interest, it may be appropriate to seek the approval of the Board of Governors, even where authority has been delegated;
- The use of delegated authority should be reported to the Board of Governors as appropriate; and
- A list of reserved matters which may not be delegated by the Board of Governors is detailed in the School's Statement of Corporate Governance.

The Board has ultimate responsibility for the effective operation of the School, and, following common practice, delegates much of the detailed review to Board committees. The extent of that delegation is detailed within the Board Committee Remits and Memberships document, which is reviewed and approved by the Board on an annual basis and published on the School's website. A brief overview of each committee remit is set out below.

The Board had the following committees in 2023/24:

- Audit and Risk Committee
- Business and Estates Committee
- Health and Safety Committee
- Human Resources Committee
- Museum and Archive Committee
- Nominations Committee
- Remuneration Committee

All of these committees are formally constituted with terms of reference and are convened by Independent Governors.

Note: Following a recommendation by the Good Governance Institute, the Board of Governors, at its meeting on 18 June 2024, approved a proposal to adopt a leaner board committee structure from session 2024/25. Further details pertaining to the board committee restructure are outlined under 'Board Effectiveness'.

### Composition of the Board

The Board comprises independent and academic persons appointed in accordance with the School's governing instruments, which were last revised in December 2020. The majority of governors are non-executive and independent, serving alongside ex-officio and elected staff, student and trade union governors.

Since 1 December 2020, and in line with its new Order of Council and Articles of Association, the School's Board of Governors comprises:

- Between ten and seventeen Independent Governors;
- The Chair, appointed by the Board of Governors;
- The Director of the School as a governor ex officio;
- Two Staff Governors appointed by being elected by the staff of the School from among their own number, one of whom is elected by the academic staff of the School, and the other by the professional support staff of the School;
- Two Trade Union Governors appointed in accordance with rules approved by the Board of Governors as follows:
  - one by being nominated by a trade union from among the academic staff of the School, who are members of a branch of a trade union that has a connection with the School; and
  - one by being nominated by a trade union from among the support staff of the School, who are members of a branch of a trade union that has a connection with the School.
- Two Student Governors appointed by being nominated by the Students' Association of the School from among the students of the School in accordance with rules approved by the Board of Governors.

During the reporting period:

- Two Independent Governors demitted the Board: Mr Habib Motani (31 May 2024) and Dr Marty Herbert (15 June 2024).
- Three Independent Governors were appointed to the Board: Professor Stephen Hodder (1 December 2023); Professor Adrienne Scullion (1 December 2023); Professor Andrea Siodmok (1 December 2023).
- Two Student Governors were appointed: Mx Ted Tinkler (1 August 2023), and Ms Alicia Bickerstaff (1 August 2023).
- Ms Kathy Molloy demitted office as Trade Union Governor (Support) on 30 November 2023.
- Mr Craig Laurie was appointed as Trade Union Governor (Support) on 1 December 2023.
- Ms Jacqueline Coyle Dow was appointed as Staff Governor (Support) on 1 September 2023.

During the year, Mr Andrew Menzies, the Director of Finance, continued to act as Company Secretary until 6 September 2023. Ms Emma Williams was appointed as Secretary and Registrar on 4 September 2023 and thereafter appointed Company Secretary on 7 September 2023.

Staff Governors and Trade Union Governors hold office for an initial term not exceeding three years, and may be reappointed for up to two further periods of up to three years. Student Governors hold office for an initial term not exceeding one year and may be reappointed for one further period of up to one year.

Independent Governors are appointed for a term of office not exceeding three years, at the conclusion of which they may be reappointed for up to two further terms of three years, subject to review and approval by the Nominations Committee. The balance of skills and experience among Independent Governors is monitored closely to ensure that this is sufficient to enable the Board to meet its primary responsibilities and to ensure stakeholder confidence. A register showing the balance of skills, attributes and experience required across the Board's membership, including attributes and goals (having due regard to applicable law) relating to equality and diversity, is published on GSA's website.

When an Independent Governor demits office, or the School seeks to appoint a new Governor, the Nominations Committee, or a subgroup thereof, reviews the balance of skills in the membership of the Board against the Register of the Balance of Skills, Attributes and Experience. This informs the appointment process and supports the School in maintaining a coherent and effectively functioning governing body. The Board also recognises its responsibility to demonstrate leadership in promoting and facilitating equality and diversity, and ensures that, where changes occur in the Board's composition, due and proper account is taken of aiming for a balance across all protected characteristics, recognised under the Equality Act 2010, as part of the Nominations Committee's appointment process.

Following a Board recruitment exercise in autumn 2023, three new Independent Governors were appointed on 1 December 2023. In preparation for this exercise, a full review of the Balance of Skills, Attributes and Experience was carried out to help determine the skills required for the Board. In order to enhance certain skills and re-balance the diversity of the Board, new appointees were sought

with skills and expertise in the following areas: Cultural and Creative Industries, Higher Education Policy and Global Insights, Estates Infrastructure, and Placemaking and Diversity.

The Board of Governors will undertake another recruitment exercise in session 2024/25.

As at 1 September 2024, the School's Board consists of a total membership of twenty-one members, fourteen of whom are Independent Governors (including the Chair of the Board): the latter has a male:female ratio of 62%:38%.

During the period, two Independent Governors - Dr Kate Lampitt Adey and Dr Marty Herbert - were granted Leave of Absence from their position as members of the Board of Governors, with effect from 1 September 2023 to 31 August 2024. In the course of this period of absence, Dr Marty Herbert demitted as an Independent Governor on 15 June 2024.

### Induction and Governor Development

All new Governors receive a full induction upon joining the Board, with continued support available throughout their time in office. The induction process and information provided is reviewed on an ongoing basis to ensure that it remains current and takes all relevant developments into account. Governors attend a governance briefing session with the Secretary and Registrar, which includes information on the responsibilities of the Board, an overview of developments in the HE sector, the School's Strategic Plan, and the overall governance and financial situation; they are also afforded the opportunity to meet with the Director and members of the Senior Leadership Group. In addition to induction, all Governors are invited to participate in an annual governance briefing to refresh their knowledge in this area, with this being mandatory for Staff and Trade Union Governors.

Throughout the academic session, Governors are invited to participate in briefings, presentations and tours to keep members up-to-date with developments within the School. These also serve to increase members' knowledge and sense of connection with staff and students. The School remains committed to Governor development, and Board members are kept informed of upcoming seminars and conferences relevant to Higher Education governance, for example those delivered by Advance HE through its Governor Development Programme. New Governors (including Student Governors) are strongly encouraged to participate in the annual Scotland-specific training session in October. The Corporate Governance Office ensures that all Governors are made aware of the programme of events and reminded of these at relevant points throughout the session.

The Chair undertakes a review of members' individual contributions at least every two years, which represents a further occasion for members to identify and seek personal development opportunities. Following completion of the reviews, the Chair collates the reviews and identifies: any points to be followed up with individual Governors, including any training requirements; any points for wider consideration by either the Nominations Committee or the Board; and any points to be factored into the wider review of Board effectiveness.

### Board Committees

All Board committees continued to meet via video conference in session 2023/24.

The **Audit and Risk Committee** met four times in session 2023/24, with both the External Auditor and Internal Auditor in attendance. The Risk Register continues to be shared with the Board, however on the basis that the Audit and Risk Committee have scrutinised it in detail.

The Committee has overall responsibility for the effectiveness of, and compliance with, GSA's system of risk management, and oversees the effectiveness and compliance of GSA's Corporate Governance arrangements with onward reporting to the Board of Governors. It must satisfy itself that the financial affairs of the School are correctly represented; that the funds received from the Scottish Funding Council are used in accordance with the Financial Memorandum between the Council and the School; consider the internal and external auditors' assessment of the effectiveness of the School's financial and other control systems, including controls to prevent or detect fraud or other irregularities. It is also responsible for advising the Board on the selection, appointment or re-appointment and remuneration of both the Internal Auditor and External Auditor.

The Audit and Risk Committee is also responsible for meeting with the External Auditor and Internal Auditor of the School and reviewing their findings. The Committee considers detailed reports together with recommendations for the improvement of the School's systems of internal control and senior officers' response and implementation plans. It also receives relevant reports from the Scottish Funding Council if they affect the School's business and monitor adherence to regulatory requirements. The Committee also recommends to the Board the Annual Accounts for approval and is responsible for producing an annual report on the effectiveness of the School's governance arrangements. A private meeting of the Internal and External Auditors with independent members of the Committee takes place at the November meeting of the Committee.

A joint meeting of the **Audit and Risk Committee/Business and Estates Committee** took place in session 2023/24 to consider the draft Annual Report and Financial Statements to 31 July 2023, prior to Board approval and submission to the Scottish Funding Council.

The **Business and Estates Committee** met four times in session 2023/24. The Business and Estates Committee is responsible for providing oversight and assurance on the short and long-term financial sustainability and financial resilience of the institution, monitoring income and expenditure, and risks to operating cash and financial sustainability. The Committee has delegated authority from the Board of Governors to monitor performance in the areas of Finance, Estates, and resources and assets in their widest sense.

The Committee is responsible for: noting annual accounts to the Board; considering the School's annual budgets, including budgetary submissions to the Scottish Funding Council; and reviewing and approving the level of overseas and RUK student fees for each academic year. Owing to aspects of its remit, the Committee also monitors progress with regards to the development of the Strategic Plan and offers comment on this to the Board when the latter considers this matter for approval. The Committee is also responsible for approving the level of block grant to the Students' Association each year and reviewing regular financial reports prepared by the Association, as well as considering the establishment of related companies/joint ventures prior to consideration to the Board.

The **Health and Safety Committee** met four times in session 2023/24. The Committee provides Board oversight and has a Governor membership comprising Independent Governors, elected Staff Governors, Student Governors, Trade Union Governors, and the Director of GSA. The Director of Estates and Infrastructure also attends. At management level, the Occupational Health and Safety Management Committee is convened by the Director of Estates and Infrastructure, with senior management, trade unions, students, and the Director as part of the membership. The role of the Board-level committee is to gain assurance from the Director of GSA and the Director of Estates and Infrastructure that all management-level health and safety matters are appropriate. The statutory obligation to consult on health and safety matters is delivered by the management-level committee.

The **Human Resources Committee** met four times in session 2023/24 and is responsible for the review and approval, subject to Board amendment, of policies relating to the employment of staff and the monitoring of the effective management of these affairs, along with matters relating to equality.

The **Museum and Archive Committee** met four times in session 2023/24, with one meeting held in person. The Committee considers and makes recommendations on matters relating to the School's Museum and Archive Collections.

The **Nominations Committee** oversees and recommends to the Board the appointment and renewal of Independent Governors, and the appointment of Board officeholders. In session 2023/24, the Committee met once, but otherwise conducted its business through correspondence.

The **Remuneration Committee** met five times in session 2023/24. The Remuneration Committee is responsible for agreeing the remuneration of those senior staff not covered through national pay scales, and for considering the terms and conditions and severance payments for such staff (subject to Scottish Funding Council guidance). Details of remuneration for the year under review are specified in this report. The work of the Remuneration Committee is governed by the Remuneration Committee Framework and is informed by benchmarking data and comparator information on salaries and other benefits, as well as conditions of service in the Higher Education sector. The Framework provides clarity on the circumstances under which remuneration for senior roles should be considered and what the process is, the information that should be used as a basis for decision-making, and the parameters and process for approval. The procedures outlined in the Framework follow the principles of the Scottish Code of Good Higher Education Governance 2023, the Higher Education Governance (Scotland) Act 2016, and the Equality Act 2010; they aim to ensure:

- A fair and transparent approach to senior staff remuneration that reflects the markets within which GSA operates;
- Appropriate and justified levels of remuneration for senior staff based upon use of appropriate comparative information from established independent sources;
- Proportionality and consistency of application of decision-making factors.

The President of the Students' Association and the Academic Staff Governor are members of the Committee. Proposals are prepared by the Director of Human Resources. The views of students and staff in relation to the remuneration of the Director and senior staff are sought by the Director of Human Resources from the Student President and Trade Union Forum representatives in advance of Remuneration Committee consideration and their feedback is included in submissions to the Committee. The Director of Human Resources feeds back the decision-making rationale to the Trade Union Forum.

