



Holy Trinity C of E Primary Academy

Vision Statement

Inspired by and rooted in Christian values and teachings, Holy Trinity CE Primary Academy will provide a caring, sharing environment which affirms the unique importance of each individual. The school will enable everyone to develop their skills, abilities and talents so that all are equipped to take their place as responsible citizens of the world.

POLICY DOCUMENT	Reserves
Status	Required
Legislation	Charities Act
Lead Member of Staff	Headteacher
Lead Governor (Monitoring)	Sam Gaiger
Publication/Revision Date	October 2014
Governor Committee	Finance Sub-committee
Approval Date and by	
Review Frequency	Annual
Date of next review	
Publication Date: Academy Website/ Staff information folder	
Chair of Governing Body signature	
Supporting documents	

1.0 Introduction

- 1.1 Where reserves are held, it is a requirement of the charity accounting regulations that charity trustees must state their reserves policy in their annual report. Further details may be found in Accounting and Reporting by Charities: Statement of Recommended Practice 2005 (Updated 2008); commonly referred to as the Charity SORP. Academy schools, as exempt charities, must comply with these regulations.
- 1.2 Guidance on reserve policies and their reporting requirements is contained in the Education Funding Agency's (EFAs) annual Academies Accounts Direction.

2.0 Reserves Policy

- 2.1 The governors review the reserve levels of Holy Trinity CE Primary Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.
- 2.2 The governors will always try to match income with expenditure in the current year (set and manage a balanced budget), will only carry forward reserves that it considers necessary and will have a clear plan for how it will be used to benefit the pupils.
- 2.3 The governors have determined that the appropriate level of free reserves should be equivalent to two month's payroll cost, approximately £78,472.83. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grant income and to provide a cushion to deal with unexpected emergencies such as urgent maintenance, long term sickness or temporary dip in pupil numbers on roll where unforeseen costs are incurred.
- 2.4 The Academy will monitor the level of reserves to ensure that they are maintained at the required level.
- 2.5 In the event that they are partly used the Academy will strive to rebuild free reserves up to the level needed.

3.0 Document History

Date	Description