

**Thursday 27 April 2017**

**Comment on College Accounts**

A spokesperson for Colleges Scotland, said:

“The 2016 Audit Scotland Report highlighted a growing number of college deficits, so this year’s news comes as little surprise. Colleges manage their finances well, and these figures are a reflection of tight public finances, changes in accounting rules, and increased cost pressures outwith the control of colleges e.g. pension contributions. Most colleges are operating at a near break-even position, with all our colleges continuing to be well managed and remaining resilient in difficult financial circumstances.

“We appreciate the Scottish Government’s additional funding available in 2017/18, which recognises the difficult financial challenges the sector faces as it continues to deliver the skills and training that individuals, employers and the economy needs. But the overall number of colleges forecasting deficits is increasing and this is not a sustainable situation.

“We are continuing to work with the Scottish Government and the Scottish Funding Council to ensure sustainable funding for the sector and manage cost pressures.

“These figures also underline the difficulties faced by the sector in meeting trade union demands and negotiating a deal that can be sustained in the future.”

**ENDS**

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