

Glossary of terms

ACCRUAL

A sum included in the final accounts to cover income or expenditure attributable to a financial year for goods received or work done, but for which payment has not been made by 31st March (also known as a creditor provision).

EXTERNAL AUDIT

An independent examination of the Council's accounts to ensure that they comply with the necessary legislation and follow best accounting practice.

BALANCE

The capital or revenue reserves of the school made up of the accumulated surplus of income over expenditure.

CAPITAL EXPENDITURE

This is expenditure on items, which provides benefit to the school for more than one year. Such items include land, buildings, high value equipment, and vehicles.

CARRY FORWARD

The balance of income over expenditure at the end of a financial year, which is moved to the next financial year.

CONTINGENCY

An amount set aside to provide for items that have not been included in the budget estimates. i.e. money held as reserves for unexpected emergencies.

CREDITORS

Amounts owed by the school for goods and services provided for which payment has not yet been made.

DEBTORS

Amounts due to the school but not received.

DEFICIT

This is the amount of money that the school has overspent e.g. expenditure over income, at the end of a financial year.

DfE

Department for Education.

ESTIMATES

The amounts that are expected to be spent, or received as income, during an accounting period. The term is also used to describe detailed budgets, which are either prepared for the following year, or have been approved for the current year.

FINANCIAL REGULATIONS

A written code of procedures approved by the authority, intended to provide a framework for proper financial management. Financial regulations usually set out rules on accounting and audit administrative procedures and budgeting systems.

FINANCIAL YEAR

The financial year runs from 1 April to 31 March.

INTERNAL AUDIT

The internal audit service provided by *Mazars* provide assurance to management on the adequacy and effectiveness of internal controls and consider how efficiently Resources have been used.

The in-house team provide advice and consultancy to management and work proactively on improving corporate governance, and the prevention and detection of fraud.

LBE

London Borough of Ealing.

LA

Local Authority

PROFILING

Splitting down into time periods. In terms of budgeting this can be splitting the total budget in a specific area into *monthly/periodic* expenditure and income amounts.

RESERVES

An amount set aside for a specific purpose in one financial year and carried forward to meet expenditure in future years.

REVENUE EXPENDITURE

Day-to-day payments on the running of school, e.g. salaries, wages, supplies and services and capital charges.

STANDING ORDERS

The set of rules adopted by the authority, which establish the procedures by which it should conduct its business. In particular, there must be standing orders relating to tendering and contract procedures.

SURPLUS

This is the amount of money that the school has as spare e.g. income over expenditure at the end of a financial year.

VIREMENT

This is the movement of money from one budget heading into another.