



Truro and Penwith
Academy Trust

Reserves Policy

Review Summary

Approved By:	Trust Board
Approval Date:	11 December 2018
Next Review Date:	As Required



Reserves Policy

1. Introduction

The Trustees review the reserve levels of the Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and to ensure sufficiency of resource to meet monthly outgoings. Reserves are held for reinvestment in individual schools, for specific capital projects, curriculum investment and to mitigate the impact of reductions to funding.

Schools maintain their existing level of Reserve from their point of conversion and the Trust allows any in-year surplus to be accrued to their individual reserves.

2. Policy

The Trustees have agreed that reserves should be maintained at or accrued to an individual schools reserve with a view to achieve a level of at least the value of six weeks of the individual schools outgoing costs.

Trustees review reserve levels through the management accounts and their usage when schools propose their annual budgets for approval. Schools are expected to set annual budgets within annual resources without using reserves.

Trustees consider requests from schools to use reserves for specific purposes.

Pooling is currently in operation at Trust level where all Reserves are reported in total in order to balance the overall position.

3. Approval

This policy was considered at the Audit Committee on 28th November 2018 and approved by TPAT Board of Trustees on 11th December 2018.