While not a Board committee, the **Steering Group (Mackintosh)** is convened by an Independent Governor. In addition to independent governors, it also includes external members. The Steering Group provides constructive challenge to the Project Development Board (Mackintosh) and offers insights to the Business and Estates Committee as appropriate. The Board of Governors has overall and final authority for all works on the Mackintosh Building in alignment with the primary responsibilities set out in the GSA's Statement of Corporate Governance, i.e. as the principal financial and business authority of the School, taking all final decisions on matters of major concern to the School. On all matters pertaining to the works of the Mackintosh Building, the Board will continue to be informed by the views and recommendations of the Business and Estates Committee (which will change to the Finance and Resources Committee in session 2024/25).



## Board Committee Membership

The following persons served on the committees of the Board during the financial year reported in these accounts and into academic session 2023/24.

**Audit and Risk Committee:** Mr Andrew Sutherland, Convenor; Dr Simon Learoyd; Mr Harry Rich (until 30 September 2023), and Professor Adrienne Scullion (from 1 December 2023).

**Business and Estates Committee:** Mr Habib Motani, Convenor (until 31 May 2024); Professor Stephen Hodder (from 1 December 2023); Ms Ann Priest; Professor Penny Macbeth; Mr Harry Rich, Interim Convenor (for meeting held on 28 May 2024); Mr James Sanderson; Dr Graham Sharp; Professor Andrea Siodmok (from 1 December 2023); Mx Ted Tinkler (from 1 August 2023).

**Health and Safety:** Mr James Sanderson, Convenor; Dr Martin Herbert, (until 31 August 2023); Ms Alicia Bickerstaff; Ms Jacquie Coyle Dow (from 1 September 2023); Mr Thomas Greenough; Mr Craig Laurie (from 1 December 2023); Professor Penny Macbeth; Ms Kathy Molloy (until 30 November 2023); Mr David Nutter, Mx Ted Tinkler (from 1 August 2023).

**Human Resources Committee:** Ms Kristen Bennie, Convenor; Professor Graham Caie; Mr Thomas Greenough; Mr Craig

Laurie (from 1 December 2023); Professor Penny Macbeth; Ms Kathy Molloy (until 30 November 2023); Mr David Nutter; Mr Tsz Wu.

**Nominations Committee:** Ms Ann Priest, Convenor; Ms Kristen Bennie; Professor Graham Caie; Ms Jacquie Coyle Dow (from 1 September 2023); Dr Kate Lampitt Adey (until 31 August 2023); Professor Penny Macbeth; Mr Habib Motani (until 31 May 2024); Mr James Sanderson; Dr Graham Sharp (from 1 September 2023); Mr Andrew Sutherland, Mx Ted Tinkler.

**Museum and Archive Committee:** Dr Kate Lampitt Adey, Convenor (Leave of Absence from 1 September 2023 to 1 August 2024); Dr Graham Sharp, Interim Convenor (from 1 September 2023); Mr Harry Rich; Professor Penny Macbeth; Mx Ted Tinkler (from 1 August 2023); Professor Anne Trefethen.

**Remuneration Committee:** Professor Graham Caie, Convenor; Ms Kristen Bennie; Mr Habib Motani (until 31 May 2024); Mr David Nutter; Ms Ann Priest; Mx Ted Tinkler, Professor Anne Trefethen.

## Board Effectiveness

In accordance with GSA's Statement of Corporate Governance, and in line with the expectations of the Scottish Code of Good Higher Education Governance (2023), that the School monitor and evaluate the effectiveness of its Board of Governors, the Good Governance Institute (GGI) undertook an independent developmental governance review of The Glasgow School of Art between late August 2023 and early January 2024. The primary focus of the review was the Board of Governors, its supporting committees, and the wider critical governance infrastructure of the School. More than an assessment of regulatory compliance, for which the School has its controls, the review was developmental, looking at how the Board and supporting key governance could be more effective, impactful and efficient.

Following the Governance Effectiveness Report in March 2024, a Governance Effectiveness Working Group was established. Led by the Secretary and Registrar, the primary purpose of the Group is to oversee the creation and implementation of a GSA Action Plan to address the recommendations contained within the Governance Effectiveness Report. The Working Group has also been tasked with developing a Board Assurance Framework as a strategic means for shaping and informing the work of the Board, ensuring it is aligned to the School's Strategy and key risks, and as a tool for determining the work of, and assurance from, the Board committees.

## 360-Degree Exercise

A 360-degree review of the Board of Governors and Senior Leadership Group is currently underway. The review forms an important part of the Governance Effectiveness Review exercise, the purpose of which is to identify collective and independent development plans for all members of the Board of Governors and the School's senior executive team.

## Board Committee Restructure

The current board structure is comprised of seven committees. Following a recommendation by the Good Governance Institute, the Board of Governors, at its meeting on 18 June 2024, approved a proposal to adopt a leaner board committee structure from session 2024/25 in order to ensure structural proportionality and efficiency reflective of the School's size and needs. As a result, the board committee structure for session 2024/25 will comprise the following:

- Audit and Risk Committee
- Finance and Resources Committee\*
- People and Culture Committee\*\*
- Governance and Nominations Committee\*\*\*
- Remuneration Committee

\*The **Finance and Resources Committee** supersedes the Business and Estates Committee, extending the remit of the latter by covering the School's digital and physical estate, and matters related to sustainability.

**\*\*The People and Culture Committee** supersedes the Human Resources Committee, extending the remit of the latter by providing strategic oversight and assurance that the GSA is effectively fostering and managing a positive culture for the School's staff and students

**\*\*\* The Governance and Nominations Committee** supersedes the Nominations Committee, expanding the remit of the latter by covering oversight of governance arrangements at the School (this previously sat within the remit of the Audit and Risk Committee).

### Attendance at meetings between 1 August 2023 and 31 July 2024

The attendance of the individual Governors at Board and principal Committee meetings between 1 August 2023 and 31 July 2024 was as follows:

	Board of Governors	Audit and Risk	Business and Estates	Health and Safety	Human Resources	Museum and Archive
	Number of Meetings and Attendance					
	6**	4	4	4	4	4
Ms Kristen Bennie	6 of 6				3 of 4	
Ms Alicia Bickerstaff	6 of 6			0 of 4		1 of 1
Professor Graham Caie	6 of 6				3 of 4	
Ms Jackie Coyle Dow	4 of 6			3 of 4	3 of 4	
Mr Thomas Greenough	5 of 6			3 of 4	3 of 4	
Dr Martin Herbert	1 of 1					
Professor Stephen Hodder	4 of 5		2 of 2			
Mr Craig Laurie	5 of 5			2 of 2	2 of 2	
Dr Kate Lampitt Adey	0 of 0					
Dr Simon Learoyd	6 of 6	4 of 4				
Professor Penny Macbeth	6 of 6	4 of 4*	4 of 4	3 of 4	4 of 4	4 of 4*
Ms Kathy Molloy	1 of 2			0 of 2	1 of 2	
Mr Habib Motani	4 of 5		3 of 4			
Mr David Nutter	6 of 6			2 of 4	4 of 4	
Ms Ann Priest	6 of 6	4 of 4*	4 of 4		3 of 4*	1 of 1*
Mr Harry Rich	4 of 6		4 of 4			2 of 4
Mr James Sanderson	4 of 6		2 of 4	4 of 4		
Professor Adrienne Scullion	4 of 5	2 of 4				
Dr Graham Sharp	6 of 6		3 of 4			4 of 4
Professor Andrea Siodmok	3 of 5		2 of 2			
Mr Andrew Sutherland	6 of 6	4 of 4				
Mx Ted Tinkler	6 of 6		4 of 4	3 of 4		2 of 4
Professor Anne Trefethen	6 of 6					3 of 4
Mr Tsz Wu	5 of 6				4 of 4	
Secretary and Registrar	6 of 6	4 of 4*	4 of 4*	-	3 of 3*	1 of 1*

\* Denotes attendee, not full member

\*\* The full Board normally meets four times each year in committee form and once per year in away-day format. In 2023/24, one additional meeting was held. The Secretary and Registrar may attend any meeting of the Board.

## Corporate strategy

The Board's responsibilities include providing input into approving and monitoring the School's long-term strategic plans. The Director is responsible for providing Governors with advice on the strategic direction of the School. The Board received regular reports from the Director on progress against the delivery of the Annual Implementation Plan.

## Risk management

---

The Risk Management Framework establishes the processes that the GSA follows in order to monitor, manage and mitigate risk and the institution's appetite for risk across its portfolio of work. This is the overarching approach the School has in place to identify, manage, mitigate and monitor all risks in relation to achieving its strategic objectives and operational performance. The most recent iteration of the Risk Management Framework was considered by the Board in October 2023. The Risk Management Framework 2022-2027 replaced the 2019 version and was produced in line with the development of the GSA Strategic Plan 2022 – 2027. The Risk Register is comprehensively reviewed annually in line with the development of Annual Implementation Plans, and thereafter reviewed on a quarterly basis. The Framework will also be reviewed in line with the mid-point review of the Strategic Plan.

The School's Risk Appetite is designed to provide guidance to staff to ensure that they have confidence in being innovative and ambitious or conservative and compliant, and to know the parameters, for example, where it is necessary to refer to the Senior Leadership Group, which will engage with the Board (including Board Committees) as appropriate. Overall responsibility for ensuring that the School undertakes activities in line with its appetite for risk lies with the Director, with the support of members of the GSA's Senior Leadership Group.

The GSA Senior Leadership Group reviews the Institutional Risk Register on a quarterly basis to consider risks, update the mitigations and amend the risk profile. A senior staff member from the outsourced Internal Audit service attends the Senior Leadership Group on a quarterly basis (prior to the submission of the Institutional Risk Register to the Audit and Risk Committee) in order to review the Risk Register and to provide external guidance and advice on the scope of assurance for managing risk provided by GSA's internal audit programme. In line with the Risk Management Framework, responsibility for reviewing and approving the Institutional Risk Register continues to reside with GSA's Audit and Risk Committee, which, as referenced above, remains responsible for reviewing the Institutional Risk Register in detail.

The GSA's risk appetite is also considered annually by the Board, in collaboration with the Senior Leadership Group, as part of the Strategic Planning process and the approval of the Annual Implementation Plan.

The School has in place a Business Continuity Planning Team, the membership of which encompasses the Senior Leadership Group with the addition of co-opted members. Members of the Planning Team have been selected for their collective understanding of the business processes at the GSA, and for their ability to engage others in the detailed planning as well as all the phases of managing a major incident. In April 2024 the School's Business Continuity and Major Incident Response Plan was revised with the addition of a Cyber Incident Response Plan. The Plan provides the GSA with a framework for managing its response to events that pose a major threat to people, property, reputation or service delivery, and which require special measures beyond the day-to-day to restore operations to normal. The aim of the Plan is to mitigate the impact of major incidents on the School's core business, and to facilitate community recovery and the restoration of normal services.

## Internal control

---

### The Purpose of the System of Internal Control

The Board is responsible for the School's system of internal control and for reviewing its effectiveness. Such a system is designed to manage, rather than eliminate, risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. The process for reviewing the effectiveness of the system of internal control is through management reports, as well as reports from the internal auditor to the various committees, and, in particular, the Audit and Risk Committee. The Board and the Audit and Risk Committee review the Institutional Risk Register. Internal Audit Reviews provide a mechanism for GSA's approach to risk and business continuity, and these reports are provided to the Audit and Risk Committee in line with the annual Internal Audit Plan.

### Review of effectiveness of the internal control system

The School's Internal Audit service is outsourced to a professional firm of auditors, which operates in accordance with the requirements of the Scottish Funding Council's Financial Memorandum. The work of the internal audit service is informed by an analysis of the risks to which the School is exposed, and annual audit plans are based on this analysis. The analysis of risks and the internal audit plans are endorsed by the Board on the recommendation of the Audit and Risk Committee. The Internal Auditor provides the governing body with an annual report on internal audit activity in the School. The report includes the Internal Auditor's independent opinion on the adequacy and effectiveness of the School's system of risk management, controls and governance processes.

In November 2024, the Internal Auditor conveyed their Annual Statement of Assurance, confirming that no limitations had been placed on the scope of internal audit and reporting that in their view, based on the reviews undertaken during the period, and in the context of materiality:

- The risk management activities and controls in the areas which we examined, were found, in the main, to be suitably designed to achieve the specific risk management, control and governance arrangements.
- Based on our verification reviews and sample testing, the risk management, control and governance arrangements were operating with sufficient effectiveness to provide reasonable, but not absolute assurance that the related risk management, control and governance objectives were achieved for the period under review in most areas.
- An assurance that the auditor arrived at taking into consideration
- All internal audits undertaken during 2023-24.
- Any follow-up action taken in respect of audits completed.
- Whether any significant recommendations have not been accepted by management and the consequent risks.
- The effects of any significant changes in the organisation's objectives or systems.
- The requirements of the Public Sector Internal Audit Standards and Institute of Internal Audit Standards.

