

## Budgets - year end balance

*The schools financial procedures provides maintained schools with guidance on a range of financial management processes that are set out as individual sections.*

A central feature of the delegation of the control of school budgets to governing board (GB) is the ability to carry forward any underspend and over-spend at the financial year end into the next financial year.

### Year end balance regulations

The size of any under-spend or over-spend at the year-end shall be determined solely by reference to the central statutory accounting system.

#### School budget underspend

Where a GB under-spends the school budget allocation for a financial year, it shall retain and carry forward the total under-spend into the next financial year. Separate rules relate to devolved capital balances.

Where the total surplus balance exceeds a defined level of the school's annual individual schools budget share, this excess will be subject to clawback:

- 8% primary school
- 5% high school

The GB may be requested by Ealing LA to provide explanation on the intended purpose/s of any surplus balance.

#### School budget overspend

Where a GB 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.

### Contact

School accountancy service, [SchoolsAccountancyServices@ealing.gov.uk](mailto:SchoolsAccountancyServices@ealing.gov.uk)

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[Schools financial procedures](#)

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Last updated: 04 Sep 2024