

## **SCHOOL BALANCES**

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### **1. Purpose**

- 1.1. To inform the Schools Forum of the level of balances of schools at the end of 2011/12.

### **2. Recommendations**

- 2.1 That the detail behind the £11.441m of revenue balances held by LA maintained schools at the 2011/12 year end be noted.

### **3. Issues**

#### **School balances**

- 3.1 The position in respect of schools retained balances is set out in Annex A which is provided in two parts.
- 3.2 Annex A1 shows a summary of schools' balances over recent years. This summary shows that the unadjusted net balances of schools have increased by £2.850m from £8.561m at March 2011 to £11.411m at March 2012. The second set of tables shows the figures after adjusting for the balances held by those schools which have subsequently obtained academy status. These figures show an even greater increase of £4.239m from £7.172 to £11.411m. There were 2 schools with deficit balances at the end of 2011/12, the same number as the previous year. The value of the deficits reduced from £0.088m at March 2011 to £0.052m at March 2012.
- 3.3 When schools set their budgets in April 2011 they were budgeting to use £1.390m of balances. The budget plans submitted for 2012/13 plan to use almost £5m of balances.
- 3.4 The excess surplus balances clawback mechanism no longer applies.