The External Auditor also reports to the Director of Finance and the Audit and Risk Committee on any internal control issues that they identify during its normal audit activities.

## The Scottish Code of Good Higher Education Governance

---

Following the publication of a revised 2023 Scottish Code of Good HE Governance, in line with the expectations of the Scottish Funding Council, the GSA adopted the revised 2023 Code during session 2023/24.

In the opinion of the Governing Body, the institution complied with all the principles and provisions of the 2023 Scottish Code of Good Higher Education Governance throughout the year. Amendments to existing governance documentation, which were required to reflect updates in the 2023 Code, were approved via Board Committees in 2023/24.

## Going concern

---

The Group's and the School's activities and the factors likely to affect its future development, performance and position are set out in the Strategic Report. Its financial performance for the year to 31 July 2024, income and expenditure, assets, liquidity and cash flows are set out in more detail in the Notes to the Financial Statements.

Academic Year 2020/21 saw the final cohort of students graduate from the academic programmes that we ran in Singapore. The company ceased operations on 31 July 2021. To effect its dissolution, the company entered a Members Voluntary Liquidation on 1 September 2023. A process which completed in October 2024 with its dissolution and the distribution of its net assets of £1.3m to the sole member, Glasgow School of Art.

The Group and the School have adequate financial resources and its current forecasts and projections show it able to manage its activities having taken account of risks and uncertainties highlighted in the Annual Report and Financial Statements. The Board of Governors considers that the Group and the School has adequate resources to continue in operation for the foreseeable future and for this reason the going concern basis continues to be adopted when preparing the Financial Statements.

## Conclusion

---

In conclusion, the Board is satisfied with the corporate governance and internal control arrangements in place

**Ann Priest**, Chair of the Board of Governors  
10 December 2024

**Professor Penny Macbeth**, Director  
10 December 2024



# INDEPENDENT AUDITOR'S REPORT





## Independent auditor's report to the Board of Governors of Glasgow School of Art

### Opinion

We have audited the financial statements of The Glasgow School of Art ('the Institution' or 'the School') and its subsidiaries (the 'Group') for the year ended 31 July 2024 which comprise the Statement of Comprehensive Income and Expenditure, Balance Sheet, Cash Flow Statement, Statement of Changes in Reserves, and the related notes 1 to 33 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 FRS 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 Group's and School's state of affairs as at 31 July 2024 and of the income and expenditure, recognised gains and losses, changes in reserves, and of the Group's statement of cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been properly prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education, and relevant legislation; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 14 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

### 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 below. We are independent of the Group and the School 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 Board of Governors' 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 Group or School'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 directors with respect to going concern are described in the relevant sections of this report.

### Other information

The Board of Governors is responsible for the other information. The other information comprises the information included in the annual report set out on pages 1-43, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 there is 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 the other information, we are required to report that fact. We have nothing to report in this regard.

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

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

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

## Independent auditor's report to the Board of Governors of Glasgow School of Art (continued)

### Opinion on other matters prescribed by the Scottish Funding Council's Financial Memorandum with Higher Education Institutions

In our opinion, based on the work undertaken in the course of the audit, in all material respects:

- The Scottish Funding Council's accounts direction have been met;
- funds from whatever source administered by the institution for specific purposes have been applied properly to those purposes and, if relevant, managed in accordance with relevant legislation, and any other terms and conditions attached to them; and
- funds provided by the Scottish Funding Council have been applied in accordance with the requirements of the Scottish Funding Council Financial Memorandum with Higher Education Institutions.

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

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

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

### Responsibilities of the Board of Governors

As explained more fully in the Responsibilities of the Board of Governors for accounting and the financial statements set out on page 32, the Board (who are Trustees for the purpose of charity law and Directors for the purpose of company law) is 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 Board of Governors 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 Board of Governors is responsible for assessing the Group's and School'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 Board of Governors either intend to liquidate the institution 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 under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the Group and School operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements.

The laws and regulations we considered in this context were the Charities and Trustee Investment (Scotland) Act 2005, the Companies Act 2006 and regulation 14 of the Charity Accounts (Scotland) Regulations 2006 (as amended).

We identified the greatest risk of material impact on the financial statements from irregularities including fraud to be:

- Management override of controls to manipulate the Institution's key performance indicators to meet targets;
- Income recognition for specific income streams; and
- Compliance with relevant laws and regulations which directly impact the financial statements and those that the Group and School needs to comply with for the purpose of trading.

## Independent auditor's report to the Board of Governors of Glasgow School of Art (continued)

Our approach was as follows:

- We assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur by meeting with management to understand where they considered there was susceptibility to fraud. We also considered performance targets and their influence on efforts made by management to manage income and expenditure. Where this risk was considered higher, we performed audit procedures to address the risk of fraud and management override. These procedures included testing manual journals and were designed to provide reasonable assurance that the financial statements were free from fraud or error;
- We performed analytical and/or substantive procedures over all significant revenue streams;
- We understood how the institution is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquires through our review of the Board minutes and papers provided to the Audit and Risk Committee, as well as consideration of the results of our audit procedures to either corroborate or provide contrary evidence which was then followed up;
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved enquiries of management, those charged with governance and those responsible for legal and compliance procedures; journal entry testing with a focus on journals indicating large or unusual transactions based on our understanding of the business and a review of Board minutes to identify any non-compliance with laws and regulations.

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 for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### Use of our Report

This report is made solely to the Board of Governors, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the Board of Governors, as a body, 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 Glasgow School of Art and the Board of Governors as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew Shaw  
for and on behalf of Anderson & Brown Audit LLP  
Statutory Auditor  
81 George Street  
Edinburgh  
EH2 3ES

Date: December 2024



# FINANCIAL STATEMENTS



# Group and School Statement of Comprehensive Income and Expenditure

## Year ended 31 July 2024

	Note	Year ended 31 July 2024		Year ended 31 July 2023	
		Consolidated	School	Consolidated	School
		£000	£000	£000	£000
<b>Income</b>					
Tuition fees and education contracts	1	23,639	23,639	21,375	21,375
Funding body grants	2	15,998	15,998	15,248	15,248
Research grants and contracts	3	1,410	1,410	1,877	1,877
Other income	4	4,762	4,762	4,368	4,368
Insurance income	4	15	15	3,494	3,494
Development Trust income	4	4	-	1	-
Investment income	5	1,952	1,952	963	963
	6	47,780	47,776	47,326	47,325
<b>Expenditure</b>					
Staff costs	7	29,338	29,338	27,751	27,751
Other operating expenses	8	16,057	16,053	14,593	14,593
Depreciation	12	2,701	2,701	2,576	2,576
Interest and other finance costs	9	22	22	23)	23
		48,118	48,114	44,943	44,943
<b>Surplus/(deficit) before other gains losses and share of operating surplus of joint ventures and associates</b>		(338)	(338)	2,383	2,382
Accumulated income retained within specific endowments		64	64	39	39
Gain/(loss) on investments - appreciation of endowment assets	14	499	499	(180)	(180)
<b>Surplus before tax</b>		225	225	2,242	2,241
Taxation	11	-	-		
<b>Surplus for the year</b>		225	225	2,242	2,241
<b>Other comprehensive income</b>					
Actuarial (loss)/gain in respect of pension schemes	28	(18,401)	(18,401)	11,303	11,303
Revaluation of heritage assets	13	(35)	(35)	387	387
Reserve exchange rate adjustment		-	-	(40)	-
<b>Total comprehensive (expenditure)/income for the year</b>		(18,211)	(18,211)	13,892	13,931
Represented by:					
Endowment comprehensive income for the year		563	563	(141)	(141)
Restricted comprehensive income for the year		-	-	1	-
Unrestricted comprehensive income for the year		(18,739)	(18,739)	13,645	13,685
Revaluation reserve comprehensive income for the year		(35)	(35)	387	387
		(18,211)	(18,211)	13,892	13,931

All items of income and expenditure relate to continuing activities. GSofA Singapore ceased trading in 2022 and completed a Members Voluntary Liquidation on 3 October 2024.



## Group and School Statement of Changes in Reserves

Year ended 31 July 2024

	Endowment	Restricted	Income and expenditure reserve	Revaluation reserve	Total
	£000	£000	£000	£000	£000
<b>CONSOLIDATED</b>					
<b>Balance at 1 August 2022</b>	5,676	8,366	36,204	15,126	65,372
Total comprehensive income	(141)	1	13,645	387	13,892
Transfers between revaluation and income and expenditure reserve	-	-	94	(94)	-
<b>Balance at 1 August 2023</b>	<b>5,535</b>	<b>8,367</b>	<b>49,943</b>	<b>15,419</b>	<b>79,264</b>
Total comprehensive income	563	-	(18,739)	(35)	(18,211)
Transfers between revaluation and income and expenditure reserve	-	-	94	(94)	-
<b>Balance at 31 July 2024</b>	<b>6,098</b>	<b>8,367</b>	<b>31,298</b>	<b>15,290</b>	<b>61,053</b>
<b>SCHOOL</b>					
<b>Balance at 1 August 2022</b>	5,676	7,910	34,952	15,048	63,586
Total comprehensive income	(141)	-	13,685	387	13,931
Transfers between revaluation and income and expenditure reserve	-	-	94	(94)	-
<b>Balance at 1 August 2023</b>	<b>5,535</b>	<b>7,910</b>	<b>48,731</b>	<b>15,341</b>	<b>77,517</b>
Total comprehensive income	563	-	(18,739)	(35)	(18,211)
Transfers between revaluation and income and expenditure reserve	-	-	94	(94)	-
Transfers between GSA Development Trust and School restricted reserves	-	132	-	-	132
<b>Balance at 31 July 2024</b>	<b>6,098</b>	<b>8,042</b>	<b>30,086</b>	<b>15,212</b>	<b>59,438</b>

# Group and School Balance Sheet

As at 31 July 2024

	Note	Year ended 31 July 2024		Year ended 31 July 2023	
		Consolidated	School	Consolidated	School
		£000	£000	£000	£000
<b>Non-current assets</b>					
Fixed assets	12	101,741	101,741	88,784	88,784
Heritage assets	13	13,888	13,745	13,923	13,780
Investments	14	6,098	6,098	5,535	5,535
		121,727	121,584	108,242	108,099
Pension asset	20	-	-	17,445	17,445
<b>Current assets</b>					
Stock	16	185	185	169	169
Debtors greater than one year	17	252	-	5,252	-
Trade and other receivables	17	2,612	3,396	2,541	3,328
Cash and cash equivalents	23	8,942	6,918	18,563	16,404
		11,991	10,499	26,524	19,898
<b>Less Creditors:</b> amounts falling due within one year	18	(12,502)	(12,482)	(10,804)	(10,784)
<b>Net current assets</b>		(511)	(1,983)	15,721	9,117
<b>Total assets less current liabilities</b>		121,216	119,601	141,408	134,661
<b>Creditors:</b> amounts falling due after more than one year	19	(59,660)	(59,660)	(61,478)	(56,478)
<b>Provisions</b>					
Pension provisions	20	(503)	(503)	(666)	(666)
<b>Total net assets</b>		61,053	59,438	79,264	77,517
<b>Restricted Reserves</b>					
Endowment reserve	21	6,098	6,098	5,535	5,535
Restricted reserve	22a	8,367	8,042	8,367	7,910
<b>Unrestricted Reserves</b>					
Income and expenditure reserve	22b	31,298	30,086	49,943	48,731
Revaluation reserve	22c	15,290	15,212	15,419	15,341
<b>Total Reserves</b>		61,053	59,438	79,264	77,517

The financial statements were approved by the Board of Governors on 10 December 2024 and were signed on its behalf on that date by:

