



## **Holy Trinity C of E Primary Academy**

### **Vision Statement**

At Holy Trinity CE Primary Academy, inspired by and rooted in Christian values and teaching, we nurture each other to become aspirational, courageous, compassionate, and joyful people.

<b>POLICY DOCUMENT</b>	<b>Reserves</b>
<b>Status</b>	Required
<b>Legislation</b>	Charities Act
<b>Lead Member of Staff</b>	Headteacher
<b>Lead Governor (Monitoring)</b>	Jeremy Shatford
<b>Publication/Revision Date</b>	October 2014
<b>Governor Committee</b>	Premises & Finance Sub-committee
<b>Approval Date and by</b>	
<b>Review Frequency</b>	Annual
<b>Date of next review</b>	01/03/2023
<b>Publication Date: Academy Website/ Staff information folder</b>	
<b>Chair of Governing Body signature</b>	
<b>Supporting documents</b>	

## 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 three 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