

A7. Year End Balance

Preamble

A central feature of the delegation of the control of school budgets to Governing Bodies is the ability to carry forward any under-spend (and overspend) at the financial year end into the next financial year.

See also:

Scheme for Financing Schools – Section 4

Regulations

- 7.1. The size of any over-spend or under-spend at the year-end shall be determined solely by reference to the central statutory accounting system.
- 7.2. Where a Governing Body under-spends the school budget allocation for a financial year it shall retain and carry forward the total under-spend into the next financial year¹.
- 7.3. Where the total surplus balance exceeds a defined level of the school's annual ISB² budget share the Governing Body may be requested by the FBP CEF to provide explanation on the intended purpose(s) of the surplus balance.
- 7.4. Where a Governing Body overspends its budget allocation for a financial year the sum will be a first charge against the succeeding year's budget allocation. Where an agreed deficit is in operation the proportion to be repaid in a subsequent year will be a first charge against that year's budget allocation.

¹ Separate rules relate to Devolved Capital balances.

² ISB – Individual Schools Budget.