Professor Penny Macbeth, Director

Ann Priest, Chair of the Board of Governors

Company no: SC002271

# Group Statement of Cash Flows

Year ended 31 July 2024

		2024	2023
	Note	£000	£000
<b>Cash flow from operating activities</b>			
Surplus/(deficit) for the year		225	2,242
<b>Adjustment for non-cash items</b>			
Depreciation	12	2,701	2,576
(Increase) in stock	16	(15)	(40)
Decrease in debtors	17	4,930	4,375
Increase in creditors	18	1,698	1,526
(Decrease) in pension provision	20	(67)	(69)
Tax paid	11	-	-
Staff costs - FRS102 pension adjustment	7	(165)	444
<b>Adjustment for investing or financing activities</b>			
Release of deferred capital grants	19	(1,191)	(1,191)
Loss/(gain) on investments	14	(499)	180
Accumulated income of endowment investments	21	(64)	(39)
Investment income	5	(1,952)	(963)
Interest payable	9	22	23
<b>Net cash inflow from operating activities</b>		<b>5,623</b>	<b>9,064</b>
<b>Cash flows from investing activities</b>			
Investment income	5	1,065	747
Payments made to acquire fixed assets	12	(15,658)	(12,752)
		<b>(14,593)</b>	<b>(12,005)</b>
<b>Cash flows from financing activities</b>			
Interest paid	9	(22)	(23)
New unsecured loans	18,19	-	-
Repayments of loan amounts borrowed	18,19	(628)	(628)
		<b>(650)</b>	<b>(651)</b>
<b>(Decrease)/increase in cash and cash equivalents in the year</b>		<b>(9,621)</b>	<b>(3,592)</b>
Cash and cash equivalents at beginning of the year	23	18,563	22,155
Cash and cash equivalents at end of the year	23	8,942	18,563
<b>Decrease/increase in cash and cash equivalents in the year</b>		<b>(9,621)</b>	<b>(3,592)</b>

The reconciliation of net debt appears in Note 24

# Statement of principal accounting policies and estimation techniques

Year ended 31 July 2024

## 1. General information

Glasgow School Art is a registered company, and its registered number is SC002271. It is also a registered charity in Scotland and its registered number is SC012490. The registered address is 167 Renfrew Street, Glasgow, G3 6RQ. Glasgow School of Art is registered under The Further and Higher Education (Scotland) Act 1992.

## 2. Basis of preparation

The financial statements have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Accounts Direction issued by the Scottish Funding Council and the Statement of Recommended Practice: Accounting for Further and Higher Education (2019 edition).

Glasgow School of Art is a public benefit entity and therefore has applied the relevant public benefit requirement of the applicable accounting standards.

The financial statements have been prepared under the historical cost convention, subject to the revaluation of certain fixed assets.

The effect of events relating to the year ended 31 July 2024, which occurred before the date of approval of the financial statements by the Board of Governors have been included in the financial statements to the extent required to show a true and fair view of the state of affairs as at 31 July 2024 and of the results for the year ended on that date.

The presentation currency is pounds sterling, and the financial statements are rounded to the nearest £000.

## 3. Going concern

The Group's activities, together with the factors likely to affect its future development, performance and position, are set out in the Strategic Report. Within that report is a review of the Institution's financial performance, its cash flows, liquidity position and borrowing facilities.

The Board of Governors has reviewed financial forecasts, including plans for future student recruitment, and after reviewing the assumptions utilised in the forecast scenarios, it is satisfied that GSA is expected to be able to meet its commitments and obligations for at least the next twelve months from the date of the signing of this report.

GSA has prepared a 3-year financial plan that forecasts that the Group will generate income and manage its expenditure such that it will generate and maintain sufficient working capital to deliver its activities and projects and anticipates that the Group will continue to do so over the period of those future financial plans. In addition, the Group continues to carry cash balances to support liquidity in the event of an adverse financial event.

Having taken account of risk and uncertainty, the Board

considers that the School and Group have adequate resources to continue in operation for the foreseeable future and for this reason, it continues to adopt the going concern basis of accounting in preparing the annual financial statements.

## 4. Exemptions under FRS 102

The Group has taken the exemption under section 3.3 of the SORP (1.12(b) of FRS 102) to not produce a cash flow statement for the School.

## 5. Basis of consolidation

These financial statements comprise the results of the School and of its Group. The group financial statements include the School and its subsidiary, GSofA Singapore Pte Ltd. The group financial statements also include The Glasgow School of Art Development Trust which has been deemed as being controlled by GSA. Intra-group transactions and balances are eliminated fully on consolidation.

The activities of the GSA Students' Association have not been consolidated because Glasgow School of Art does not exert control or dominant influence over the Association's policy decisions.

## 6. Recognition of Income

Government revenue grants including the Scottish Funding Council's block grant and research grants are recognised in income over the periods which GSA recognises the related costs for which the grant is intended to compensate in line with the accruals model. Where part of a government grant is deferred it is recognised as deferred income within creditors and allocated between creditors due within one year and due after more than one year as appropriate.

Non-recurring grants from the SFC or other Government bodies received in respect of the acquisition of fixed assets are treated as deferred Government capital grants and amortised in line with depreciation over the life of the assets.

Income from contracts and other services rendered is included to the extent of the completion of the contract or service concerned.

Non-government revenue and capital grants are recognised as income once any performance conditions have been met.

Income from tuition fees is recognised in the financial period it relates to and includes all fees payable by students or their sponsors. Income from short term deposits is credited to the Statement of Comprehensive Income in the period in which it is earned. Income from specific endowments, not expended in accordance with the restrictions of the endowment, is transferred from the Statement Comprehensive Income to specific endowments.

In the Glasgow School of Art Development Trust's financial statements, the pledges and funding from the UK Government and matched funding from the Scottish Government are shown as incoming resources. At group level, the funding from the UK and Scottish Governments are in substance deferred Government capital grants and have been treated as such within the Group figures.

Funds received and disbursed as a paying agent on behalf of a funding body or other body, where GSA is exposed to minimal risk or enjoys minimal economic benefit related to the receipt and subsequent disbursement of the funds, are excluded from the Statement of Comprehensive Income.

## 7. Interest receivable

Interest receivable is recognised in the Statement of Comprehensive Income when receivable.

## 8. Interest payable

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

## 9. Pension Schemes

Glasgow School of Art participates in two pension schemes providing benefits based on final pensionable pay, the Scottish Teachers Superannuation Scheme (STSS) and the Strathclyde Pension Fund (SPF). All schemes are available to staff of more than one employer, are contracted out of the State Earnings-Related Pension Scheme, and the assets of the schemes are held separately from those of School. The Funds are valued by actuaries, the rates of contributions being determined by the trustees on the advice of the actuaries.

### Strathclyde Pension Fund

The scheme is a defined benefit scheme and is accounted as a defined benefit scheme under Financial Reporting Standard 102.

Pension scheme assets are measured using market values. For quoted securities the current bid price is taken as market value.

Pension scheme liabilities are measured using a projected unit method and discounted at the current rate of return on a high-quality corporate bond of equivalent term and currency to the liability.

The pension scheme surplus (up to the value of any actuarially defined asset ceiling) or deficit is recognised in full. The movement in the scheme surplus/deficit is recognised in the Statement of Comprehensive Income.

### Scottish Teachers Superannuation Scheme

Members of the academic staff are members of the Scottish Teachers' Superannuation Scheme to which GSA contributes. It is not possible to identify each participating institution's share of the underlying assets and liabilities on a consistent and reasonable basis. Accordingly, GSA has utilised the provisions of FRS 102 whereby the contributions to the scheme are recognised as if it were a defined contribution scheme. The cost recognised within the Statement of Comprehensive Income will be equal to the contribution payable to the scheme for the year. Under statute, accounts for this scheme are prepared by the relevant body.

A small number of staff are in other defined contribution pension schemes, but GSA would only contribute if the employee was ineligible to join one of the two main public sector schemes.

## 10. Employment benefits

Short-term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render service. Any unused benefits, such as holiday entitlements earned but not taken at the balance sheet date, are accrued and measured as the additional amount expected to be paid as a result of the unused entitlement.

## 11. Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange at the Balance Sheet date. The resulting exchange differences are taken to the Statement of Comprehensive Income in the year.

## 12. Leased assets

Operating leases and the total payments made under them are charged to the Statement of Comprehensive Income on a straight-line basis over the lease term.

Lease agreements which transfer substantially all the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital element of the leasing commitments are shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied in order to reduce outstanding obligations and the interest element is charged to the Statement of Comprehensive Income on a straight-line basis over the term of the lease. Assets held under finance leases are depreciated over the shorter of the lease term or the useful economic lives of equivalent owned assets.

## 13. Property, plant and equipment

### Land and Buildings

Land is stated at cost or valuation and is not depreciated while buildings are stated at cost or valuation, less a provision for depreciation. The basis of the valuation is depreciated replacement cost. The last valuation was carried out on 31 July 1995 by Grimleys, Chartered Surveyors. All additions since that date have been included at historical cost and their value is deemed to be at least equal to the cost incurred. Buildings are depreciated over their expected useful lives of up to 50 years, with subsequent improvements to buildings depreciated over their useful lives of 15 years.

Costs incurred in increasing the value of a building are capitalised if the cost of the improvement is over £5,000. If the cost incurred is over £5,000, but not considered to increase the value of the building, it will be written off in the year it is incurred. Where the property improvement cost that is to be capitalised has been incurred with the aid of a specific Government grant, it is depreciated as above. The related Government grant is treated as a deferred capital grant and released to the Statement of Comprehensive income over the period stated above.

Assets under construction are accounted for at cost, based on the value of architects' certificates and other direct costs, incurred to 31 July 2024. They are not depreciated until they are brought into use.



### Maintenance of Premises

The cost of routine maintenance is charged to the Statement of Comprehensive Income as incurred.

### Equipment

All equipment and minor building improvements costing less than £5,000 for an individual item, or group of related items, is written off to the Statement of Comprehensive Income in the year of acquisition. All other equipment is capitalised at cost.

Capitalised equipment is depreciated over its useful economic life as follows:

- Telephone equipment: 10 years straight line
- Other IT equipment and software: 6 years straight line
- Furniture, fittings and minor building improvements: 10 years straight line
- Other equipment: 6 years straight line
- Minor building improvements 15 years straight line

Where the equipment that is to be capitalised has been acquired with the aid of a specific Government grant, it is depreciated as above. The related grant is treated as a deferred capital grant and released to the Statement of Comprehensive Income over the period stated above. A review for impairment is carried out if events or changes in circumstances indicate that the carrying amount of any fixed assets may not be recoverable. Depreciation is charged from the date of acquisition.

Non-government grants received to fund a capital asset are recognised as income when any performance conditions have been met.

### Impairment

A review for impairment of property, plant and equipment is carried out if events or changes in circumstances indicate that the carrying amount of the property, plant and equipment may not be recoverable.

### 14. Assets held for the Nation: Heritage Assets

Glasgow School of Art holds and conserves heritage assets for future generations. As a general policy, all heritage assets are recognised in the Balance Sheet. The costs or values have been obtained by a range of independent valuers or, where information on cost or value is not available and the cost of obtaining the information outweighs the benefits to the users of the financial statements, an estimated value is assigned to the asset based on previous valuations and the research, experience and knowledge of staff.

The carrying value of heritage assets is based on the insurance value as at 31 July 2024 and is updated on a quarterly basis to reflect ongoing acquisitions. The carrying value is reviewed where there is evidence of impairment e.g. where an item has suffered physical deterioration, damage or breakage. Any disposal of heritage assets will be noted in the Balance Sheet and will follow the procedures as set out in section 16 of the Collections Development Policy.

### 15. Investments

**Investments in subsidiary undertakings** are stated at cost less provision for impairment in the Balance Sheet.

**Endowment Asset Investments** are included in the Balance Sheet at market value as at the year-end.

**Current asset investments** are liquid resources held as a

readily disposable store of value. They include term deposits >3 months, government securities and loan stock held as part of treasury management activities. They exclude any such assets-held as endowment asset investments.

### 16. Stocks

Stocks are stated at the lower of cost or net realisable value.

### 17. Cash and cash equivalents

Cash flows comprise increases or decreases in cash. Cash includes cash in hand, deposits repayable on demand and overdrafts.

Deposits are repayable on demand if they are in practice available within 24 hours without penalty. No investments, however liquid, are included as cash. Cash equivalents include deposits held for a maturity of less than 3 months.

### 18. Debtors

Short term debtors are measured at the transaction price, less any impairment.

### 19. Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

### 20. Salix loan

Salix is a non-departmental public body, owned wholly by Government and provides Government funding to the public sector to improve energy efficiency, reduce carbon emissions and lower energy bills. In line with FRS 102, the School has made an accounting policy choice to recognise this loan as a public benefit concessionary loan meaning that the loan is recognised at its principal value on initial recognition.

