

Committee(s):	Date(s):	Item no.
Board of Governors City of London School for Girls	Wednesday, 17 October 2012	
<b>Subject:</b> Revenue Outturn 2011/12		<b>Public</b>
<b>Report of:</b> The Chamberlain The Headmistress		<b>For Information</b>
<p style="text-align: center;"><b><u>Summary</u></b></p> <p>This report compares the 2011/12 revenue outturn for the City of London School for Girls with the final agreed budget for the year. Before transfers to reserves, total net income during the year was £1,242,000 compared to a net income budget of £1,335,000, representing a reduction in net income of £93,000 (3.1%). This reduction in net income is largely due to an increase in temporary staff costs of £63,000 to cover staff sickness.</p> <p>The 2002 funding guidelines report recommended that the General Reserve balance should not exceed 5% of the original estimate of fee income, equating to £470,000 for 2011/12, with any excess transferred to the Capital Reserve Fund. In accordance with these guidelines the transfer to the Capital Reserve Fund was £292,000. The balance in the Capital Reserve Fund as at 31 March 2012 was £1,947,625 (31 March 2011: £1,623,162).</p> <p><b>Recommendations</b></p> <p>It is recommended that this revenue outturn report for 2011/12 is noted.</p>		

### **Main Report**

#### **2011/12 Budget Position compared to Revenue Outturn**

1. Overall, net revenue income for 2011/12 was £1,242,000 compared to an agreed net income budget of £1,335,000, representing a reduction in net income of £93,000 (3.1%) before allowing for any transfers to reserves.

	Final Agreed Budget £000	Revenue Outturn £000	Variations Increase/ (Reduction) £000
Income	(10,109)	(10,086)	23
Expenditure	9,248	9,334	86
Support Services and Capital Charges	1,148	1,166	18
City Corporation Support	(1,622)	(1,656)	(34)
Net income (before transfers)	(1,335)	(1,242)	93
General Balance 1 April	(440)	(440)	-
General Balance 31 March (before transfers)	(1,775)	(1,682)	93
Transfers	1,305	1,212	(93)
General Balance 31 March (after transfers)	(470)	(470)	-

*Note: figures in brackets indicate income or in hand balances, increases in income or decreases in expenditure.*

2. The 2002 funding guidelines report recommended that the General Reserve balance should not exceed 5% of the original estimate of fee income, equating to £470,000 for 2011/12, with any excess transferred to the Capital Reserve Fund. In accordance with these guidelines the final agreed budget included a transfer to the Capital Reserve Fund of £385,000. However, due to the school suffering a reduction in net income of £93,000 during the year, the transfer to the Capital Reserve was reduced to £292,000. The balance in the Capital Reserve Fund as at 31 March 2012 was £1,947,625 (31 March 2011: £1,623,162).
3. The reduction in net income of £93,000 was mainly due to:-
  - i) higher than anticipated employee expenses of £78,000 largely due to an unexpectedly high level of teaching staff sickness, resulting in additional temporary staff costs of £63,000;
  - ii) a reduction in fees and charges income of £45,000 principally due to a fall in tuition fee income of £61,000, as a consequence of a reduction of five pupils, partly offset by an increase in registration fee income of £16,000 following an increased number of pupils being registered for the school's entrance examinations; partly offset by

- iii) an increase in income from the sale of products or materials of £34,000 due to an increase in income of £18,000 from the school's tuck shop and vending machine facilities, and £16,000 from school meals following increased take up.
4. Annex A provides more detailed comparison between the budget and outturn.

### **Designated and Restricted Funds**

5. A summary of designated and restricted funds showing the movements in 2011/12 is attached at Annex B. Overall, total funds have increased by £692,965 to £3,896,965 at 31 March 2012. The main reasons for this increase are as follows:-
- i) an increase in the Capital Reserve Fund of £324,463 principally due to the contribution of £292,000 from revenue as set out at paragraph 2 above;
  - ii) an increase in the Repairs & Maintenance Fund of £316,679. This is mainly due to the planned contribution from revenue of £638,000, partly offset by expenditure of £365,142 in accordance with the agreed programme of works; and
  - iii) income from the Self-Funded Scholarships Fund of £408,125 exceeding the 2011/12 expenditure of £382,340 by £25,785. This is as a result of reductions in values of awards following the annual assessment of parental circumstances and student departures.
6. The balance in the Capital Reserve Fund as at 31 March 2012 was £1,947,625 (31 March 2011: £1,623,162).

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