

## SCHEDULES

### SCHEDULE 2

#### TRANSFER OF MANAGEMENT OF INSTITUTIONS OF FURTHER EDUCATION

##### *Attribution of surpluses and deficits*

**16.**—(1) Not later than such date as the Department may direct, the relevant board and the new governing body shall, in respect of each institution of further education, arrive at a written agreement as to—

- (a) the amount of any surplus or deficit in the accounts of the institution as at the day immediately before the transfer date;
- (b) if there is a surplus, the arrangements for the payment of a sum equal to the amount of that surplus by the relevant board to the new governing body;
- (c) if there is a deficit, the arrangements for the payment of a sum equal to the amount of that deficit by the new governing body to the relevant board.

(2) Where a board and a new governing body have failed to arrive at an agreement as mentioned in sub-paragraph (1), the matter shall be referred to the Department which shall—

- (a) after consulting the board and the new governing body, determine the matter; and
- (b) issue a determination to the board and the new governing body.

(3) A determination under sub-paragraph (2) shall have effect for all purposes as if it were an agreement under sub-paragraph (1).

(4) The board and the new governing body shall provide the Department c with all such information as the Department may require for the exercise of its functions under this paragraph.