### 21. SFC University Financial transactions

The SFC University Financial transaction programme for Financial year 2020-21 offered access to low-interest loans to support carbon reduction activity, estates development and the student experience. GSA was successful in securing access to such a loan for works at the Stow Building. In line with FRS 102, the School has made an accounting policy choice to recognise this loan as a public benefit concessionary loan meaning that the loan is recognised at its principal value on initial recognition.

### 22. Government capital grants

Government Capital Grants, at amounts approved by The UK Government, The Scottish Government, Glasgow City Council or any other government agency, are treated as a deferred capital grant and are released to income in accordance with the accrual model over the useful life of the asset it relates. The accrual model requires recognition of income on a systematic basis over the period in which the related costs for which the grant is intended to compensate are recognised.

### 23. Government revenue grants

Government revenue grants are recognised using the accrual model which means the School recognises the grant in

income on a systematic basis over the period in which the School recognises the related costs for which the grant is intended to compensate.

## 24. Non-government grants

Non-government capital and revenue grants are recognised using the performance model. If there are no performance conditions attached the grants are recognised as revenue when the grants are received or receivable.

A grant that imposes specific future performance related conditions on the recipient is recognised as revenue only when the performance related conditions are met.

A grant received before the revenue recognition criteria are satisfied is recognised as a liability.

## 25. Provisions

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

## 26. Financial instruments

The School and Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at the present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received.

However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets are derecognised when contractual rights to the cash flows from the assets expire, or when the School or Group has transferred substantially all the risks and rewards of ownership.

Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

## 27. Contingent assets and liabilities

A contingent asset arises where an event has taken place that gives the School or Group a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the School or Group.

A contingent liability arises from a past event that gives the School or Group a possible obligation whose existence will

only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the School or Group. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required, or the amount of the obligation cannot be measured reliably. Contingent assets and liabilities are not recognised in the Balance Sheet but are disclosed in the notes.

## 28. Taxation Status

Glasgow School of Art is a charity within the meaning of the Charities and Trustee Investment (Scotland) Act 2005 and as such is a charity within the meaning of Para 1 of Schedule 6 to the Finance Act 2010 and is recorded on the index of charities maintained by the Office of Scottish Charity Regulator (Charity No. SC012490). Accordingly, GSA is potentially exempt from taxation in respect of income capital gains received within categories covered by sections 478-488 of the Corporation Tax Act 2010 (CTA 2010) (formerly enacted Section 505 of the Income and Corporation Taxes Act 1988 (ICTA)) or Section 256 of the Taxation of Chargeable Gains Act 1992 the extent that such income or gains are applied to exclusively charitable purposes. GSA receives no similar exemption in respect of Value Added Tax. Irrecoverable VAT on inputs is included in the costs of such inputs. Any irrecoverable VAT on allocated tangible fixed assets is included in their cost.

The subsidiary commercial company, GS of A Singapore Pte, is subject to the tax laws of Singapore.

Revaluation gains relate to charitable activities and as such no deferred tax is recognised in respect of these unrealised gains.

## 29. Endowment funds

Where charitable donations are to be retained for the benefit of the institution as specified by the donors, these are accounted for endowments. There are three main types:

Restricted permanent endowment – the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

Unrestricted permanent endowment – the donor has specified that the fund is to be permanently invested to generate income stream for the general benefit of GSA.

Restricted expendable endowment – the donor has specified a particular objective allowing conversion of the endowed capital into income.

## 30. Critical accounting estimates and judgements

In preparing the financial statements, management is required to make estimates and assumptions which affect the application of accounting policies and reported income, expenses, assets, and liabilities. These estimates and associated assumptions are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the

revision and future periods if the revision affects both current and future periods.

Judgement is often required in respect of items where the choice of specific policy, accounting estimate or assumption to be followed could materially affect the reported results or net asset position of the University.

The Governors are satisfied that the accounting policies are appropriate and applied consistently.

#### **KEY SOURCES OF ESTIMATION UNCERTAINTY**

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below.

##### ***Useful lives of property, plant and equipment***

Property, plant and equipment represent a significant proportion of the School's total assets. Therefore, the estimated useful lives can have a significant impact on the depreciation charged and the School's reported performance.

Where assets are funded by a capital grant which is deferred, the grant is amortised over the useful life of the asset. Like depreciation, therefore, the estimated useful lives can have a significant impact on the deferred capital grant released to income and the School's reported performance.

Useful lives are determined at the time the asset is acquired and reviewed regularly for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events.

The carrying value of tangible assets and the annual depreciation charge for the year are set out in note 12, and deferred capital grant balances and releases are set out in note 19.

##### ***Recoverability of debtors***

The provision for doubtful debts is based on our estimate of the expected recoverability of those debts. Assumptions are made based on the level of debtors which have defaulted historically, coupled with current economic knowledge. The provision is based on the current situation of the customers, the age profile of the debt and the nature of the amount due.

##### ***Obligations under the Strathclyde Pension Scheme and pension enhancements on early retirement***

The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. The assumptions of the scheme's actuary have been reviewed and are considered reasonable and appropriate.

Due to the complexity of the evaluation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. Recognising that, the financial impact of that uncertainty is quantified in

the sensitivity analysis of the principal assumptions used to measure the scheme liabilities included in note 28.

#### **KEY SOURCES OF JUDGEMENT UNCERTAINTY**

The judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below.

##### ***Scottish Teachers Pension Scheme***

Management are satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme. As the School is unable to identify its share of the underlying assets and liabilities in that multi-employer defined benefit scheme on a reasonable and consistent basis, it accounts as if the scheme were a defined contribution scheme.

##### ***Impairment of fixed assets***

Management make judgements as to whether any indicators of impairment are present for any of the University's assets.

There was consequential damage to the Reid, Bourdon and Assembly Buildings, arising from the 2018 Mackintosh Building fire. In the aftermath of the fire, the value of those buildings has been impaired, equal to the proportion that the damage element represented of the net book value of the whole asset immediately following the fire.

Following the fire in June 2018, the capital value of the works performed to date in restoring the Mackintosh Building from the first fire in 2014 was fully impaired as part of the financial statements for the year ended 31 July 2018.

##### ***Mackintosh project expenditure***

The costs incurred in 2018/19 to 2020/21, in respect of stabilising the remaining structure and site clearance costs were expensed. 2021/22 marked a transition from work associated with clearance and stabilisation to one where the preliminary efforts relating to the building's reconstruction began, and since when, costs incurred in relation to that building are capitalised.

##### ***Strathclyde Pension Fund - Pension Asset***

The quantum of the asset ceiling calculated by the actuary and applied in the assessment of the recognition of the pension surplus is a key area of judgement, materially impacting the balance sheets' net assets.

##### ***Valuation of heritage assets***

The balance sheet valuation of the archives is based on their insurance value and that of the collection assets is based on an assessment of their commercial value. Those sums arise out of the valuations carried out by a range of expert valuers.

##### ***Leases***

Management make judgement in determining whether a lease should be defined as an operating lease or a finance lease by considering the extent that risks and rewards associated with the ownership of the asset have been transferred to the University. GSA has not identified any of its leases as finance leases.

## Notes to the financial statements

### 1 Tuition fees and education contracts

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £000	School £000	Consolidated £000	School £000
Scotland home domicile fees	2,391	2,391	2,317	2,317
EU domicile fees	893	893	803	803
RUK domicile fees	3,418	3,418	3,318	3,318
Non-EU domicile fees	16,167	16,167	13,903	13,903
Education contracts	361	361	589	589
Non-credit bearing course fees	409	409	445	445
	<b>23,639</b>	<b>23,639</b>	<b>21,375</b>	<b>21,375</b>

### 2 Funding body grants

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £000	School £000	Consolidated £000	School £000
General fund - Teaching	9,070	9,070	8,574	8,574
General fund - Research and Knowledge Exchange	1,601	1,601	1,724	1,724
Small specialist institution grant	3,496	3,496	2,996	2,996
Other SFC grants	672	672	795	795
Deferred capital grants released in year: Buildings	1,059	1,059	1,059	1,059
Equipment	100	100	100	100
	<b>15,998</b>	<b>15,998</b>	<b>15,248</b>	<b>15,248</b>

### 3 Research grants and contracts

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £000	School £000	Consolidated £000	School £000
Research councils	440	440	775	775
Research charities	22	22	64	64
Government (UK and overseas)	934	934	1,027	1,027
Industry and commerce	-	-	11	11
Other	14	14	-	-
	<b>1,410</b>	<b>1,410</b>	<b>1,877</b>	<b>1,877</b>

### 4 Other income

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £000	School £000	Consolidated £000	School £000
Residences	3,118	3,118	2,225	2,225
Release from deferred capital grants (Non SFC)	32	32	32	32
Other income generating activities	233	233	204	204
Other income	1,379	1,379	1,907	1,907
	<b>4,762</b>	<b>4,762</b>	<b>4,368</b>	<b>4,368</b>
Insurance monies (including accrued income)	15	15	3,494	3,494
Development Trust income	4	-	1	-

## 5 Investment income

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £000	School £000	Consolidated £000	School £000
Investment income on endowments	385	385	296	296
Other investment income	680	680	451	451
Net return on pension scheme (note 28)	887	887	216	216
	<b>1,952</b>	<b>1,952</b>	<b>963</b>	<b>963</b>

## 6 Segmental reporting

The group activities are carried out in Glasgow and Singapore.  
Group Turnover for these two markets is split as:

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £000		Consolidated £000	
Glasgow	47,780		47,326	
Singapore	-		-	
	<b>47,780</b>		<b>47,326</b>	

## 7 Staff costs

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £000	School £000	Consolidated £000	School £000
Salaries	22,949	22,949	20,878	20,878
Social security costs	2,279	2,279	2,099	2,099
Pension contributions	4,254	4,254	4,264	4,264
Pension FRS 102 service charge adjustment (note 28)	(165)	(165)	444	444
Severance and redundancy costs	21	21	66	66
Total	<b>29,338</b>	<b>29,338</b>	<b>27,751</b>	<b>27,751</b>

Staff costs per activity

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £000	School £000	Consolidated £000	School £000
Academic	13,429	13,429	11,519	11,519
Academic support	5,037	5,037	4,155	4,155
Research	1,126	1,126	2,722	2,722
Other support	3,069	3,069	2,271	2,271
Admin and central services	4,519	4,519	4,365	4,365
Premises	1,996	1,996	1,908	1,908
Residences	306	306	301	301
Pension FRS 102 service charge (note 28)	(165)	(165)	444	444
Severance and redundancy costs	21	21	66	66
	<b>29,338</b>	<b>29,338</b>	<b>27,751</b>	<b>27,751</b>

The average number of staff employed by the School  
expressed as full-time equivalents was:

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated Nos	School Nos	Consolidated Nos	School Nos
Academic	131	131	127	127
Academic support	94	94	89	89
Research	17	17	27	27
Other support	48	48	39	39
Admin and central services	52	52	52	52
Premises	60	60	60	60
Residences	5	5	5	5
	<b>352</b>	<b>352</b>	<b>399</b>	<b>399</b>



**Emoluments of Director**

	Year ended 31 July 2024	Year ended 31 July 2023
	Consolidated & School £000	Consolidated & School £000
<i>Emoluments of Director</i>		
Salary	205	198
Pension contributions	49	45
	<b>254</b>	<b>243</b>

The ratio of the remuneration of the Director to the median salary of a permanent staff member is 6.85:1 (2023: 5.42:1)

**Compensation for loss of office payable to senior post holders**

	Year ended 31 July 2024	Year ended 31 July 2023
	Consolidated & School Number      £000	Consolidated & School Number      £000
Payments in excess of £100k during the year	-      -	-      -

**Key management personnel**

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the institution. Staff costs include compensation paid to key management personnel. GSA defines its key management personnel as being members of its Senior Leadership Group and staff governors. The key management personnel emoluments are made up as follows:

	Year ended 31 July 2024	Year ended 31 July 2023
	Consolidated & School £000	Consolidated & School £000
Salaries	1,715	1,558
Employer's National Insurance	213	198
Pension contributions	377	366
Total emoluments	<b>2,305</b>	<b>2,122</b>
	Number	Number
The number of directors receiving benefits under defined benefit schemes:	<b>6</b>	<b>5</b>

The emoluments of the key management personnel, excluding pension contributions, in the following ranges were:

