Dear Headteacher

# Re: Schools Closing Balances 2023/24

We have now finalised schools closing balances for 2023/24. Thank you for all your hard work over the last year which greatly helped the Local Authority in closing the accounts.

Please see the attached Excel file which provides the 2023/24 final accounts by CFR code. In the tab titled ‘FINAL OUTTURN 2023-24’, select your schools name in cell C3. Your final CFR closing balance will appear in column D.

Can you please ensure you update your local financial records/systems to reflect the agreed final closing CFR position for the period 31.03.24.

If you disagree with the closing balance, you can provide an updated figure in column E. Note, we are unable to change bottom line for both revenue and capital income and expenditure, however, you can update the figures within income and expenditure as long as the total for revenue and capital income and expenditure remains unchanged. Further details are provided in the attached frequently asked questions.

**Your updated balances must be returned to the Schools Funding Team by 22.07.24 by emailing** **SchoolsYEAccountsClosedown@Birmimgham.gov.uk**.

If you do not contact us with any queries by this deadline, we will take this as your agreement to the closing balances for 2023/24. We will be dealing with queries and updating the CFR over the Summer and will provide you with updated figures by 01.10.24.

The schools closing balances are subject to external audit and may change if there is an external audit requirement to do so.

BCC is still aware that there is an outstanding funding issue with Primary Schools with Nursery Classes from 2021/22 which still needs be addressed. We will be writing separately to affected schools by the end of the summer term to resolve any outstanding issues.

If you have any queries regarding the balances, please refer to the appended list of frequently asked questions. If you do not find the answer you need, kindly email SchoolsYEAccountsClosedown@Birmingham.gov.uk.

Yours sincerely

Neill Butler

Finance Business Partner

**Schools Closing Balances 2023/24 - Frequently Asked Questions**

1. My opening balance is incorrect?

Opening balances for 2023/24 have been based on agreed closing balances for 2022/23. The Schools Funding Team have been working with schools over the past year to resolve differences in the balances reported by schools and the balance the local authority (LA) closed on. 2022/23 is now closed and no further adjustments can be made in that year. Any unresolved differences must be addressed in 2024/25 and you can contact the Schools Funding Team with your queries by using the form provided.

1. My in-year surplus/deficit is incorrect?

The in-year surplus/deficit depends on what type of school you are.

Cheque Book School – based on the year end template submitted to the Schools Funding Team and the reconciled bank position to the CFR position.

Non-Cheque Book School – based on balances in Oracle as at 31.03.24

EPA School – based on balances in Oracle as at 31.03.24

1. My closing balance is incorrect?

The schools closing balance is made up of

Opening Balance + Income – expenditure +/- year end accruals for all schools.

In closing cheque book schools, the LA have reconciled the closing CFR position back to the school’s bank reconciliation at 31.03.24. If the closing balance is different to what you expected it to be, please contact the Schools Funding Team.

For Non-Cheque Book and EPA Schools, the closing balance is based on Oracle as at 31.03.24.

1. Why are my income figures different to what I expected?

Income from the Local authority for the DSG and other grants has been based on the allocations and actual payments made to the school. In closing the accounts, some miscoding was identified however these have not been corrected in the final CFR.

1. Why are my expenditure figures different to what I expected?

Expenditure for Cheque Book Schools has been taken from the year end workbooks and should therefore agree with the school’s records. For Non-Cheque Book Schools and EPA schools, expenditure has been based on Oracle as at 31.03.24. If you disagree with the figures, please contact the Schools Funding Team using the form provided.

1. Why is the capital income and expenditure different to what I expected?

Capital income and expenditure is based on the opening, in-year and closing balances provided by the Corporate Capital Team. However, where a school had a deficit on the capital reserve, this was rectified by a contribution from the school’s revenue code E30 to balance the accounts. Schools cannot have a capital deficit. Please ensure your local finance records/systems are corrected accordingly.

1. What do I do if I disagree with the closing balances for my school?

If you disagree with the closing balance, you can provide an updated balance in column E on the ‘FINAL OUTTURN 2023-24’. Note, we are unable to change bottom line for both revenue and capital income and expenditure, however, you can update the figures within income and expenditure as long as the total for revenue and capital income and expenditure remain the unchanged.

**Your updated balances must be returned by 22.07.24**. If you do not contact us with any queries by the deadline, we will take this as your agreement to the closing balances for 2023/24. We will be dealing with queries and updating the CFR over the summer and provide you with updated figures by 01.10.24.

1. Why is my opening balance from the Local Authority different to the CFR opening balance in the DfE Schools Financial Benchmarking website?

Following submission of the 2022/23 CFR to the DFE, balances changed in agreement with individual schools. This change has been reflected in the 2023/24 in-year position. The final closing position for 2023/24 is correct.

**For all queries and questions, please email the Schools Funding Team** **SchoolsYEAccountsClosedown@Birmingham.gov.uk** **by 22/07/24.**