	Year ended 31 July 2024	Year ended 31 July 2023
	Consolidated & School Number	Consolidated & School Number
£100,001 to £110,000	1	-
£110,001 to £120,000	1	1
£120,001 to £130,000	1	-
£130,001 to £140,000	1	1
£190,001 to £200,000	-	1
£200,001 to £210,000	1	-
	<b>5</b>	<b>3</b>

### Governors' emoluments

Only the Chair of the Board of Governors and those GSA staff who serve as governors receive payment for their services. Those emoluments are made up as follows:

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated & School		Consolidated & School	
	£000		£000	
<i>Emoluments of Chair</i>				
Salaries	20		20	
Employer's National Insurance	2		2	
Pension contributions	-		-	
	<b>22</b>		<b>22</b>	
<i>Emoluments of Staff Governors</i>				
Salaries	416		406	
Employer's National Insurance	51		51	
Pension contributions	95		94	
	<b>562</b>		<b>551</b>	
<i>Total emoluments of Chair and Staff Governors</i>				
Salaries	436		426	
Employers National Insurance	53		53	
Pension contributions	95		94	
Total emoluments	<b>584</b>		<b>573</b>	

### 8 Other operating expenses

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	School	Consolidated	School
	£000	£000	£000	£000
Academic and related expenditure	3,129	3,129	2,441	2,441
Administration and central services	3,782	3,782	2,879	2,879
Premises	4,217	4,217	4,543	4,543
Residences, catering and conferences	2,954	2,954	2,027	2,027
Development Trust expenditure	4	-	-	-
Research grants and contracts	418	418	1,207	1,207
Other expenses	1,553	1,553	1,496	1,496
	<b>16,057</b>	<b>16,053</b>	<b>14,593</b>	<b>14,593</b>

### 9 Interest and other finance costs

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	School	Consolidated	School
	£000	£000	£000	£000
Mortgage and loan interest	22	22	23	23
Net charge on pension scheme (note 28)	(887)	(887)	(216)	(216)
	<b>(865)</b>	<b>(865)</b>	<b>(193)</b>	<b>(193)</b>

## 10 (Deficit)/surplus

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £000	School £000	Consolidated £000	School £000
The deficit is stated after charging for:				
External auditor's remuneration: audit of the financial statements	63	63	60	60
External auditor's remuneration: subsidiaries	4	-	3	-
External auditor's remuneration: taxation compliance	7	7	2	2
External auditor's remuneration: other audit work	6	6	5	5
Internal auditor's remuneration in respect of audit services	35	35	36	36
Depreciation - owned assets	2,701	2,701	2,576	2,576
Operating leases - land and buildings	2,271	2,271	2,242	2,242

## 11 Taxation

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £000	School £000	Consolidated £000	School £000
Recognised in the statement of comprehensive income				
Current tax				
School	-	-	-	-
Tax re GSofA Singapore Pte Ltd	-	-	-	-
Total tax expense	-	-	-	-

No corporation tax was due on the activities of the School (2023: nil).

## 12 Fixed assets

	Freehold Land and Buildings	Equipment and Fixtures & Fittings	Assets in the Course of Construction	Total
<b>Group and School</b>				
<b>Cost/valuation</b>	£000	£000	£000	£000
At 1 August 2023	91,137	12,658	18,942	122,737
Additions	249	721	14,688	15,658
Transfers to/(from) assets in the course of construction	18,751		(18,751)	-
<b>At 31 July 2024</b>	<b>110,137</b>	<b>13,379</b>	<b>14,879</b>	<b>138,395</b>
<b>Consisting of valuation as at:</b>				
1 July 1995	15,890	-	-	15,890
Cost	94,247	13,379	14,879	122,505
	<b>110,137</b>	<b>13,379</b>	<b>14,879</b>	<b>138,395</b>
<b>Depreciation</b>				
At 1 August 2023	24,694	9,259	-	33,953
Charge for the year	1,677	1,024	-	2,701
<b>At 31 July 2024</b>	<b>26,371</b>	<b>10,283</b>	<b>-</b>	<b>36,654</b>
<b>Net book value</b>				
<b>At 31 July 2024</b>	<b>83,766</b>	<b>3,096</b>	<b>14,879</b>	<b>101,741</b>
At 31 July 2023	66,443	3,399	18,942	88,784

In May 2014 the School's Mackintosh Building was badly damaged by a major fire. A valuation of the building obtained after the fire valued the building considerably in excess of the depreciated figure used in the accounts. Accordingly, it was deemed that, in this circumstance, that it was satisfactory not to impair the Mackintosh Building. In June 2018 the Mackintosh Building suffered a second, more extensive, fire. Given the extent of the damage, the value of the building was fully impaired, leaving only the land value within total fixed assets. The costs incurred in 2018/19, 2019/20 2020/21 and 2021/22 in respect of stabilising the remaining structure and site clearance costs were expensed.

The School's policy is that assets are retained at either their 1995 valuation or their historic cost for additions since that date. Land and Buildings were valued in 1995 by a firm of independent chartered surveyors on a depreciated replacement cost basis. All additions since that date have been included at historic cost and their value is deemed to be at least equal to the cost incurred.

Buildings with a net book value of £907,434 (2023: £1,034,627) have been funded from Treasury sources. Should these particular buildings be sold, the School would have to surrender the proceeds to the Treasury or use them in accordance with the Financial Memorandum with the Scottish Funding Council.

<b>Valuation of Land &amp; Buildings (Including Inherited Land &amp; Buildings)</b>	<b>As at 31 July 2024</b>	<b>As at 31 July 2023</b>
Land and buildings have been included at valuation with the following amounts:	£000	£000
Increase from valuation of inherited buildings	<b>3,346</b>	3,346
Increase from valuation of purchased buildings	<b>877</b>	877
Aggregate depreciation on revalued amount	<b>(2,756)</b>	(2,568)
<b>Net book value</b>	<b>1,467</b>	1,655

The inherited land and buildings concerned were all inherited prior to the 1995 valuation at nil cost. The net book value is £1,116,971 (2023/24: £1,191,225).

The revalued buildings were purchased prior to the revaluation in 1995.

### 13 Heritage assets

The heritage assets include the School's institutional archives dating back to 1845 along with archives from artists, societies and alumni associated with the School; and the museum collection includes the Charles Rennie Mackintosh Collection – a Recognised Collection of National Significance, and significant collections of artworks, textiles and silverware. It also includes the library's rare and valuable books collection. The balance sheet valuation of the archives is based on their insurance value and that of the collection assets is based on an assessment of their commercial value. Additions to the collection are valued at the time of acquisition and individual collections are reviewed periodically to ensure the accuracy of the valuation. Further information about the School's collections is publicly available on the School's website.

The heritage assets held by Glasgow School of Art Development Trust were donated with the intention being that they will be sold to realise their value.

	<b>2024</b>	2023	2022	2021	2020
	£000	£000	£000	£000	£000
<b>School</b>					
Value of heritage assets acquired by donation, 1 August	<b>13,780</b>	13,393	13,411	13,205	12,719
Adjustments to valuation or cost	<b>(35)</b>	387	(18)	206	486
Balances as at 31 July	<b>13,745</b>	13,780	13,393	13,411	13,205
<b>Glasgow School of Art Development Trust</b>					
Value of heritage assets acquired by donation, 1 August	<b>143</b>	143	96	66	66
Adjustments to valuation or cost	<b>-</b>	-	47	30	-
Balances as at 31 July	<b>143</b>	143	143	96	66
<b>Group Total</b>	<b>13,888</b>	13,923	13,536	13,507	13,271

### 14 Endowments

<b>Group and School</b>	<b>2024</b>	<b>2024</b>
	£000	£000
<b>At 1 August</b>	<b>5,535</b>	5,676
Additions	<b>869</b>	5,290
Disposals	<b>(584)</b>	(5,238)
New endowments	<b>-</b>	-
Increase/(decrease) in cash balances held at fund managers	<b>(221)</b>	(13)
Appreciation of endowment asset investments in year	<b>499</b>	(180)
<b>At 31 July</b>	<b>6,098</b>	5,535

## 15 Non-current investments

The School's investment, at the balance sheet date, in the share capital of subsidiary companies comprises the following:

Company	Principal activity	Class of shares	Percentage owned
GSofA Singapore Ltd	The principal activity of GSofA Singapore is the provision of degree level education in Singapore. Following the cessation of trading, the company has undergone liquidation, a process that concluded after the year end.	Ordinary	100%
The Glasgow School of Art Development Trust	The principal activity of The Glasgow School of Art Development Trust, an unincorporated body, is to raise funds to support the strategic priorities of The Glasgow School of Art.	n/a	n/a

## 16 Stock

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £000	School £000	Consolidated £000	School £000
General consumables	185	185	169	169
	184	184	169	169

## 17 Trade and other receivables

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £000	School £000	Consolidated £000	School £000
Amounts falling due within one year:				
Trade debtors	596	584	1,023	1,013
Debts due from students	347	347	333	333
Amounts due from subsidiary companies	-	795	-	795
Prepayments and accrued income	1,670	1,670	1,185	1,187
	2,612	3,396	2,541	3,328
Amounts falling due in more than one year:				
Development funding debtor	252	-	5,252	-

## 18 Creditors: amounts falling due within one year

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £000	School £000	Consolidated £000	School £000
Trade creditors	513	513	513	513
Unsecured loan	628	628	628	628
Payments in advance	6,278	6,278	3,126	3,126
Deferred capital grants	1,190	1,190	1,190	1,190
Taxation and social security	3	3	-	-
Research contracts accrual	910	910	1,246	1,246
Accruals and deferred income	2,980	2,960	4,101	4,081
	12,502	12,482	10,804	10,784



## 19 Creditors: amounts falling due in more than one year

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £000	School £000	Consolidated £000	School £000
Unsecured loan	8,088	8,088	8,716	8,716
Deferred capital grants	51,572	51,572	52,762	47,762
	59,660	59,660	61,478	56,478
<i>Analysis of secured and unsecured loans:</i>				
Due within one year or on demand (note 18)	628	628	628	628
Due after more than one year				
Due between one and two years	628	628	628	628
Due between two and five years	1,628	1,628	1,755	1,755
Due in five years or more	5,832	5,832	6,333	6,333
	8,088	8,088	8,716	8,716
Total secured and unsecured loans	8,716	8,716	9,344	9,344
Unsecured loan	8,716	8,716	9,344	9,344
	8,716	8,716	9,344	9,344

### Details of loans

Salix loan: An unsecured loan, repayable by bi-annual instalments until April 2027. This loan is a public benefit concessionary loan and is repayable with no interest charged over the duration of the loan.

SFC Financial Transactions: An unsecured loan, repayable in quarterly instalments. This loan, from the Scottish Funding Council under the Universities Financial Transactions Programme to fund the further development of the Stow Building, is repayable over 20 years with a fixed interest rate of 0.25%.

**Deferred Capital Grants**

Included within creditors are the following items of income which have been deferred until specific performance related conditions have been met.

	Funding Council £000	Other grants & benefactions £000	Total £000
<b>Group</b>			
As at 1 August 2023			
Buildings	53,702	150	53,852
Equipment	100	-	100
	53,802	150	53,952
Released to Income and Expenditure			
Buildings	(1,059)	(32)	(1,091)
Equipment	(100)	-	(100)
	(1,159)	(32)	(1,191)
<b>As at 31 July 2024</b>			
Buildings	52,643	118	52,761
Equipment	-	-	-
	52,643	118	52,761
<b>School</b>			
As at 1 August 2023			
Buildings	43,702	5,150	48,852
Equipment	100	-	100
	43,802	5,150	48,952
Released to Income and Expenditure			
Buildings	(1,059)	(32)	(1,091)
Equipment	(99)	-	(99)
	(1,158)	(32)	(1,190)
Received in year			
Buildings	-	5,000	5,000
Equipment	-	-	-
	-	5,000	5,000
Buildings	42,643	10,118	52,761
Equipment	-	-	-
	42,643	10,118	52,761

**Expected release of Deferred Capital Grants:**

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £000	School £000	Consolidated £000	School £000
Expected within one year or on demand	1,090	1,090	1,190	1,190
Expected between one and two years	1,075	1,075	1,190	1,190
Expected between two and five years	3,220	3,220	3,571	3,571
Expected in five years or more	47,377	47,377	48,000	43,000
	52,762	52,762	53,951	48,951

**20 Pension provisions and assets**

	Pension on termination <sup>1</sup> £000	Defined benefit obligation <sup>2</sup> (note 28) £000	Total Pension Provisions £000
<b>Group and School</b>			
At 1 August 2023	666	(17,445)	(16,779)
Income and expenditure movement	(67)	(1,052)	(1,119)
Actuarial gain	(96)	(775)	(871)
Asset ceiling restriction	-	19,272	19,272
<b>Provision/(asset) at 31 July 2024</b>	503	-	503

<sup>1</sup> The provision for past service pensions relates to unfunded enhanced early retirements given in prior years. The provision was calculated by a firm of actuaries in July 2024 and the valuation was amended for movements in the current and prior year.

<sup>2</sup> The actuarial review of GSA's participation in the Strathclyde Pension Fund at 31 July 2022, for accounting purposes, signalled a change from a net liability to a net asset, a situation that prevailed into the following year. In those prior years, the actuary calculated an asset ceiling in excess of the pension surplus. The consequent lack of any restriction in the surplus precipitated recognition of a Pension asset in those years. Evolution of the approach among Local Government Pension Scheme practitioners over the past year has led to the actuary calculating an asset ceiling which reduces GSA's pension surplus to £nil at this year-end.

## 21 Endowment reserves

Group and School	Restricted permanent endowments £000	Expendable endowments £000	2024 TOTAL £000	2023 TOTAL £000
<b>Balances at 1 August</b>				
Capital	5,124	371	5,495	5,157
Accumulated income	39	-	39	519
	5,164	371	5,534	5,676
Investment income	419	-	419	296
Expenditure	(354)	-	(354)	(257)
Increase/(decrease) in market value of investments	498	-	498	(180)
<b>Total endowment comprehensive income for the year</b>	563	-	563	(141)
<b>At 31 July</b>	<b>5,727</b>	<b>371</b>	<b>6,098</b>	<b>5,535</b>
<b>Represented by:</b>				
Capital	5,643	371	6,034	5,496
Accumulated income	64	-	64	39
	<b>5,727</b>	<b>371</b>	<b>6,098</b>	<b>5,535</b>
<b>Analysis by type of purpose:</b>				
Prize funds	5,727	-	5,727	5,164
General	-	371	371	371
	<b>5,727</b>	<b>371</b>	<b>6,098</b>	<b>5,535</b>
<b>Analysis by asset:</b>				
Current and non-current asset investments			5,236	4,452
Cash & cash equivalents			862	1,083
			<b>6,098</b>	<b>5,535</b>

Restricted permanent endowments are where the donor has specified the fund is to be permanently invested to generate an income stream to be applied to a particular objective. Expendable endowments are where the School is free to convert the capital to income and apply it to an appropriate objective as it sees fit.

## 22a Restricted reserves

Reserves with restrictions are as follows:

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £000	School £000	Consolidated £000	School £000
<i>Campus redevelopment reserve</i>				
<b>Balances at 1 August</b>	<b>8,367</b>	<b>7,910</b>	8,366	7,910
Income	4	-	1	-
Expenditure	(4)	-	-	-
<b>Total restricted comprehensive income for the year</b>	<b>-</b>	<b>-</b>	1	-
<b>Transfer from GSA Development Trust to School</b>	<b>-</b>	<b>134</b>	-	-
<b>At 31 July</b>	<b>8,367</b>	<b>8,044</b>	8,367	7,910
<i>Analysis of other restricted funds/donations by type of purpose</i>				
Campus redevelopment (including Mackintosh restoration)	8,367	8,044	8,367	7,910

## 22b Income and expenditure reserve

This reserve includes all current and prior year retained surpluses or deficits.

## 22c Revaluation reserve

The revaluation reserve consists of unrealised gains in respect of investments and the revaluation of properties.

## 23 Cash and cash equivalents

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £000	School £000	Consolidated £000	School £000
<b>Balance at 1 August</b>	<b>18,563</b>	<b>16,404</b>	22,155	19,983
Cash flow, in year	(9,621)	(9,486)	(3,592)	(3,579)
<b>Balance at 31 July</b>	<b>8,942</b>	<b>6,918</b>	18,563	16,404

## 24 Consolidated reconciliation of net debt

	2024 £000	
<b>Net debt 1 August</b>	<b>(9,219)</b>	
Decrease in cash and cash equivalents	9,621	
Repayment of borrowings	(628)	
<b>Net debt 31 July</b>	<b>(226)</b>	
<b>Change in net debt</b>	<b>8,993</b>	

	2024 £000	2023 £000
<b>Cash and Cash equivalents</b>	<b>8,942</b>	18,563
<b>Borrowings: amounts falling due within one year</b>		
Unsecured loans	628	628
	628	628
<b>Borrowings: amounts falling due after more than one year</b>		
Unsecured loans	8,088	8,716
	8,088	8,716
<b>Net debt/(positive net cash position)</b>	<b>(226)</b>	(9,219)

## 25 Lease obligations

Total rentals payable under operating leases:	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £000	School £000	Consolidated £000	School £000
<b>Future minimum lease payments due:</b>				
Not later than 1 year	2,213	2,213	1,958	1,958
Later than 1 year and not later than 5 years	5,176	5,176	6,071	6,071
Later than 5 years	12,212	12,212	10,631	10,631
<b>Total lease payments due</b>	<b>19,601</b>	<b>19,601</b>	18,660	18,660

All lease obligations at the current and prior year ends relate to land and buildings.

## 26 Subsidiary and Joint Venture undertaking

### GSofA Singapore pte Ltd

The school has a wholly owned subsidiary incorporated in Singapore. The School owns 100% of the share capital being 1SGD. Its financial results have been consolidated into the accounts for the year to 31 July 2024.

There were no transactions between GSA and GSofA Singapore (2023: £18,662). As at 31 July 2024, a debtor of £763k (2023: £763k) is outstanding at the year end.

With the graduation of the final cohort of students from the academic programmes that GSA delivered in Singapore, the company ceased operations on 31 July 2021. At 31 July 2024, the company holds net assets of £1.3m. At the balance sheet date, the company was the subject of an ongoing Members Voluntary Liquidation, which concluded on 3 October 2024 with the dissolution of the company and the distribution of its assets to GSA, as the sole member (see note 32).

### Glasgow School of Art Development Trust

This was established, as an unincorporated body, in 2010 to support the major capital priorities of The Glasgow School of Art. Following the 2014 fire in the Mackintosh Building the Trust delivered the Mackintosh Campus Appeal to support the School to recover from the consequences of the fire. It is an independent charitable trust governed by a deed of trust and is registered with OSCR.

Its financial results have been consolidated into the accounts for the year to 31 July 2024.

During the year £5.1m was transferred from The Glasgow School of Art Development Trust to GSA (2023: nil)

The audit fee £3,960 (2023: £3,600) is paid on behalf of The Glasgow School of Art Development Trust by GSA.



## 27 Related party transactions

Due to the nature of the School's operations and the composition of the Board of Governors (being drawn from local public and private sector organisations) it is inevitable that transactions will take place with organisations in which a Governor may have an interest. All transactions involving organisations in which a Governor may have an interest are conducted at arm's length and in accordance with the School's financial regulations and normal procurement procedures.

The Board of Governors consider the relationship that the School has with GSA Students Association (GSASA) to have the characteristics of related parties under the Financial Reporting Standard (FRS) 102:

- Grants paid to GSASA in 2023/24 totalled £304,845 (2022/23 £249,000).
- The balance owed to GSA at the year end, and included in debtors, is £12,340 (2023: £12,340).

## 28 Pension schemes

The School's employees belong to two principal pension schemes: the Scottish Teachers' Pension Scheme (STPS) and a Local Government Pension Scheme administered by the Strathclyde Pension Fund (SPF) which are of the defined benefit type. The cash cost of the SPF scheme was £1,895,000 for the Group and School (2022/23: £2,185,000) and the cost of the STPS was £2,309,000 for the Group and School (2022/23: £2,027,000). Other pension costs totalled £50,000 for the Group and School (2022/23: £52,000).

### a. Strathclyde Pension Fund (SPF)

The Strathclyde Pension Fund provides benefits on final pensionable salary for employees of local government and some other institutions. This scheme, a multi-employer defined benefits scheme, covers both past and present employees. An FRS102 valuation of the School's benefit obligations has been estimated by a qualified independent actuary and the assumptions are as at 31 July 2024. That valuation identified that the closing fair value of the schemes assets exceeded the closing defined benefit obligations, resulting in a defined benefit plan surplus. Such a surplus can be recognised to the extent that the School can recover the surplus through refunds from the plan or reductions in future contributions. However, applying the assumption that the employer has no unconditional right to a refund from the Fund and that to receive any refund, the employer would need to end its ongoing participation in the fund, the actuary has calculated an asset ceiling which reduces GSA's pension surplus to £nil.

The employer contribution rate for the period from 1 August 2023 to 31 March 2024 was 25.9% of pay. Following the publication of the triennial actuarial valuation the employer contribution fell to 6.5% for the period 1 April 2024 to 31 July 2024. That reduction in the employer contribution is a temporary reduction to 6.5%, for a 24-month period, followed by a staged increase to 17.5% on 1 April 2026, before, subject to the next triennial actuarial valuation, returning to an estimated "normalised" level of 21.2% from 1 April 2026.

The employee contribution rate was variable during 2023/23 depending upon the individual level of remuneration. The range was from 5.5% to 10.4%. There were no outstanding pension contributions at the year end. Principal actuarial assumptions (expressed as weighted averages) at the end of the year were as follows:

#### Financial assumptions

	2024	2023
Pension increase	2.75%	3.00%
Salary increase rate	3.45%	3.70%
Discount rate	5.00%	5.05%

#### Mortality assumptions

The average future life expectancies at age 65 used to determine benefit obligations are as follows:

	Male	Female
Current pensioners	20.5	22.6
Future pensioners	21.0	24.2

#### Fair value of the plan assets and the return on those assets were as follows:

	2024 £000	2023 £000
Equities	42,551	37,511
Bonds	17,158	16,603
Property	6,177	6,149
Cash	2,745	1,230
	<b>68,631</b>	<b>61,493</b>

#### Analysis of the amount shown in the balance sheet

	2024 £000	2023 £000
Fair value of plan assets	68,631	61,493
Present value of funded benefit obligations	(49,359)	(44,048)
Pension asset/(liability) - unadjusted	19,272	17,445
Impact of asset ceiling	(19,272)	-
Pension asset/(liability) – after applying the asset ceiling	-	17,445

**Analysis of the amounts charged to Profit & Loss**

	2024 £000	2023 £000
Service costs	1,675	2,586
Employer contributions	(1,840)	(2,142)
	(165)	444
Interest income on plan assets	(3,136)	(2,093)
Interest cost on defined benefit obligation	2,249	1,877
<b>Net interest cost</b>	<b>(887)</b>	<b>(216)</b>
<b>Net charge on pension liability to SOCI</b>	<b>(1,052)</b>	<b>228</b>
Actual return less expected return on pension scheme assets	2,559	(1,186)
Experience gains and losses arising on the scheme liabilities	(4,795)	(3,012)
Changes in financial assumptions underlying the present value of the scheme liabilities	3,107	15,501
Asset ceiling adjustment	(19,272)	-
<b>Actuarial (loss)/gain recognised in Other Comprehensive Income</b>	<b>(18,401)</b>	<b>11,303</b>

**Analysis of movements in present value of the scheme liabilities**

	2024 £000	2023 £000
<b>Opening defined benefit obligation</b>	<b>44,048</b>	52,714
Current service cost	1,675	2,586
Past service cost	-	-
Interest cost	2,249	1,877
Contribution by members	613	566
Actuarial gains	(3,107)	(15,501)
Experience gains and losses	5,363	3,012
Benefits paid	(1,482)	(1,206)
<b>Closing defined benefit obligation</b>	<b>49,359</b>	44,048

**Analysis of movements in fair value of the scheme assets**

	2024 £000	2023 £000
<b>Opening fair value of employer assets</b>	<b>61,493</b>	59,084
Expected return on assets	3,136	2,093
Contributions by members	613	566
Contribution by employer	1,840	2,142
Actuarial (losses)/gains	3,031	(1,186)
Benefits paid	(1,482)	(1,206)
<b>Closing fair value of employer assets</b>	<b>68,631</b>	61,493

The School expects to contribute approximately £615k to the Strathclyde Pension Fund in the next year.

**Sensitivity analysis**

The sensitivities regarding the principal assumptions used to measure the SPF scheme liabilities are set out below:

Change in assumptions at 31 July 2024	Approximate % increase to Defined Benefit Obligation	Approximate monetary amount (£000)
0.1% decrease in Real Discount Rate	2%	970
1 year increase in member life expectancy	4%	1,974
0.1% increase in the Salary Increase Rate	0%	49
0.1% increase in the Pension Increase Rate	2%	940

## b. Scottish Teachers' Pension Scheme

Glasgow School of Art participates in the Scottish Teachers' Superannuation Scheme. The scheme is an unfunded statutory public service pension scheme with benefits underwritten by the UK Government. The scheme is financed by payments from employers and from those current employees who are members of the scheme and paying contributions at progressively higher marginal rates based on pensionable pay, as specified in the regulations.

Glasgow School of Art has no liability for other employers' obligations to the multi-employer scheme. As the scheme is unfunded there can be no deficit or surplus to distribute on the wind-up of the scheme or withdrawal from the scheme.

The scheme is an unfunded multi-employer defined benefit scheme. It is accepted that the scheme can be treated for accounting purposes as a defined contribution scheme in circumstances where Glasgow School of Art is unable to identify its share of the underlying assets and liabilities of the scheme.

The rate of employer contributions is set with reference to a funding valuation undertaken by the scheme actuary:

- The 2016 valuation set employer contribution rates at 23.0% from September 2019 until 31 March 2023, although the UK Government subsequently extended that period to 31 March 2024.  
The contribution rates paid by members are determined by the band in which their annual earnings lie. Member contributions for the period 1 September 2019 until 31 March 2024 continued at the previous rates, within a range of 7.2% to 11.9%, anticipated to deliver a yield of 9.4% of pensionable pay.
- The most recent valuation of the STPS based on scheme data as at 31 March 2020 has set the rate of employer contributions for the period 1 April 2024 to 31 March 2027 at 26%. Member contributions, again, continued at the same rates, within a range of 7.2% to 11.9%, anticipated to deliver a yield of 9.6% of pensionable pay.
- Under existing legislation, the next valuation will be based on scheme data as at 31 March 2024 and will set employer contributions for the period 1 April 2027 to 31 March 2031.

Glasgow School of Art's level of participation in the scheme was 0.3% based on its 2023/24 cost as a proportion of employer contributions.

## 29 Bursary and Other Student Support Funds

	International Student Fund £000	HE discretionary fund £000	Childcare fund £000	2024 Total £000	2023 Total £000
Balance brought forward at 1 August	13	-	-	-	13
Funds returned	(13)	-	-	-	-
Funds available for distribution	-	89	7	96	149
Expenditure in year	-	(89)	(7)	(96)	(136)
Balance carried forward at 31 July	-	-	-	-	13

## 30 Capital commitments

At 31 July 2024 there were capital commitments of £125,000 (2023: £7,984,000).

## 31 Contingent asset

At the time of the fire in June 2018, the Mackintosh Building was covered by an owner-controlled insurance program, designed to coordinate general liability coverage for all eligible parties working on the construction project.

That insurance comprises two elements, covering the contract works and the pre-existing structure. Interim payments made by the insurers in relation to the contract works have been recognised as income in the periods in which they were received. The value and method of receipt of sums relating to the existing structure have still to be agreed, so represent a contingent asset.

## 32 Events after the reporting period

### Non-adjusting Post Balance Sheet Events

The School operated a wholly owned subsidiary, incorporated in Singapore, whose principal activity between was the delivery of educational programmes, in partnership with the Singapore Institute of Technology. Following a mutual agreement to end the partnership, its operations were discontinued, effective 31 July 2021.

To effect its dissolution, the company entered Members Voluntary Liquidation on 1 September 2023, concluding that process on 3 October 2024 with the company's closing meeting, where the liquidator presented the final account of the winding up and approved that the assets of the company be distributed to settle outstanding local taxes, professional fees, bank charges, liquidation fees and disbursements (£26k); settle the intercompany debt owed to GSA (£796k); and to make a first and final return of surplus assets to GSA £1,220k).

### 33 US Department of Education - Financial Responsibility Supplemental Schedule

In satisfaction of its obligations to facilitate students' access to US federal financial aid, GSA is required, by the US Department of Education, to present, the following Supplemental Schedule in a prescribed format.

The amounts presented within the schedules have been:

- prepared under the historical cost convention, subject to the revaluation of certain fixed assets;
- prepared using United Kingdom generally accepted accounting practice, in accordance with Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice: Accounting for Further and Higher Education (2019 edition);
- presented in pounds sterling.

The schedules set out how each amount disclosed has been extracted from the financial statements. As set out above, the accounting policies used in determining the amounts disclosed are not intended to and do not comply with the requirements of accounting principles generally accepted in the United States of America

The aim of the schedules is to support GSA in meeting the requirements of the US Department of Education's Federal Loan scheme, and not the requirements of the SORP; the schedule does not form part of the SORP; and the schedules have not been considered nor reviewed by the Financial Reporting Council.

Primary Reserve Ratio:					Year ended 31 July 2024		Year ended 31 July 2023	
					£GBP	£GBP	£GBP	£GBP
Lines		Expendable Net Assets:						
24	Statement of Financial Position - Net assets without donor restriction	Net assets without donor restrictions	Note 22b and 22c	Page 68		£46,588,000		£65,362,000
30	Statement of Financial position - Net assets with donor restrictions	Net assets with donor restrictions	Note 21 and 22a	Page 67-68	£14,465,000		£13,902,000	
4	Statement of Financial Position - Related party receivable and Related party note disclosure*	Secured and Unsecured related party receivable						
4	Statement of Financial Position - Related party receivable and Related party note disclosure*	Unsecured related party receivable				£-		£-
8	Statement of Financial Position - Property, Plant and Equipment, Net*	Property, Plant and Equipment, net (includes construction in progress)	Note 12	Page 62	£101,741,000		£88,784,000	
FS Note line 8A	Note of the Financial Statements - Statement of Financial Position - Property, Plant and Equipment, net - pre-implementation	Property, Plant and Equipment, net - pre-implementation	Note 12	Page 62		£62,950,000		£65,351,000
FS Note line 8B	Note of the Financial Statements - Statement of Financial Position - Property, Plant and Equipment, net post-implementation with outstanding debt for original purchase*	Property, Plant and Equipment, net - post-implementation less any construction in progress with outstanding debt for original purchase with debt*				£-		£-
FS Note line 8D	Note of the Financial Statements - Statement of Financial Position - Property, Plant and Equipment, net post-implementation without outstanding debt for original purchase*	Property, Plant and Equipment, net - post-implementation less any construction in progress with outstanding debt for original purchase without debt*	Note 12	Page 62		£23,435,000		£4,491,000
FS Note line 8C	Note of the Financial Statements - Statement Of Financial Position - Property, Plant and Equipment, Construction in progress	Construction in progress	Note 12	Page 62		£15,356,000		£18,942,000
9	Statement of Financial Position - Lease right-of-use asset*	Lease right-of-use asset*				£-		£-
Excluded 9 Note leases	Note of Financial Statements - Statement of Financial Position - Lease right-of-use asset pre-implementation	Lease right-of-use asset pre-implementation				£-		£-
M9 Note Leases	Note of Financial Statements - Statement of Financial Position - Lease right-of-use asset post-implementation	Lease right-of-use asset post-implementation				£-		£-
10	Statement of Financial Position - Goodwill*	Intangible Assets				£-		£-
17	Statement of Financial Position - Post-employment and pension liability*	Post-employment and defined pension plan liabilities	Notes 18,19 and 20	Page 64-66		£73,847,000		£55,502,000
14,20,22	Statement of Financial Position - Notes payable and Line of Credit (both current and long-term) and Line of Credit for Construction in process*	Long term debt- for long-term purposes	Note 19	Page 65		£8,716,000		£9,344,000
M24,20,22 Note Debt A	Statement of Financial Position - Notes payable and Line of Credit (both current and long-term) and Line of Credit for Construction in process*	Long term debt- for long-term purposes pre-implementation				£-		£-
M24,20,22 Note Debt B	Statement of Financial Position - Notes payable and Line of Credit (both current and long-term) for purchase of Property, Plant and Equipment	Long-term debt for long-term purposes post implementation	Note 19	Page 65		£8,716,000		£9,344,000
M24,20,22 Note Debt C	Statement of Financial Position - Notes payable and Line of Credit (both current and long-term) and Line of Credit for Construction in progress	Line of Credit for Construction in process				£-		£-
21	Statement of Financial Position- Lease right -of-use assets (liability)(both current and long term)*	Lease right-of-use liability				£-		£-
Excluded Line 21 Note Leases	Statement of Financial Position- Lease right -of-use assets liability pre-implementation	Pre-implementation right-of-use leases				£-		£-
Line 21 Note Leases	Statement of Financial Position- Lease right -of-use assets liability post-implementation	Post-implementation right-of-use leases				£-		£-
25	Statement Of Financial Position - Annuities	Annuities with donor restrictions				£-		
26	Statement Of Financial Position - Term Endowments	Term endowments with donor restrictions				£-		
27	Statement Of Financial Position - Life Income Funds	Life income funds with donor restrictions				£-		
29	Statement Of Financial Position - Perpetual Funds	Net assets with donor restrictions: restricted in perpetuity				£-		
		Total Expenses and Losses	Note 7,8,9,12 and 13	Page 59-63		£48,083,000		£45,074,000
43	Statement of Activities - Total Operating Expenses (Total from Statement of Activities prior to adjustments)	Total expenses without donor restrictions - taken directly from the Statement of Activities	Note 7,8,9 and 12	Page 59-63		£48,118,000		£44,727,000
(35), 45,46,47,48,49	Statement of Activities -Non Operating ( Investment return appropriated for spending), Investments, net of annual spending gain (loss), Other components of net periodic pension costs, Pension related changes other than net periodic pension, Change in value of split interest agreements and Other gains (loss) (Total from Statement of Activities prior to adjustments)	Non Operating and Net Investment (loss)	Note 13	Page 63		£-35,000		£347,000
(35), 45	Statement of Activities -Non Operating ( Investment return appropriated for spending), Investments, net of annual spending gain (loss)	Net Investment losses				£-		£-
47	Statement of Activities - Pension related charges other than periodic pension	Pension related charges other than periodic pension				£-		£-

Equity Ratio:					Year ended 31 July 2024		Year ended 31 July 2023	
					£GBP	£GBP	£GBP	£GBP
Lines		Modified Net Assets						
24	Statement of Financial Position - Net assets without donor restriction	Net assets without donor restrictions	Balance Sheet	Page 51		£46,588,000		£65,362,000
30	Statement of Financial position - Net assets with donor restrictions	Net assets with donor restrictions	Balance Sheet	Page 51		£14,465,000		£13,902,000
10	Statement of Financial Position – Goodwill*	Intangible Assets				£-		£-
4	Statement of Financial Position - Related party receivable and Related party note disclosure*	Secured and Unsecured related party receivable				£-		£-
4	Statement of Financial Position - Related party receivable and Related party note disclosure*	Unsecured related party receivable				£-		£-
		Modified Assets:						
12	Statement of Financial Position - Total assets	Total assets	Balance Sheet	Page 51		£134,900,000		£134,766,000
Excluded 9 Note leases	Note of Financial Statements - Statement of Financial Position – Lease right-of-use asset pre-implementation	Lease right-of-use asset pre-implementation				£-		£-
Excluded Line 21 Note Leases	Statement of Financial Position- Lease right –of-use assets liability pre-implementation	Pre-implementation right-of-use leases				£-		
10	Statement of Financial Position – Goodwill*	Intangible Assets				£-		
4	Statement of Financial Position - Related party receivable and Related party note disclosure*	Secured and Unsecured related party receivable				£-		
4	Statement of Financial Position - Related party receivable and Related party note disclosure*	Unsecured related party receivable				£-		

Net Income Ratio:					Year ended 31 July 2024		Year ended 31 July 2023	
					£GBP	£GBP	£GBP	£GBP
Lines								
51	Statement of Activities - Change in Net assets Without Donor Restrictions	Change in Net Assets Without Donor Restrictions	Surplus/(deficit) plus Note 13 & 28	Page 49		£18,774,000		£14,033,000
38,(35), 50	Statement of Activities - (Net assets released from restriction),Total Operating Revenue and Other Additions and Sale of Fixed Assets gains (losses)	Total Revenue and Gains	Statement of Comprehensive Income and Expenditure	Page 49		£47,780,000		£47,110,000